



SHREYAS

SHIPPING & LOGISTICS LTD

2009-10

22nd Annual Report



SPEEDY RELIABLE SAFE

SHREYAS RELAY SYSTEMS LTD

Green Revolution In Logistics



Experience Personified
Logistics Simplified

TRANSWORLD
GROUP



SHREYAS

SHIPPING & LOGISTICS LTD

22nd ANNUAL REPORT 2009 - 2010

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Letter to Shareholders

Dear Shareholders,

As I share this communiqué with you, I reminisce the arduous 2009 and the effect it had on the global economy. During the year, coping up with the volatility of the economy was more important for each one of us than growth. The overall world output and trade witnessed significant fall in this calendar year. The world container shipping trade had to pass through tough days with all time lows freight rates and time charter rates. The activity of laying up of container vessels had increased in the initial months of 2009 and continued till mid 2009. Major shipping lines across the world posted huge losses.



However, 2010 brings a ray of hope for the global trade community at large. The shipping industry is now looking forward for better days leaving the past behind. It can now be safely said that the worst is over and thus take up new challenges. Growth in the container market is driven by factors such as an increase in exchange of services and goods worldwide, increase in demand for imported goods, liberalization of transportation sector and technological improvements. The growing awareness of energy efficient and environment friendly products among the shippers and consumers are set to generate more opportunities for the trade. There has been an overall increase in consumption and spending across the globe which is a positive indication for improvement in exports and imports and resultantly the container trade. The cargo volumes at major ports in India surged 5.68% in the year 2009-10 as compared to the previous year. Jawaharlal Nehru Port which is the largest container port in India and moves nearly 60% of the country's total containerised cargo, has been able to post growth in container throughput for the current year despite slowdown in the world trade.

Today, with great pride and accomplishment I wish to share with you that Shreyas has been able to get over this phase and emerge successfully. Shreyas has put up a satisfactory performance in a fairly challenging environment. During the year, although Shreyas has posted a Net Loss of Rs.20.47 crore, the consolidated cash profit of Shreyas is Rs. 2.91 crore (excluding loss on sale of ship Rs. 6.13 crore) which is significant achievement given the global economic background. We will continue with our quest to strike new paths. We will continue to provide safe, reliable and cost effective transportation and offer customized transportation solutions to our clients.

I take this opportunity to thank our shareholders and business partners for the trust they have placed in us and your confidence and unflinching belief in our ability to deliver value. We believe your faith is well-founded and that together we will impact the logistics industry. Your continued support would further strengthen our hands as we set out to scale new heights of performance. I also thank my colleagues on the Board, whose support and leadership has been invaluable. Employees are the backbone of any organization. It is their unstinted effort and co-operation that has helped Shreyas achieve what it has today and reach greater heights.

I also take this opportunity to recognise the support of our customers, suppliers, all regulatory authorities, our bankers, auditors, consultants, other business associates and legal advisors/counsels.

I would like to assure you that all our efforts will be directed towards strong growth in the future.

Mumbai

24th May, 2010

S. Ramakrishnan

Chairman & Managing Director



SHREYAS
SHIPPING & LOGISTICS LTD

BOARD OF DIRECTORS

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

MANAGEMENT TEAM

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

Bankers

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

Statutory Auditors

PKF Sridhar & Santhanam

Registered office

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

Registrar & Share Transfer Agent

Link Intime India Pvt. Ltd.
C-13, Pannalal Silk Mills Compound,
L. B. S. Marg, Bhandup (West),
Mumbai - 400 078.
Tel: 25946970
Fax: 25946969

Internal Auditors

Transworld Management Consultancy Pvt. Ltd.

Administrative office

2nd Floor, Sahyadris, Geetmala Complex,
Near Shah Industrial Estate,
Opp. Deonar Village Road,
Govandi (E), Mumbai - 400 088.
Tel. No. 66220300
Fax. No.: 66220444

Notice

NOTICE is hereby given that the Twenty Second Annual General Meeting of the Members of *Shreyas Shipping and Logistics Limited* will be held on Tuesday, 21st September, 2010 at 11.00 a.m. at Sivaswamy Auditorium of Fine Arts Cultural Centre, 61/21 R. C. Marg, Opp. Vijaya Bank, Chembur, Mumbai – 400 071 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Profit & Loss Account for the year ended on 31st March, 2010 and the Balance Sheet as at that date together with the Reports of the Board of Directors and Auditors thereon.
2. To declare a dividend on Preference Shares.
3. To appoint a Director in place of Mr. Leonard Basil Culas, who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Krishnanath Pandurang Medhekar, who retires by rotation and, being eligible, offers himself for re-appointment.
5. To appoint M/s. PKF Sridhar & Santhanam, Chartered Accountants, as the Auditors of the Company to hold office from the conclusion of this Annual General Meeting upto the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS

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

"RESOLVED THAT in partial modification of special resolution passed at 21st Annual General Meeting of the Company and subject to the provisions of sections 198, 269, 309, 310, 311, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, and/ or the guidelines for Managerial Remuneration issued by the Central Government from time to time, the Board of Directors hereby approves the remuneration package as set out below for Mr. V. Ramnarayan; Executive Director, with effect from 1st April, 2010 with a liberty to the Board to vary the remuneration package as may be agreed between the Board and Mr. V. Ramnarayan, Executive Director:

(a) Salary:

NIL

(b) Other benefits / perquisites:

1. Provision of transportation /conveyance facilities.
2. Provision of telecommunication facilities.
3. Leave encashment as per rules of the Company.
4. Reimbursement of medical expenses incurred for himself and his family as per rules of the Company.
5. Reimbursement of entertainment and other expenses actually and properly incurred for the business of the Company as well as other expenses incurred in the performance of duties on behalf of the Company.
6. Personal accident / Medclaim insurance.

(c) Sitting fees:

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

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

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



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

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

"RESOLVED that in accordance with and subject to the provisions of Section 81, and all other applicable provisions, if any, of the Companies Act, 1956, Foreign Exchange Management Act, 1999 (including any statutory modification(s) or re-enactment thereof for the time being in force), and the applicable Rules, Guidelines, Regulations, Notifications and Circulars, if any, of the Securities and Exchange Board of India (SEBI), Reserve Bank of India (RBI) and other concerned and relevant authorities, and other applicable laws, if any, and relevant provisions of Memorandum and Articles of Association of the Company and subject to such approval(s), consent(s) permission(s) of Government of India (GOI), RBI, SEBI and any other appropriate authorities, institutions or bodies, as may be necessary and subject to such conditions as may be prescribed by any of them while granting any such approval, consent, permission or sanction and agreed by the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall be deemed to include any committee of the Board for the time being, exercising the powers conferred on the Board) the Company is hereby authorised to create, offer, issue and allot either in India or in the course of international offering(s), in one or more foreign markets, such number of Global Depository Receipts (GDRs), American Depository Receipts (ADRs), Foreign Currency Convertible Bonds (FCCBs), Equity Shares (through Depository Receipt Mechanism), Equity Shares by way of Rights Issue, Fully convertible Debentures / Partially Convertible Debentures, Preference Shares and / or any Other Financial Instrument (OFIs) convertible into Equity Shares or otherwise, in the registered or bearer form or any security convertible in or linked to Equity Shares and / or securities with or without detachable warrants with right exercisable by the warrant holders to convert or subscribe to Equity Shares (hereinafter collectively referred to as "Securities") or any one or combination of such Securities, in one or more tranches, whether rupee denominated or denominated in foreign currency, to any person, including foreign/resident investors (whether institutions, incorporated bodies, mutual funds, individuals or otherwise), Foreign Institutional Investors, Indian / Multilateral Financial Institutions, Mutual Funds, Banks, Insurance Companies, Pension Funds, Non-Resident Indians and / or any other categories of investors, whether they be holders of shares of the Company or not (collectively called the "Investors") for a value of upto Rs. 100 crores (Rupees one Hundred Crores only) through Rights Issue, public issue(s), preferential issue, private placement(s) or a combination thereof through prospectus, offer document, offer letter, offer circular or otherwise, at such time or times, at such price or prices, at a discount or premium to market price or prices in such manner and on such terms and conditions including security, rate of interest etc. as may be deemed appropriate by the Board at its absolute discretion including the discretion to determine the categories of Investors to whom the offer, issue and allotment shall be made to the exclusion of all other categories of Investors at the time of such offer, issue and allotment considering the prevailing market conditions and other relevant factors and wherever necessary in consultation with Lead Managers, as the Board at its absolute discretion may deem fit and appropriate.

FURTHER RESOLVED THAT the Directors of the Company and the following Authorised Officers Viz. Mr. S. Ramakrishnan; Chairman & Managing Director, Mr. V. Ramnarayan; Executive Director, Mr. S. Mahesh; Director, Mr. L. B. Culas; Director and Mr. Vinay Kshirsagar; Chief Financial Officer be and are hereby severally authorised to do all such acts, deeds, matters and things as they may at their discretion deem necessary for such purpose including without limitation to the utilisation of issue proceeds, finalise the pricing, terms and conditions relating to the issue of aforesaid Securities including amendments or modifications thereto as may be deemed fit by them, to sign, execute and issue consolidated receipt/s for the Securities, listing application, various agreements (including but limited to subscription agreement, Depository agreement), undertaking, deeds, declarations and all other documents and to do all such things, deeds and acts and to comply with all the formalities as may be required in connection with and incidental to the aforesaid offering of Securities including for the post issue formalities and with power to settle any question, difficulties or doubts that may arise in regard to any such issue or allotment of the securities as they may in their absolute discretion deem fit.

FURTHER RESOLVED THAT the Directors of the Company and any Authorised Officers of the Company mentioned hereinabove be and are hereby severally authorized to appoint and further enter into and execute all such arrangements / agreements as may be required by Managers (including Lead Managers), Merchant Bankers, Underwriters, Guarantors, Financial and/or Legal Advisors, Depositories, Custodians, Principal Paying/ Transfer/ Conversion Agents, Listing Agents, Registrars, Trustees and all such agencies as may be involved or concerned in such international / domestic offerings of Securities and to remunerate all such agencies including the payment of commissions, brokerage, fees or the likes, and also to seek the listing of such Securities or Securities representing the same in one or more Stock exchanges whether in India or outside India, as may be required by applicable laws.

FURTHER RESOLVED THAT the preliminary as well as the final offering memorandum for the aforesaid issue be finalised, approved and signed by any one or two Directors of the Company and any Authorised Officers of the company mentioned hereinabove, for and on behalf of the Company with authority to amend, vary, modify the same as may be considered desirable or expedient and for the purpose aforesaid to give such declarations, affidavits, certificates, consents, authorities as may be required from time to time.

FURTHER RESOLVED THAT the Directors of the Company or any Authorised Officers of the company mentioned hereinabove, be and are hereby severally authorized to enter into any arrangement with any agency or body for issue of Depository Receipts representing the underlying equity shares to be issued by the Company in registered or bearer form with such features and attributes as are prevalent in international capital markets for instruments of this nature and to provide for the tradeability or free transferability thereof as per the international practices and regulations and under the forms and practices prevalent in the International markets.

FURTHER RESOLVED THAT the Board of the Company be and is hereby severally authorised to issue and allot such number of Equity Shares as may be required to be issued and allotted upon conversion of any Securities referred to herein above or as may be necessary in accordance with the terms of the offering, all such shares to rank pari passu with the existing Equity Shares of the Company in all respects as may be provided under the Terms of the Issue and in the Offering Document.

FURTHER RESOLVED THAT the Board of the Company be and is hereby severally authorised to open one or more Bank accounts in the name of the Company in Indian currency or foreign currency(ies) with such Bank or Banks in India and/ or such foreign countries as may be required in connection with the aforesaid issue, and that the Directors of the Company severally and any two Authorised Officers of the Company, jointly, be and are hereby authorised to sign and execute the application form and other documents required for opening the account, to operate the said account, and to give such instructions including closure thereof as may be required and deemed appropriate by these signatories, and that the said Bank/s be and is/are hereby authorized to honor all cheques and other negotiable instruments drawn, accepted or endorsed and instructions given by the aforesaid signatories on behalf of the Company.

FURTHER RESOLVED that Mr. S. Ramakrishnan and Mr.V. Ramnarayan and be and are hereby appointed to constitute a Committee of the Board of Directors to deal with the issue, offer and allotment pursuant to this resolution and to do all such acts, deeds, matters and things as may be necessary or expedient to give effect to this resolution and that the Committee be directed to keep complete records of the issue and comply with the statutory provisions in respect thereof.

FURTHER RESOLVED that the Common seal of the Company be affixed on such deeds, documents, agreements, as may be required in connection with the proposed issue in the presence of either of the Directors and the same be countersigned by Ms. Namrata Malushte; Company Secretary or Mr. Vinay Kshirsagar; Chief Financial Officer.

24th May, 2010

By Order of the Board of Directors

Registered Office:

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

Namrata Malushte
Company Secretary

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND VOTE ON HIS BEHALF ON A POLL ONLY. A PROXY NEED NOT BE A MEMBER OF THE COMPANY.

Proxy form, in order to be effective, must be deposited at the Registered Office of the Company not less than 48 hours before the time of the Meeting.

2. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of Special Business as set out above, is annexed hereto.
3. Profiles of the Directors retiring by rotation and Directors being appointed, as required by Clause 49(IV)(G)(i) of the Listing Agreement entered into with the Stock Exchanges, are given in the Report on Corporate Governance forming part of the Directors' Report.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 13th September, 2010 to 21st September, 2010 (both days inclusive).
5. Members are requested to:
 - (a) Notify any change in their address to the Registrar and Share Transfer Agent, M/s. Link Intime India Pvt. Limited; C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai – 400 078, in case of Members holding shares in physical form and update such details with their respective Depository Participants, in case of Members holding shares in electronic form.
 - (b) Bring their attendance slips alongwith the copies of the Annual Report to the Meeting.

6. Pursuant to the provisions of Section 205 of the Companies Act, 1956, the Company has already transferred the unclaimed / unpaid dividend declared upto and including the financial year ended 31st March, 1995 to the General Revenue Account of the Central Government as required by the Companies Unpaid Dividend (Transfer to the General Revenue Account of the Central Government) Rules, 1978. Shareholders who have so far not claimed or collected their dividends upto the aforesaid financial year are requested to forward their claims in the prescribed Form II of the Companies Unpaid Dividend (Transfer to the General Revenue Account of the Central Government) Rules, 1978 to:

Office of the Registrar of Companies
Central Government Office Building
"A" Wing, 2nd floor
CBD Belapur, Navi Mumbai, Maharashtra – 400 614

In terms of the provisions of Sections 205A and 205C of the Companies Act, 1956, as amended, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of transfer to the unpaid dividend account, is required to be transferred to the Investor Education and Protection Fund established by the Central Government (hereinafter referred to as the 'said Fund'). Accordingly, unclaimed / unpaid dividend for the financial years ended 31st March, 1996 and 31st March, 1997 and period ended 30th September, 1998, year ended 31st March, 1999, 31st March, 2001 and 31st March, 2002 has been transferred to the said Fund.

Unclaimed dividend for the financial year ended 31st March, 2004, and thereafter (wherever declared) is still lying with the Company. The Members, who have not yet encashed the dividend warrants for the financial years ended 31st March, 2004, 31st March, 2005 (interim and final dividend), 31st March, 2006 (interim and final dividend) and 31st March, 2007 (interim dividend), 31st March, 2008 are requested to send claims to the Company, if any, before the respective amounts become due for transfer to the said Fund. **No claim shall lie against the Company or the said Fund after transfer as mentioned above.**

7. All documents referred to in the above Notice and the accompanying Explanatory Statement are open for inspection at the Registered Office of the Company on all working days (except Saturdays, Sundays and holidays) between 10.00 a.m. and 12.30 p.m. up to the date of the Annual General Meeting.
8. Members holding shares under multiple folios in the identical order of names are requested to consolidate their holdings into one folio.
9. Members who hold Shares in physical form can nominate a person in respect of Shares held by them singly or jointly pursuant to the provisions of Section 109A of the Companies Act, 1956. Members who hold Shares in a single name are advised, in their own interests, to avail of the nomination facility by completing and submitting Form no.2B, in duplicate, to the Company's Registrar and

Share Transfer Agent, M/s. Link Intime India Pvt. Limited. Blank forms will be supplied by M/s. Link Intime India Pvt. Limited on request. Form No.2B can also be downloaded from the website of the Company at www.shreyas.co.in under the section 'Investors Area'. Members holding Shares in the dematerialised form may contact their Depository Participant for recording the nomination in respect of their Shares.

10. Members desirous of getting any information about the Accounts and / or Operations of the Company are requested to address their queries to the Company Secretary at least seven days in advance of the Meeting so that the information required can be made readily available at the Meeting.

24th May, 2010

By Order of the Board of Directors

Registered Office:

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

Namrata Malushte
Company Secretary



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

Item No. 6

Mr. V. Ramnarayan is a promoter Director of the Company. He was appointed as an Executive Director of the Company for period of five years w.e.f. 13th January, 2009 by the Board of Directors vide circular resolution dated 13th January, 2009 and the same was confirmed by shareholders at 21st Annual General Meeting of the Company. Mr. V. Ramnarayan is 61 years of age. He is a graduate in Science from University of Mumbai with Post Graduate Diploma in Business Management. He has over 30 years of experience in the container shipping industry. He has to his credit the handling experience of the first container service which commenced from India. His experience covers all aspects of shipping.

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

(a) Salary:

NIL

(b) Other benefits / perquisites:

1. Provision of transportation /conveyance facilities.
2. Provision of telecommunication facilities.
3. Leave encashment as per rules of the Company.
4. Reimbursement of medical expenses incurred for himself and his family as per rules of the Company.
5. Reimbursement of entertainment and other expenses actually and properly incurred for the business of the Company as well as other expenses incurred in the performance of duties on behalf of the Company.
6. Personal accident / Medclaim insurance.

(c) Sitting fees:

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

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

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

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

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

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

Item No. 7

Your Company presently owns 4 vessels. The Company is currently in the business of feeder, chartering and domestic logistics services. It has a presence in the Indian sub continent.

Shipping being cyclical in nature depends on the global demand and supply. In order to accelerate the growth, the Company proposes to acquire vessels. The prices of the vessels have softened in the recent which warrants acquisitions of vessels. These acquisitions will help the Company to reduce its average fleet age and expand in various regions.

This enabling Special Resolution seeks to empower the Board of Directors to create, offer, issue and allot either in India or in the course of international offering(s), in one or more foreign markets, such number of Global Depository Receipts (GDRs), American Depository Receipts (ADRs), Foreign Currency Convertible Bonds (FCCBs), Equity Shares (through Depository Receipt Mechanism), Equity Shares by way of Rights Issue, Fully convertible Debentures / Partially Convertible Debentures, Preference Shares and / or any Other Financial Instrument (OFIs) convertible into Equity Shares or otherwise, in the registered or bearer form or any security convertible in or linked to Equity Shares and / or securities with or without detachable warrants with right exercisable by the warrant holders to convert or subscribe to Equity Shares (hereinafter collectively referred to as "Securities") or any one or combination of such Securities, in one or more tranches, whether rupee denominated or denominated in foreign currency, to any person, including foreign/resident investors (whether institutions, incorporated bodies, mutual funds, individuals or otherwise), Foreign Institutional Investors, Indian / Multilateral Financial Institutions, Mutual Funds,

Banks, Insurance Companies, Pension Funds, Non-Resident Indians and / or any other categories of investors, whether they be holders of shares of the Company or not (collectively called the "Investors") through Rights Issue, public issue(s), preferential issue, private placement(s) or a combination thereof through prospectus, offer document, offer letter, offer circular or otherwise, at such time or times, at such price or prices, at a discount or premium to market price or prices in such manner and on such terms and conditions including security, rate of interest etc. as may be deemed appropriate by the Board at its absolute discretion including the discretion to determine the categories of Investors to whom the offer, issue and allotment shall be made to the exclusion of all other categories of Investors at the time of such offer, issue and allotment considering the prevailing market conditions and other relevant factors and wherever necessary in consultation with Lead Managers, as the Board at its absolute discretion may deem fit and appropriate for a value of upto Rs. 100 crores (Rupees one Hundred Crores only).

As and when the Board takes a decision on the above matters, necessary disclosures shall be made to the stock exchanges under the provisions of the Listing Agreement.

The Special Resolution, if passed, will have the effect of allowing the Board to issue and allot Securities to the investors who may or may not be the existing shareholders of the Company.

Directors of the Company may be deemed to be concerned or interested in the passing of the resolution to the extent of the securities held by them in the Company. Save as aforesaid none of the Directors in any way are interested in this resolution.

The Board of Directors recommends the resolution set out in Item no. 7 for the approval of the Shareholders as Special Resolution.

24th May, 2010

By Order of the Board of Directors

Registered Office:

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

Namrata Malushte
Company Secretary

Directors' Report

Your Directors are pleased to present the Twenty Second Annual Report and the audited accounts for the financial year ended 31st March, 2010.

FINANCIAL PERFORMANCE

	(Rs. in Lacs)	
	Current Year ended 31.03.2010	
	Previous Year ended 31.03.2009	
Operating Income	9845.57	14922.80
Other Income	(386.89)	3061.77
Profit before Interest, Depreciation and Tax	(522.44)	3999.65
Less: Interest	313.33	825.14
Depreciation	1157.86	1334.73
Profit before Tax and Prior Year Adjustment	(1993.63)	1836.11
Add / Less: Extraordinary items	-	-
Less: Prior Year Adjustment	-	3.67
Less: Provision for Current Taxation and Fringe Benefit tax	53.76	320.39
Provision for Prior Year Tax	-	16.51
Profit after Tax and Exceptional Items	(2047.39)	1499.20
Add: Balance brought forward from previous year	5455.40	4454.71
Amount available for appropriation	3408.01	5953.92
Appropriations:		
Transfer to General Reserve	-	-
Transfer to Capital Redemption Reserve	110.00	390.00
Transfer to Tonnage Tax Reserve	-	-
Preference Dividend paid	-	18.13
Tax on dividend paid	-	3.08
Proposed Equity Dividend	-	-
Tax on Equity Dividend	-	-
Proposed Preference Dividend	77.88	74.62
Tax on Preference Dividend	12.94	12.68
Balance carried to Balance Sheet	3207.20	5455.40

DIVIDEND

The Board of Directors does not recommend a Dividend on the Equity shares for the current financial year. However the Board of Directors recommends a dividend of Rs.8.20 per Preference share (8.20%; previous year total dividend: 8.20%). This Dividend is subject to the approval of the Members at the Twenty second Annual General Meeting to be held on Tuesday 21st September, 2010.

The payment of dividend on Preference shares will entail a cash outflow of Rs. 90.82 lacs including dividend distribution tax.

REVIEW OF OPERATIONS

Shreyas' performance during the year has been largely influenced by the rising fuel prices, lower charter hire rates and freight rates. These factors were beyond the control of the Management. Despite this, Shreyas has put up a satisfactory performance in fairly

challenging environment. During the year, although Shreyas has posted a Net Loss of Rs. 20.47 crore, it has been able to make decent cash profits against huge business losses posted by international shipping giants. Shreyas Relay Systems Limited, wholly owned subsidiary, which is the front end for the logistics activity of the Company has made a Net profit of Rs. 6.09 crore. Therefore after excluding the depreciation of Rs. 11.58 crore, the consolidated cash profit of Shreyas is Rs. 2.91 crore (excluding loss on sale of ship Rs. 6.13 crore) which is significant achievement given the global economic background.

The Company presently operates on the West coast and South coast. Considering the prospects in the domestic market, the Company has, with a view to expand its base, commenced services to newer ports like Pipavav and Mangalore. The Company has also

introduced newer commodities in its trade. Out of the total volumes carried during the year by Shreyas, 50.11% were logistics volumes and balance 49.89% were feeder volumes. In view of the improvement in the container trade, the Company recommenced its Regional services. This has helped Shreyas in two ways i.e growth in top line numbers and reduction in bunker cost.

MANAGEMENT DISCUSSION AND ANALYSIS

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

TRANSFER TO THE INVESTOR EDUCATION AND PROTECTION FUND

In terms of Section 205C of the Companies Act, 1956 an amount of Rs. 2.51 lacs being unclaimed dividend for the year ended 31st March, 2002 was transferred during the year to the Investor Education and Protection Fund established by the Central Government.

QUALITY

Quality, integrity and safety have been core to the Company. We firmly believe that the pursuit of excellence is one of the most critical components for success in the competitive market and therefore, consistently strive to adhere to the highest quality standards. Shreyas has been re-certified by DNV Quality Registrar in accordance with the Standard ISO 9001:2008 upto 31st October, 2012.

Moving forward, the Company shall continue to further strengthen its processes by adopting best-in-class standards.

FIXED DEPOSITS

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

DIRECTORS

Mr. L. B.Culas and Mr. K.P. Medhekar retire by rotation at the ensuing Annual General Meeting, and being eligible, offer themselves for re-appointment.

Mr. Bherulal Chaudhary has resigned as a Director with effect from 17th July, 2009.

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

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

SUBSIDIARY COMPANY

In compliance with the provisions of Section 212 of the Companies Act, 1956, the audited statement of accounts alongwith the Directors' and Auditors' report for the year ended 31st March, 2010 of Shreyas Relay Systems Ltd, the wholly owned subsidiary and Haytrans (India)

Ltd, the subsidiary of the Company are annexed.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 217(2AA) of the Companies Act, 1956, the Directors confirm that, to the best of their knowledge and belief, in respect of the year ended on 31st March, 2010;

- a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) appropriate accounting policies have been selected and applied consistently, and such judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2010 and of the profit of the Company for the year ended on 31st March, 2010;
- c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- d) the annual accounts have been prepared on a 'going concern' basis.

CORPORATE GOVERNANCE

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

AUDITORS

M/s. PKF Sridhar & Santhanam, Chartered Accountants, retire at the conclusion of the 22nd Annual General Meeting and offer themselves for re-appointment. A Certificate from the Auditors has been received to the effect that their re-appointment, if made, would be within the limits prescribed under Section 224(1B) of the Companies Act, 1956.

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

correct and helps reflect a true and fair view of profit of the year.

COST AUDIT

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

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

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

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

	Rs. in Lacs (2009-10)
(i) Foreign exchange earnings including proceeds on sale of ship (on accrual basis)	2,845.92
(ii) Foreign exchange outgo including operating components and spare parts and other expenditure in foreign currency (on accrual basis)	4,769.09

PERSONNEL

Information as per section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, forms part of this Report. However, as per the provisions of section 219(1)(b)(iv) of the said Act, this Report and the Accounts Statement

are being sent to all Shareholders excluding the Statement of Particulars of Employees under section 217(2A). Any Shareholder interested in obtaining a copy of the statement may write to the Company Secretary at the Registered Office of the Company.

ACKNOWLEDGMENTS

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

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

For and on behalf of the Board of Directors

Place : Mumbai
Date : 24th May, 2010

S. Ramakrishnan
Chairman & Managing Director

Management's Discussion and Analysis

(Annexure I to the Directors' Report)

Industry review

Container Shipping

The economic meltdown across the globe has brought to bear tough days for the companies in the container shipping segment in the year 2009. Although the drop in the global freight rates and time charter rates had been severe and the revival appeared tough, there seems to be some light at the end of the tunnel. Towards the end of 2009, the container shipping industry has shown some signs of recovery. There has been marginal increase in the freight rates. This increase in freight rates is a positive indication of the improvement in the global trade and signifies that with the gradual fading of the recessionary pressures, economic activities are picking up momentum in India and abroad.

With a number of bookings for ship building, the industry faced the difficulty of excess fleet capacity in use. The growth in tonnage was not in proportion with the growth in fleet capacity thereby leaving an unutilized capacity. However the sudden spur in the ship breaking industry has been a savior for the ship owners. The ship breaking yard in Alang reported that a total of 370,000 teus of containership capacity has been scrapped in 2009, which is equivalent to the total capacity scrapped over the past decade.

The container shipping industry is now rapidly bringing a slew of container ships out of lay up to cope with demand. The data released by the Indian Ports Association indicated that among the 12 gateway hubs, 7 hubs reported significant gains in the overall traffic movements. Jawaharlal Nehru Port which is the largest container port in India and moves nearly 60% of the country's total containerised cargo, has been able to post growth in container throughput for the current year despite slowdown in the world trade. The consolidated throughput for the current year was estimated at 560.7 million tons which in the previous year was 530.5 million tons. As per the statistics released by the Indian Ports Association, the cargo volumes at major ports in India surged 5.68% in the year 2009-10 as compared to the previous year.

Experts accredit the public-private partnership (PPP) model in port development activities as one of the major factors behind ports registering growth in traffic handled. The Port authorities have elevated the infrastructure of the ports, which has, in a way, helped handling huge volumes of cargo. Another major factor that has bolstered the traffic handling capacity of major ports is easing of custom clearance norms resulting in quick clearance of cargoes. This in turn has helped in the reduction of port congestion.

Logistics

The Indian logistics sector, which was pegged at US\$75.19 billion in 2009, has greatly evolved with enhancement and improvisation of

logistics services. In the past, logistics was limited to movement of goods through rail, road and waterways from restricted number of cities and ports. Presently, logistics services have expanded by leaps and bounds to include warehousing, storage, packaging, disposal, tracking, supply chain management and much more. The logistics industry in India is a big value chain and is poised to embark on a sustainable growth trajectory over the next few years. Logistics industry is therefore considered as the sunrise industry in India.

In India, 3PL market is currently in its early growth stages as these services are mainly being used by multinational companies in all industries. However, having learnt the several benefits enjoyed by these companies, numerous small to medium companies are also preparing to use 3PL services in their logistics functions, resulting in tremendous potential for the 3PL market in India. The third party logistics market is anticipated to grow at a CAGR of nearly 25% during 2010-2012.

Performance review of Shreyas

Shreyas' performance during the year has been largely influenced by the rising fuel prices, lower charter hire rates and freight rates. These factors were beyond the control of the Management.

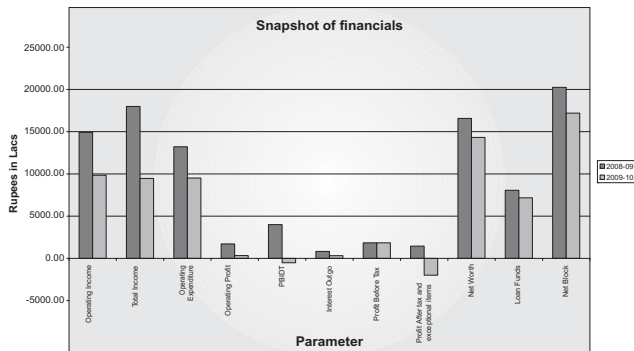
Shreyas has put up a satisfactory performance in fairly challenging environment. During the year, although Shreyas has posted a Net Loss of Rs. 20.47 crore, it has been able to make decent cash profits against huge business losses posted by international shipping giants. Shreyas Relay Systems Limited, wholly owned subsidiary which is the front end for the logistics activity of the Company has made a Net profit of Rs. 6.09 crore. Therefore after excluding the depreciation of Rs. 11.58 crore, the consolidated cash profit of Shreyas is Rs. 2.91 crore (excluding loss on sale of ship Rs. 6.13 crore) which is significant achievement given the global economic background.

The Company presently operates on the West coast and South coast. Considering the prospects in the domestic market, the Company has, with a view to expand its base, commenced services to newer ports like Pipavav and Mangalore. The Company has also introduced newer commodities in its trade. Out of the total volumes carried by Shreyas during the year, 50.11% were logistics volumes and balance 49.89% were feeder volumes. In view of the improvement in the container trade, the Company recommenced its Regional services. This has helped Shreyas in two ways i.e growth in top line numbers and reduction in bunker cost.

We give below a snapshot of the salient features of the Company's stand-alone performance during 2009-10 vis-à-vis the performance during 2008-09:

- Total Income decreased from Rs. 17,984.57 lacs to Rs. 9,468.68 lacs.
- Interest cost reduced from Rs. 825.14 lacs to Rs. 313.33 lacs.
- Depreciation reduced from Rs.1,334.73 lacs to Rs. 1,157.86 lacs.
- Profit before extraordinary and exceptional items and tax decreased from Rs.1,836.11 lacs to loss of Rs. 1,993.63 lacs.

- Profit After Tax decreased from Rs. 1499.20 lacs to loss of Rs. 2047.39 lacs.



Outlook on opportunities

Container Shipping

The Shipping Ministry plans to augment the overall capacity to 1 billion tons by 2012, from the existing 575 million tons. With this, major ports are expected to handle about 800 million tons of cargo by 2014-2015. The growing awareness of energy efficient and environment friendly products among the shippers and consumers complimented with the government initiatives and legislation are set to generate more opportunities in the market.

Currently, the containerisation level in India is at around 51%, compared to 80% globally, which indicates that there still exists room for growth driven by an improvement in infrastructure. Notably, the share of containerisation traffic registered substantial improvement in the last two years, increasing by 500-700bp despite the slowdown in trade in FY2009. This can be attributed to customers' preference for containerisation, as it reduces the handling costs. The ratio of 51% is expected to increase to 62-65% over the next five years.

Logistics

As the Indian logistics market is becoming more globally integrated and competitive, numerous companies would turn towards outsourcing of the entire logistics function to minimum possible number of entities in the aim to limit administrative burden. In such a scenario, companies which can provide an entire range of required services would stand a great chance to attract businesses.

The Indian logistics industry is poised to grow robustly in coming year on the back of third party logistics services providers and the development of logistics parks. However the service providers should focus on reducing their cycle time to add more value to the customers. A fast-track implementation of all key infrastructure projects can pave the way for better logistics management in the country.

In this era of globalization, India is witnessing an increasing demand for the 3PL (third party logistics) business with companies now concentrating on managing their supply chain mechanisms in a better

way as well as to deepen their market penetration. Continued improvement in logistic infrastructure and increasing awareness about efficient logistic practices have led 3PL services to be perceived as a far better way of controlling both internal and external logistic processes.

The Indian 3PL services market is nowhere in comparison with the developed markets where use of 3PL services account for over 50% of the total logistic cost. Despite this, the market in India is full of opportunities as compared to these developed markets, all because of the infrastructural development such as ports, highways, bridges as well as increasing connectivity and rising significance of logistic services in the country.

Outlook on Threats, Risks and Concerns

Shipping

Even if the present berthing and handling capacities at the Indian ports have improved since the past, they are far behind their international counterparts. The shipping industry needs a recognition as a critical infrastructure segment in order to receive due importance in terms of investments.

The key for growth of any developing country is the availability of infrastructure within the country. A country like India has enormous potential for growth in terms of economy, manpower, brain power, technology coupled with cost effectiveness. Hence the upgradation of port infrastructure is highly imperative for the growth of the Indian shipping sector.

Shortage of seafarers continues to pose serious problems for the Indian shipping companies. The industry will also be faced with challenges such as fewer repair yard slots, the shortage of officers, soaring bunker costs, multiplicity of regulations, infrastructure constraints.

The factors affecting the industry are mainly the high prices of bunker (duty-paid) and operational costs under Indian flag and Indian registry. There are numerous tax regimes involved. There is a further difficulty in attracting shipboard staff for coastal operations. Manning costs of Indian registered coastal vessels are extremely high which also needs attention. Lack of container handling facilities at minor ports, and restrictions, are additional major operational issues.

Logistics

Logistics costs are estimated to be as high as 13-14 per cent of the GDP compared with seven-eight per cent in the developed countries. And at a GDP of over \$1 trillion, this represents a cost disadvantage of over \$50 billion in logistics in the country. Thus fragmented logistics is one of the key issues for the Indian logistics sector. This is a result of the lack of industry status for the logistics sector.

Development in the logistics sector needs planning and vision to make it integrated. India has bits and pieces of the sector that are mature, while certain areas are not as developed. These gaps are creating bottlenecks and have to be fixed fast.

Growth in multi modal transport is also crucial for reducing the logistics cost of Indian trade. As trade in manufactured cargo increases, there

would be rising demand for multi-modal services. At present, the cost of switching from one mode to the other is high as different modal nodes are far away from each other. Logistics infrastructure development needs to be planned in a manner that such exchanges are facilitated with ease.

For the growth of the domestic logistics industry, the development of extensive road network along with hinterland connectivity, rapid implementation of the dedicated rail freight corridors, capacity expansion beyond the major ports sector and establishment of modern cargo handling facilities at airports are some of the niche areas to be looked into.

Internal control systems and their adequacy

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

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

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

Human resources

As on 31st March, 2010, the Company had 27 shore staff and 293 floating staff.

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

Cautionary statement

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

For and on behalf of the Board of Directors

Place : Mumbai
Date : 24th May, 2010

S. Ramakrishnan
Chairman & Managing Director

Report on Corporate Governance

(Annexure II to the Directors' Report)

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

I. Corporate Governance Philosophy and Practice

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

II. Board of Directors

Composition of Board of Directors

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

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

Name of the Director	Category of Directorship ¹	Number of Board meetings attended out of five held during the year 2009-2010	Attendance at the last AGM (25.09.09)	No. of Directorships in other public limited companies as on 31.03.2010	No. of Committee positions held in other public limited companies as on 31.03.2010 ²	
					Chairman	Member
Mr. S. Ramakrishnan ³ Chairman & Managing Director	ED	4	No	13	NIL	NIL
Mr. V. Ramnarayan Executive Director	ED	5	Yes	13	NIL	1
Mr. S. Mahesh ³ Director	NED (NI)	3	No	10	NIL	1
Mr. L. B. Culas Director	NED (NI)	3	Yes	1	NIL	NIL
Mr. K. P. Medhekar Director	NED (I)	3	Yes	2	NIL	NIL
Capt. P. P. Radhakrishnan Director	NED (I)	5	No	3	NIL	2
Mr. Amitabha Ghosh Director	NED (I)	3	Yes	13	4	5
Mr. S. Ragothaman Director	NED (I)	5	Yes	6	2	2
Mr. D. T. Joseph Director	NED (I)	3	No	8	1	3
Mr. Bherulal Chaudhary Director (Resigned w.e.f. 17 th July, 2009.)	NED (I)	1	N.A	N.A.	N.A.	N.A.

Notes:

1. Category of Directorship:

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

2. As required by Clause 49 of the Listing agreement entered into

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

3. Mr. S. Ramakrishnan and Mr. S. Mahesh are brothers.

Number of Board Meetings

Five Board meetings were held during the year ended on 31st March, 2010. These were on 22nd April, 2009, 17th June, 2009, 21st July, 2009, 30th October, 2009 and 28th January, 2010 .

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

Information supplied to the Board

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

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

Code of Conduct

All Board members and the Senior Management personnel of the Company have affirmed compliance with the Code of Business Conduct and Ethics of the Company during the year ended 31st March, 2010. The said Code has been posted on the website of the Company, i.e., www.shreyas.co.in.

III. Audit Committee of Directors (Audit Committee)

Composition

The present composition of the Audit Committee is as follows:

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

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

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

Terms of reference

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

The Committee, inter alia, has reviewed the financial statements including Auditors Report for the year ended 31st March, 2010 and has recommended its adoption, records of related party transactions, reports related to compliance of laws and risk management and the financial statements of the subsidiary companies.

Meetings and attendance during the year

Sr. No.	Name of Director	Meetings / Attendance			
		17.06.2009	21.07.2009	23.10.2009	27.01.2010
1	Mr. Amitabha Ghosh	Present	Present	Present	Present
2	Mr. K. P. Medhekar	Present	Absent	Absent	Present
3	Capt. P. P. Radhakrishnan	Present	Present	Absent	Present
4	Mr. S. Ragothaman	Present	Present	Present	Present
5	Mr. D.T. Joseph ¹	N.A.	N.A.	Present	Present

1. Mr. D.T. Joseph is appointed as a member of Audit Committee w.e.f. 21st July, 2009.

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

The Chairman of the Audit Committee was present at the Annual General Meeting held on 25th September, 2009.

IV. Shareholders' / Investors Grievance Committee of Directors

Composition

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

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

Terms of reference

- Review the existing investor redressal system and suggest measures for improvement.
- Resolution of investor grievances / complaints.
- Suggest improvement in investor relations.
- Consider and take on record Certificate from a practicing Company Secretary under Clause 47(c) of the Listing agreement.

- e. Propose to the Board of Directors, the appointment / re-appointment of the Registrar and Share Transfer Agent, including the terms and conditions, remuneration, service charge / fees.

Meetings and attendance during the year

The Company has held two meetings of the Shareholders' / Investors Grievance Committee during the year ended on 31st March, 2010. These were on 26th October, 2009 and 15th March, 2010. All members of the Committee and the Secretary were present at the above meetings.

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

A comparative statement of the various complaints received and redressed by the Company and M/s. Link Intime India Pvt. Ltd. during the year 2009-10 is given below:

Nature of complaints	Number of complaints	
	Received	Pending
Non-receipt of dividend	3	0
Non-receipt of Share certificates after transfer	4	0
Non-receipt of Annual report	0	0
Non-receipt of demat credit / remat credit	0	0
Non-receipt of rejected Demat Requisition Form	0	0
Others (not included above)	1	0
TOTAL	8	0

V. Remuneration Committee

Composition

The present composition of the Remuneration Committee is as follows:

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

Terms of reference

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

During the year no meeting of remuneration committee was held.

Remuneration Policy

a. For Executive Directors

The Board of Directors is authorised to decide the remuneration of the Executive Director(s), subject to the recommendation of the Remuneration Committee of Directors and approval of the Shareholders and the Central Government, if required. The details of remuneration paid to Mr. S. Ramakrishnan, Chairman & Managing Director for the year 2009-10 have been disclosed in Note no:5 to the accounts. The appointment of Mr. S. Ramakrishnan is in terms of the approval received from the Central Government vide its letter bearing reference no. A59091868-CL-VII dated 3rd February, 2010 which is valid from 1st April, 2009 upto 31st March, 2014.

The Whole-time director Mr. S. Ramakrishnan was paid remuneration as per his respective terms of appointment as approved by the Shareholders. No remuneration was paid to Mr. V. Ramnarayan for the year 2009-10.

b. For Non-Executive Directors

All fees / compensation paid to Non-Executive Directors are fixed by the Board of Directors of the Company with the previous approval of the Shareholders in the General meeting. Presently, Non-Executive Directors are paid remuneration by way of Sitting fees of Rs.12,000/- per Board Meeting and Rs. 10,000/- per Audit Committee and Remuneration Committee Meeting attended. The details of sitting fees paid to the Non-Executive Directors for the year 2009-10 and shares held by them in the Company as on 31st March, 2010 are as follows:

Name of the Director	Sitting Fees for Board Meetings attended (Rs.)	Sitting Fees for Audit Committee Meetings attended (Rs.)	Number of Equity share held in Shreyas Shipping & Logistics Ltd. as on 31 st March 2010
Mr. S. Mahesh	36,000/-	N.A	112,475
Mr. L. B. Culas	36,000/-	N.A	130,845
Mr. K. P. Medhekar	36,000/-	20,000/-	NIL
Capt. P. P. Radhakrishnan	60,000/-	30,000/-	NIL
Mr. Amitabha Ghosh	36,000/-	40,000/-	NIL
Mr. S. Ragothaman	60,000/-	40,000/-	3,000
Mr. D. T. Joseph	36,000/-	20,000/-	NIL
Mr. Bherulal Chaudhary ¹	12,000/-	N.A	N.A.

¹. Resigned w.e.f. 17th July, 2009

Presently, the Directors of the Company who are not in whole-time employment of the Company are compensated only by way of sitting fees for attending the meetings of the Board and its Committees. Approval of the Shareholders was obtained at the Annual General Meeting held on 21st July, 2005 for payment of remuneration in the form of commission to the Directors not in whole-time employment of the Company, such commission not exceeding in the aggregate 1% per annum of the net profits of the Company for the five years commencing from 1st April, 2005, subject to the discretion and directions of the Board of Directors of the Company. The Board of Directors have not recommended commission for the Directors not in whole-time employment of the Company for the year ended 31st March, 2010.

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

VI. Share Transfer Committee

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

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

Meetings of the Share Transfer Committee are usually held fortnightly. 24 meetings of the Share Transfer Committee were held during the year 2009-10.

VII. General Body Meetings

a. Particulars of the last three Annual General Meetings (AGM's)

Financial year	AGM No.	Date	Venue	Time
2008-09	21 st	25 th September, 2009	Sivaswamy Auditorium of Fine Arts Cultural Centre, 61/21 R.C. Marg, Opp. Vijaya Bank, Chembur, Mumbai-400 071.	11.00 a.m
2007-08	20 th	27 th September, 2008	Sivaswamy Auditorium of Fine Arts Cultural Centre, 61/21 R.C. Marg, Opp. Vijaya Bank, Chembur, Mumbai - 400 071.	11.00 a.m
2006-07	19 th	21 st July, 2007	Nehru Centre Auditorium, Discovery of India Building, Nehru Centre, Dr. Annie Beasant Road, Worli, Mumbai 400018.	11.00 a.m

b. Special resolutions passed at last three AGM's

The following two Special resolutions were passed by the Shareholders at the AGM held on 25th September, 2009:

- Reappointed of Mr. S. Ramakrishnan as a Chairman and Managing Director of the Company for the period of 5 years w.e.f. 1st April, 2009 on such remuneration and terms and conditions as set out in the notice.
- Appoint of Mr. V. Ramnarayan as an Executive Director of the Company for the period of 5 years w.e.f. 13th January, 2009 on such remuneration and terms and conditions as set out in the notice.

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

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

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

- Increase in remuneration payable to Mr. Anil Devli, Executive Director for the period 1st April, 2007 to 20th April, 2007.
- Re-appointment of Mr. Anil Devli, Executive Director for a further period of five years w.e.f. 21st April, 2007.
- Increase in the remuneration payable to Mr. S. Ramakrishnan; Chairman & Managing Director.

c. Passing of resolutions by Postal ballot

No resolutions were passed by postal ballot during the year ended 31st March, 2010. Postal ballot shall be conducted as per the provisions of the Companies Act, 1956, as and when situations arise.

VIII. Disclosures

a. Transactions with related parties, as per requirements of Accounting Standard 18, are disclosed in Annexure to the Notes to Accounts. These are not in conflict with the interests of the Company in view of the following:

- All details relating to financial and commercial transactions, wherein Directors may have a potential interest are provided to the Board and the interested Directors neither participate in the discussion, nor do they vote on such matters.
- These are at prices, which are reasonable, having regard to the prevailing market prices at the relevant time.

b. In continuation of the practice of keeping the Board of Directors informed about the potential risks of running the business and the Company's processes for risk mitigation and control, the Management periodically submits to the Board, a Risk Assessment & Minimisation Report outlining the various risks encountered by the Company, the control mechanisms adopted for mitigating such risks and the impact of materialization of such risks. The Management continues



to take effective steps to mitigate such risks by devising an elaborate business strategy to counter and deal with the components of risks.

- c. Disclosures have been received from Senior Management personnel to the effect that during the year ended 31st March, 2010, there were no financial and commercial transactions in which they had personal interest that may have a potential conflict with the interest of the Company at large.
- d. With regard to matters related to capital markets, the Company has duly complied with the requirements of the Listing Agreements entered into with the Stock Exchanges as well as the regulations and guidelines of SEBI. Consequently, no penalties were imposed or strictures passed against the Company by SEBI, Stock Exchanges or any other statutory authority.
- e. As on 31st March, 2010, the Company has two subsidiaries as follows:
Shreyas Relay Systems Ltd: 100% holding by the Company
Haytrans (India) Limited: 51% holding by the Company
- f. The Company has fully complied with all the mandatory requirements of Clause 49.

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

- 1) Tenure of Independent Directors is not being restricted to period of nine years in the aggregate since the Board of Directors unanimously opine that the length of the tenure on the Board would not have any material negative impact on the performance of Independent directors and discharge of their duties towards the Company.
- 2) The Board of Directors has constituted a Remuneration Committee consisting of four members, who are non-executive and independent. The Chairman of the Remuneration Committee was not present at the 21st Annual General Meeting held on 25th September, 2009.
- 3) Since the half-yearly financial results are being published in leading newspapers as well as being displayed on the Company's website, the said results and summary of significant events are not being sent to each household of Shareholders.
- 4) Adequate and transparent information is circulated to the members of the Board of Directors at its various meetings, which provide valuable inputs on the business of the Company and their responsibilities as Directors. Also, the Directors are kept abreast of the latest developments in Laws, Rules and Regulations, as also on the various risks to which the Company is subject and the manner in which these risks are mitigated and/or minimised. Therefore, the need for a formal training on these issues is not felt necessary presently.
- 5) The re-appointment of Non-executive Directors is proposed and seconded at meetings of the Board of

Directors on the basis of the contribution and performance of the Director being re-appointed. The Director being re-appointed does not participate during such discussions nor does he vote on the resolution proposing his re-appointment.

- 6) The Company presently does not have a documented Whistle Blower Policy in place. However, given its dedication to principles such as honesty, quality, responsibility, compassion, fairness, respect, adaptability and gratitude, the Company personnel feel free to report to the Management, any concerns they may have about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy.
- 7) The Company ensures that any person who is being appointed as an Independent Director has the requisite qualifications and experience which would be of use to the Company and which, in the opinion of the Company, would enable him to contribute effectively to the Company in his capacity as an Independent Director.

g. Disclosure regarding appointment or re-appointment of Directors

Mr. L.B. Culas and Mr. K.P. Medhekar retire by rotation at the ensuing Annual General Meeting, and being eligible, offer themselves for re-appointment.

I. Name: Mr. L.B. Culas

Experience:

Mr. L. B. Culas, a Chartered Engineer and a Chartered Shipbroker, has a cumulative maritime experience of over 25 years. He has served abroad for many years on various types of cargo vessels as an Engineer, including four years as Chief Engineer. He also possesses extensive shore experience which includes various aspects of Container Feeder Business, right from sourcing the right kind of vessel to the actual running of the service.

Other Directorships:

<u>Name of the companies/firm</u>	<u>Nature of interest</u>
Albatross CFS Pvt. Ltd	Director
Orient Express Ship Management Limited	Director
Balaji Shipping (U.K) Ltd., UK	Director
Balaji Shipping Co. S.A., Panama	Director
Clarion Shipping Pvt. Ltd. Colombo	Director
Hayleylines Limited, Colombo	Director
Jubilee Shipping Inc. Panama	Director
Lanka Orient Express Lines Ltd., Colombo	Director
OEL Shipping Agency SDN BHD, Malaysia	Director
Orient Express Lines (S) Pte. Ltd., Singapore	Director

Orient Express Lines Inc. (Panama)	Director
Orient Express Lines Ltd., Mauritius	Director
Orient Express Lines (UK) Limited	Director
Orient Express Ship Management Ltd., Mauritius	Director
Shreyas World Navigation Pte. Ltd., Singapore	Director
Transworld FZE	Director
Trasworld Logistics & Shipping Services, Inc., USA	Director
Balaji Shipping Lines FZCO	Director
Orient Express Lines FZCO	Director

Committee Memberships: NIL

Shareholding in Shreyas Shipping & Logistics Ltd. as on 31st March, 2010: 130,845 shares

II. Name: Mr. K.P. Medhekar

Experience:

Mr. K. P. Medhekar is I.P.S. (Retd.). He retired from the Indian Police Service in 1985 after 37 years of meritorious service. Presently, he is a Corporate Management Consultant in HRD, Disaster & Crisis Management & Remuneration Policy. He is also a Faculty Member of many reputed institutions of Management and Social Sciences.

Other Directorships:

<u>Name of the companies/firm</u>	<u>Nature of interest</u>
Morarka Finance Limited	Director
Dwarikesh Sugar Industries Limited	Director

Committee Memberships:

<u>Name of the companies/firm</u>	<u>Name of Committee</u>	<u>Committee Position</u>
Morarka Finance Limited	Audit Committee	Member
Dwarikesh Sugar Industries Limited	Audit Committee	Member

Shareholding in Shreyas Shipping & Logistics Ltd. as on 31st March, 2010: NIL

IX. Means of communication

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

The financial results during the year 2009-10 were published in the newspapers as under:

Newspapers	Date of publication of results for the Quarter ended			
	31/03/2009	30/06/2009	30/09/2009	31/12/2009
Free Press Journal	18/06/09	22/07/09	31/10/09	29/01/10
Navashakti	18/06/09	22/07/09	31/10/09	29/01/10

- b. Official press releases and presentations as and when made to the media and Analysts are made available on the Company's website www.shreyas.co.in.
- c. The Management's Discussion & Analysis Report is appearing as Annexure I to the Directors' Report.

X. Auditors' certificate on Corporate Governance

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

XI. Code of Conduct for prevention of Insider trading

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

XII. General Shareholders' Information

S. No.	Salient items of interest	Particulars
i.	AGM date	21 st September, 2010
ii.	AGM Time	11.00 a.m.
iii.	AGM Venue	Sivaswamy Auditorium of Fine Arts Cultural CentreChembur (East), Mumbai – 400 071
iv.	Financial Calendar (tentative)	1.04.2010 to 31.03.2011
	Results for the quarter ending	
	30 th June, 2010	Upto 15 th August, 2010
	30 th September, 2010	Upto 15 th November, 2010
	31 st December, 2010	Upto 15 th February, 2011
	31 st March, 2011	Upto 30 th May, 2011Annual General Meeting is proposed to be held in September, 2011.
v.	Dates of Book Closure	13 th September, 2010 to 21 st September, 2010(both days inclusive)
vi.	Dividend Payment date	No dividend recommended by the Board
		A. Equity shares: The Bombay Stock Exchange Ltd., Mumbai National Stock Exchange of India Ltd.
vii.	Listing on Stock Exchanges	B. Preference shares: The Bombay Stock Exchange Ltd., Mumbai. The Company has paid listing fees for the year 2009-10 to the Indian Stock Exchanges where its securities are listed.The Company voluntarily delisted its Global Depository Receipts from Luxembourg Stock Exchange on 29 th December, 2008.



S. No.	Salient items of interest	Particulars
viii.	Stock Code	<p>A. Equity shares: The Bombay Stock Exchange Ltd., Mumbai - 520151 National Stock Exchange of India Ltd. - SHREYAS</p> <p>B. Preference shares:The Bombay Stock Exchange Ltd., Mumbai - 700105</p>
ix.	The International Securities Identification Number (ISIN) for the Company's Shares in dematerialised form.	<p>A. Equity shares: INE757B01015</p> <p>B. Preference shares: INE757B04019</p>
x.	Registrar & Share Transfer Agent	M/s. Link Intime India Pvt. Ltd. (earlier known as Intime Spectrum Registry Ltd.) C-13, Pannalal Silk Mills Compound L. B. S. Marg, Bhandup (West) Mumbai – 400 078 Tel no. 022-25946970 Fax no. 022-25946969 E-mail: rnt.helpdesk@linkintime.co.in
xi.	Share Transfer System	<p>Transfers of Shares in physical form are processed by M/s. Link Intime India Pvt. Ltd. and are approved by the Share Transfer Committee, which usually meets fortnightly. Transfers of Shares are effected and Share Certificates are dispatched within a period of 30 days from the date of receipt of the request, provided the relevant documents are valid and complete in all respects.</p> <p>Trading in the Company's Shares is permitted only in dematerialised form.</p> <p>In respect of shares held in dematerialised mode, the transfer takes place instantaneously between the transferor, transferee and the Depository Participant through electronic debit / credit of the accounts involved.</p>
xii.	Dematerialisation of shares (Equity)	As at 31 st March, 2010 - 13,524 Members (76.13% of the total Members) hold 57,17,807 Equity Shares of Rs.10/- each (26.04% of the total Equity Shares) in dematerialised mode.

S. No.	Salient items of interest	Particulars
xiii.	Outstanding GDRs / ADRs / Warrants or any convertible instruments, conversion date and likely impact on equity	NIL
xiv.	Plant locations	Not applicable as the Company is in shipping and logistics business.
xv.	Address for correspondence	<p>Registered office: 4th Floor, Himalayas, Geetmala Complex, Near Shah Industrial Estate, Govandi (East), Mumbai - 400 088.</p> <p>Administrative office: 2nd Floor, Sahyadris, Geetmala Complex, Near Shah Industrial Estate, Opp. Deonar Village Road, Govandi (E), Mumbai - 400 088. Tel. No. 022 - 66220300. Fax. No.: 022 - 66220444.</p> <p>Registrar & Share Transfer Agents M/s. Link Intime India Pvt. Limited. C-13, Pannalal Silk Mills Compound L. B. S. Marg, Bhandup (West), Mumbai – 400078. Tel No. 022 - 25946970 Fax No. 022-25946969 E-mail: rnt.helpdesk@linkintime.co.in</p>

Distribution of Shareholding as on 31st March, 2010

Category (Nominal value of shares)	No. of Share-holders	% of Total Share-holders	Share amount (In Rs.)	% of Total Share-holding	
From	To				
Upto	2,500	14,565	81.99	1,39,25,500	6.34
2,501 -	5,000	1,679	9.45	66,12,660	3.01
5,001 -	10,000	836	4.71	68,01,580	3.10
10,001 -	20,000	373	2.10	56,23,820	2.56
20,001 -	30,000	102	0.57	26,13,630	1.19
30,001 -	40,000	41	0.23	14,47,970	0.65
40,001 -	50,000	36	0.20	16,90,820	0.77
50,001 -	1,00,000	66	0.37	46,45,270	2.11
1,00,001 &	above	66	0.37	17,62,14,080	80.25
Total		17,764	100.00	21,95,75,330	100.00

Shareholders' profile

As on 31st March, 2010, the Company had 17764 shareholders. The Company's Shares are held by diverse entities as per the following break-up:

	Category	No. of Shares held	Percentage of Share holding	No. Shares Pledged or otherwise encu-pledged	Per-centage of Shares Pledged
A	Promoter's Holding				
	1 Promoters				
	Indian Promoters:	1014945	4.62	NIL	0.00
	Foreign Promoters:	15078150	68.67	NIL	0.00
B	Non-Promoter Holding				
	2 Institutional Investors				
	a. Mutual Funds and UTI	900	0.00	N.A.	N.A.
	b. Banks, Financial Institutions	0	0.00	N.A.	N.A.
	c. Foreign Institutional Investors	172999	0.79	N.A.	N.A.
	3 Others				
	a. Bodies Corporate	714350	3.25	N.A.	N.A.
	b. Indian Public	4491169	20.46	N.A.	N.A.
	c. NRIs/OCBs	222559	1.02	N.A.	N.A.
	d. HUF	220693	1.01	N.A.	N.A.
e. Clearing Member	7902	0.04	N.A.	N.A.	
f. Market Maker	33866	0.15	N.A.	N.A.	
	Total (1+2+3)	21957533	100.00	NIL	0.00

Top 10 shareholders as on 31st March, 2010

Sr. No	Name of the Shareholder	Number of Shares held as on 31.03.10	% of Shareholding
1	Transworld Holdings Limited	12351650	56.25
2	Anisha Ramakrishnan	975575	4.44
3	Mithila Mahesh	975575	4.44
4	Valli Sivaswamy	383500	1.75
5	Ritesh Ramakrishnan	168375	0.77
6	Master Murli Mahesh	168375	0.77
7	Rhodes Diversified	150000	0.68
8	Rajan Ramnarayan	140875	0.64
9	Rajeev Ramnarayan	136375	0.62
10	L.B. Culas	130845	0.60

Stock price data

(1) The monthly high and low stock quotations during the financial year 2009-10 and performance in comparison to the BSE Sensex and S&P CNX Nifty is given below:

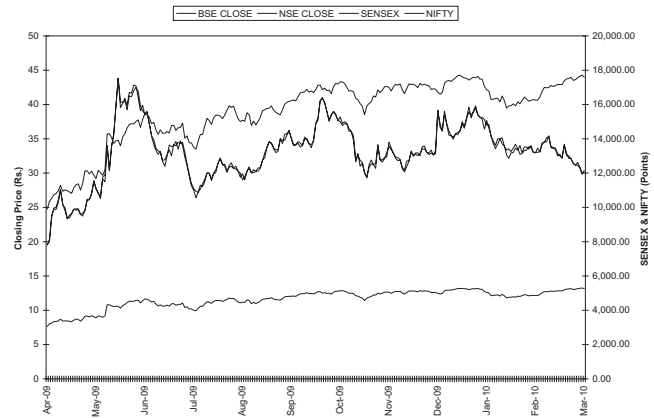
Month & Year	Share Price of Shreyas on BSE		BSE SENSEX		Share Price of Shreyas on NSE		S&P CNX Nifty	
	Month's High (Rs.)	Month's Low (Rs.)	Month's High (Index point)	Month's Low (Index point)	Month's High (Rs.)	Month's Low (Rs.)	Month's High (Index point)	Month's Low (Index point)
April 2009	29.10	18.75	11,492.10	9,546.29	28.90	18.70	3,517.25	2,965.70
May 2009	46.00	23.80	14,930.54	11,621.30	46.50	23.15	4,509.40	3,478.70
June 2009	43.45	30.30	15,600.30	14,016.95	43.50	30.03	4,688.95	4,143.25
July 2009	35.70	26.05	15,732.81	13,219.99	36.15	26.04	4,669.75	3,918.75
August 2009	35.90	29.00	16,002.46	14,684.45	35.95	28.03	4,743.75	4,353.45
September 2009	38.50	32.20	17,142.52	15,356.72	39.45	32.08	5,087.60	4,576.60
October 2009	43.60	30.05	17,493.17	15,805.20	43.80	30.35	5,181.95	4,687.50
November 2009	35.80	28.10	17,290.48	15,330.56	30.30	29.00	5,113.10	4,538.50
December 2009	41.00	31.25	17,530.94	16,577.78	40.40	31.00	5,221.85	4,943.95
January 2010	40.05	32.60	17,790.33	15,982.08	40.85	33.00	5,310.85	4,766.00
February 2010	36.50	31.80	16,669.25	15,651.99	35.65	31.60	4,992.00	4,675.40
March 2010	36.75	29.50	17,793.01	16,438.45	36.00	29.50	5,329.55	4,935.35



(2) Shares traded during 1st April, 2009 to 31st March, 2010

Particulars	On BSE	On NSE
No. of shares traded	23,65,804	34,65,428
Highest Share price	46.00 (on 26/05/2009)	46.50 (on 26/05/2009)
Lowest Share price	Rs. 18.75 (on 01/04/2009)	Rs. 18.70 (on 01/04/2009)
Closing Share price as on 31 st March, 2010	Rs. 31.25	Rs. 30.70
Market capitalisation as on 31 st March, 2010	Rs. 686,172,906.25	Rs. 674,096,263.10

(3) The Company's share price movement during 2009-10 on BSE and NSE vis-à-vis respective indices:



For and on behalf of the Board of Directors

Place: Mumbai
Date: 24th May, 2010

S. Ramakrishnan
Chairman & Managing Director

Certificate

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

To the Members of Shreyas Shipping and Logistics Limited

We have examined the compliance of conditions of Corporate Governance by Shreyas Shipping and Logistics Ltd for the year ended on 31st March 2010 as stipulated in clause 49 of the Listing Agreement of the said company with the Stock Exchanges.

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

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

We state that in respect of investor grievances received during the year ended March, 2010, no investor grievances are pending for a period exceeding one month against the company as per the records maintained by the company.

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

For **PKF Sridhar & Santhanam**
Chartered Accountants
Firm Regn No: 003990S

S Ramakrishnan
Partner
M. No 18967

Place: Mumbai
Date : 24th May 2010

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

(Annexure III to the Directors' Report)

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

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

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

- a. We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2010 (hereinafter referred to as 'the year') and that to the best of our knowledge and belief :
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and have taken requisite steps to rectify these deficiencies.
- d. We have indicated to the auditors and the Audit committee
 - i. significant changes in internal control over financial reporting during the year; and
 - ii. significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements.
- e. There have been no instances of significant fraud of which we have become aware and any involvement therein, of the management or an employee having a significant role in the Company's internal control system over financial reporting.
- f. All Board members and Senior managerial personnel of the Company have affirmed compliance with the Code of Business Conduct and Ethics during the year ended 31st March, 2010.

Mumbai
24th May, 2010

S. Ramakrishnan
Chief Executive Officer

Vinay Kshirsagar
Chief Financial Officer

Auditors' Report

To

The Members of Shreyas Shipping and Logistics Ltd.

1. We have audited the attached Balance Sheet of Shreyas Shipping and Logistics Ltd. as at 31st March 2010, the Profit and Loss account and also the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
 2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
 3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
 4. Further to our comments in the Annexure referred to above, we report that:
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (ii) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - (iii) The Balance Sheet, Profit and Loss account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - (iv) On the basis of written representations received from the directors, as on 31st March 2010 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on that date from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
 - (v) As per the Guidance provided by the Accounting Standards Board of The Institute of Chartered Accountants of India through frequently asked questions on AS 11 Notification, the exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to interest costs are to be considered as "borrowing costs" and accounted for in accordance with Accounting Standard 16 (AS16)-Borrowing Costs. The Company has not considered the "borrowing costs" while adjusting the foreign currency differences to the cost of the assets. In view of this
 - a. Cumulative foreign exchange loss is understated to the extent of Rs. 2,02,76,608 (of this Rs. 32,15,949 relates to period before 31st March 2008, Rs. 1,44,20,050 for the year ended 31st March 2009 and Rs. 26,40,609 for the current year)
 - b. Depreciation related to above including the adjustment to opening reserves is cumulatively overstated to the extent of Rs. 20,57,399 (of this Rs. 1398 relates to period before 31st March 2008, Rs. 1,73,929 for the year ended 31st March 2009 and Rs. 18,82,072 for the current year)
 - c. Loss for the current year is stated lower by Rs. 7,58,537 and
 - d. Fixed assets and Reserves are stated higher to the extent of Rs. 1,82,19,209.
- (vi) In our opinion, the Balance Sheet, Profit and Loss account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 except to the extent indicated in para (v) above relating to capitalization of certain borrowing costs that are not eligible for capitalization.
- (vii) Subject to our comments with respect to capitalization of certain borrowing costs that are not eligible for capitalization as referred to in paragraph (v) above, in our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2010.
 - (b) In case of the Profit and Loss account, of the loss for the year ended on that date; and
 - (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For PKF Sridhar & Santhanam.
Chartered Accountants
Firm Regn. No. 03990S

S. Ramakrishnan
Partner
M. No. 18967

Place : Mumbai
Date : 24th May, 2010

Annexure to the Auditors' Report

Re: Shreyas Shipping and Logistics Limited

Referred to in paragraph 3 of our report of even date,

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| <p>(i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;</p> <p>(b) The major fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification;</p> <p>(c) The Company has disposed off one ship during the year. However the going concern status of the Company has not been affected as it still holds and operates four ships as at the end of the year.</p> <p>(ii) (a) Physical verification of inventory has been conducted at reasonable intervals by the management;</p> <p>(b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.</p> <p>(c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.</p> <p>(iii) (a) During the year the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Act.</p> <p>(b) The Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Act.</p> <p>(iv) There is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of services. No goods are sold by the Company. There is no continuing failure to correct major weaknesses in internal control system;</p> <p>(v) (a) The particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section; and</p> <p>(b) In respect of transactions exceeding the value of Rs. five lakhs in respect of each party made in pursuance of such contracts or arrangements, they have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time wherever applicable.</p> <p>(vi) The Company has not accepted deposits from the public;</p> <p>(vii) The Company has an internal audit system commensurate with its size and nature of its business;</p> <p>(viii) Maintenance of cost records has not been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Act,</p> <p>(ix) (a) The Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State</p> | <p>Insurance, Income-tax, Wealth Tax, Service tax, Custom Duty, Cess and any other material statutory dues with the appropriate authorities. The Company is not registered under Value Added Tax and Excise duty legislations. There are no arrears of outstanding statutory dues as at the last day of the financial year for a period of more than six months from the date they became payable.</p> <p>(b) There are no dues of Income tax/Sales tax/Wealth tax/Service tax/Custom duty/Cess that have not been deposited on account of any dispute except for income tax of Rs. 9.03,135 (Since paid in April, 10th).</p> <p>(x) The Company has no accumulated losses at the end of the financial year. However it has incurred cash losses in the current financial year. There was no cash loss in the preceding financial year.</p> <p>(xi) The Company has not defaulted in repayment of dues to a financial institution or bank or debenture holders. It has in the current year rescheduled the repayment terms of dues to Bank.</p> <p>(xii) The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities;</p> <p>(xiii) As the Company is not a Nidhi/Mutual benefit fund/Society, the provisions of special statute applicable to chit fund etc. is not applicable to this Company.</p> <p>(xiv) The Company is not dealing or trading in shares, securities, debentures and other investments.</p> <p>(xv) The Company has not given any guarantee for loans taken by others from bank or financial institutions except for guaranteeing loans taken by its Subsidiary, the terms and conditions of which are not prejudicial to the interest of the Company.</p> <p>(xvi) Term loans were applied for the purpose for which the loans were obtained;</p> <p>(xvii) On an overall examination of the Balance Sheet, we report that the funds raised on short-term basis have not been used for long term investment.</p> <p>(xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Act.</p> <p>(xix) The Company has not issued any debentures.</p> <p>(xx) There have been no public issues during the year.</p> <p>(xxi) Based on the audit procedures adopted and according to the information and explanations given to us by the management no fraud on or by the Company has been noticed or reported during the course of our audit.</p> |
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For PKF Sridhar & Santhanam
Chartered Accountants
Firm Registration No. 039905

S. Ramakrishnan
Partner
M. No. 18967

Place: Mumbai
Date : 24th May, 2010



BALANCE SHEET AS AT 31ST MARCH, 2010

(AMOUNT IN RUPEES)

	Schedule	AS AT 31.03.2010	AS AT 31.03.2009
SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
SHARE CAPITAL	1	299,575,330	310,575,330
RESERVES AND SURPLUS	2	1,132,827,120	1,346,647,404
		<u>1,432,402,450</u>	<u>1,657,222,734</u>
LOAN FUNDS			
SECURED LOANS	3	716,923,834	805,880,494
		<u>716,923,834</u>	<u>805,880,494</u>
TOTAL		<u>2,149,326,284</u>	<u>2,463,103,228</u>
APPLICATION OF FUNDS			
FIXED ASSETS			
GROSS BLOCK	4	2,072,999,017	2,466,145,321
LESS : DEPRECIATION		352,954,966	441,553,924
NET BLOCK		<u>1,720,044,051</u>	<u>2,024,591,397</u>
TOTAL		<u>1,720,044,051</u>	<u>2,024,591,397</u>
INVESTMENTS			
	5	288,738,501	319,254,809
CURRENT ASSETS, LOANS AND ADVANCES			
INVENTORIES	6	30,067,943	34,111,163
SUNDRY DEBTORS	7	102,772,747	82,113,860
CASH AND BANK BALANCES	8	49,686,450	28,694,797
OTHER CURRENT ASSETS	9	12,847,197	36,716,194
LOANS AND ADVANCES	10	102,640,754	134,466,763
CURRENT ASSETS TOTAL (A)		<u>298,015,091</u>	<u>316,102,777</u>
LESS : CURRENT LIABILITIES AND PROVISIONS			
CURRENT LIABILITIES	11	145,046,962	184,722,953
PROVISIONS	12	12,424,397	12,122,802
CURRENT LIABILITIES TOTAL (B)		<u>157,471,359</u>	<u>196,845,755</u>
NET CURRENT ASSETS (A - B)		<u>140,543,732</u>	<u>119,257,022</u>
TOTAL		<u>2,149,326,284</u>	<u>2,463,103,228</u>
NOTES TO THE ACCOUNTS	17		

AS PER OUR REPORT ATTACHED

For PKF Sridhar & Santhanam
Chartered Accountants
Firm Regn. No. 0039905

S. Ramakrishnan
Partner
Membership No. 18967

Place : Mumbai
Date : 24th May, 2010

FOR AND ON BEHALF OF THE BOARD

S. Ramakrishnan
Chairman & Managing Director

K. P. Medhekar
Director

Namrata Malushte
Company Secretary

Place : Mumbai
Date : 24th May, 2010

V. Ramnarayan
Executive Director

Vinay Kshirsagar
Chief Financial Officer

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH, 2010

(AMOUNT IN RUPEES)

	Schedule	Year ended 31.03.2010	Year ended 31.03.2009
INCOME			
OPERATING EARNINGS			
a) CHARTER HIRE INCOME		124,783,353	238,523,725
b) FREIGHT INCOME		859,119,516	1,219,673,419
c) NON LINER INCOME		654,175	1,620,453
d) DUTY CREDIT ENTITLEMENT		-	32,462,140
TOTAL OPERATING EARNINGS		<u>984,557,044</u>	<u>1,492,279,737</u>
OTHER INCOME			
a) PROFIT/(LOSS) ON SALE OF SHIP (NET)		(61,327,819)	278,270,133
b) MISCELLANEOUS INCOME	13	23,638,849	14,316,641
c) FOREX GAIN (NET)		-	13,590,015
TOTAL OTHER INCOME		<u>(37,688,970)</u>	<u>306,176,789</u>
TOTAL INCOME		<u>946,868,074</u>	<u>1,798,456,526</u>
EXPENDITURE			
OPERATING EXPENSES	14	951,652,224	1,321,061,873
ADMINISTRATION & OTHER EXPENSES	15	43,649,796	77,429,773
INTEREST	16	31,332,715	82,513,868
DEPRECIATION		115,785,966	133,473,293
FOREX LOSS (NET)		3,810,075	-
TOTAL EXPENDITURE		<u>1,146,230,776</u>	<u>1,614,478,807</u>
PROFIT BEFORE PRIOR PERIOD ITEMS AND TAXATION		<u>(199,362,702)</u>	<u>183,977,719</u>
LESS: PRIOR PERIOD ITEMS		-	367,147
LESS PROVISION FOR TAXATION			
- CURRENT		1,500,000	31,000,000
- FOREIGN TAX		3,875,827	-
- FRINGE BENEFIT TAX		-	1,038,972
- PRIOR YEAR		-	1,651,103
PROFIT AFTER TAX		<u>(204,738,529)</u>	<u>149,920,497</u>
SURPLUS BROUGHT FORWARD FROM PREVIOUS YEAR		<u>545,539,803</u>	<u>445,471,368</u>
AMOUNT AVAILABLE FOR APPROPRIATION		<u>340,801,274</u>	<u>595,391,865</u>
APPROPRIATIONS			
TRANSFER TO CAPITAL REDEMPTION RESERVE		11,000,000	39,000,000
DIVIDEND PAID ON PREFERENCE SHARES		-	1,813,660
TAX ON DIVIDEND PAID		-	308,232
PROPOSED DIVIDEND ON PREFERENCE SHARES		7,788,225	7,462,000
TAX ON PROPOSED DIVIDEND ON PREFERENCE SHARES		1,293,527	1,268,170
SURPLUS CARRIED TO SCHEDULE 2		<u>320,719,522</u>	<u>545,539,803</u>
		<u>320,719,522</u>	<u>545,539,803</u>
NOTES TO ACCOUNTS	17		
FACE VALUE PER SHARE RS. 10/- EACH			
Earnings per share-Basic and Diluted (Refer Note 12 in schedule 17)		(9.74)	6.33

AS PER OUR REPORT ATTACHED

For PKF Sridhar & Santhanam
Chartered Accountants
Firm Regn. No. 0039905

S. Ramakrishnan
Partner
Membership No. 18967

Place : Mumbai
Date : 24th May, 2010

FOR AND ON BEHALF OF THE BOARD

S. Ramakrishnan
Chairman & Managing Director

K. P. Medhekar
Director

Namrata Malushte
Company Secretary

Place : Mumbai
Date : 24th May, 2010

V. Ramnarayan
Executive Director

Vinay Kshirsagar
Chief Financial Officer

SCHEDULES TO BALANCE SHEET

(AMOUNT IN RUPEES)

SCHEDULE 1 : SHARE CAPITAL
AUTHORISED

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

AS AT 31.03.2010	AS AT 31.03.2009
240,000,000	240,000,000
140,000,000	140,000,000
380,000,000	380,000,000

ISSUED, SUBSCRIBED AND PAID UP

2,19,57,533	Equity Shares of Rs. 10/- each fully Paid up Of the above,
	a) 1,23,51,650 Equity Shares held by Holding Company Transworld Holdings Limited., Mauritius.
	b) 10,162,750 Equity Shares allotted as fully paid up pursuant to a contract without payment being received in cash.
	c) 21,33,333 Equity shares issued as fully paid up on conversion of equal number of Global Depository Receipts (GDR). (All the GDRs have been converted into Equity Shares).
1,300,000	9.5% (with effect from 16.10.09, previously 8.2%) Non-Convertible, Cumulative, Redeemable Preference Shares of Rs. 100/- each fully paid up Date of allotment 27 th October, 2005 As per last Balance sheet Less Redeemed during the year. Balance

219,575,330	219,575,330
91,000,000	130,000,000
11,000,000	39,000,000
80,000,000	91,000,000

As per the original terms of allotment the preference shares were to be redeemed at par at the end of 3rd, 4th, and 5th year from the date of allotment in the ratio of 30:30:40. First Tranche of Rs. 39,000,000 was redeemed on the 25th October, 2008. However during the year the terms of redemption for the balance amount of Rs. 91,000,000 have been amended with mutual consent as to be redeemed in 18 monthly instalments as below:

5 monthly instalments of Rs. 18,00,000 each payable from October, 2009.

1 monthly instalment of Rs. 20,00,000 payable in March, 2010.

11 monthly instalments of Rs. 67,00,000 each payable from April, 2010.

Last instalment of Rs. 63,00,000 payable in March, 2011.

As part of the revised terms of redemption the dividend rate has been increased to 9.5% with effect from 16th October, 2009.

In the current year the Company has redeemed the 6 monthly instalments amounting Rs. 11,000,000 falling due before 31st March, 2010.

TOTAL

299,575,330	310,575,330
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SCHEDULE 2 : RESERVES AND SURPLUS
SECURITIES PREMIUM

As per last Balance Sheet

(a)

382,292,449	382,292,449
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GENERAL RESERVE

As per last Balance Sheet

139,215,149	102,268,697
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Add: Transfer from provision on cancellation of Derivatives

-	107,525,147
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 Less: Opening adjustment towards capitalisation of changes in foreign exchange rates in line with Notification dated 31st March, 2009 with regard to Accounting Standard -11

-	70,578,692
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(b)

139,215,149	139,215,152
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(AMOUNT IN RUPEES)

		AS AT 31.03.2010	AS AT 31.03.2009
TONNAGE TAX RESERVE			
As per last Balance Sheet		107,146,945	107,146,945
(In view of income subject to Tonnage Tax being negative, no transfer to Tonnage Tax Reserve is made both in the current year and previous year)			
	(c)	<u>107,146,945</u>	<u>107,146,945</u>
TONNAGE TAX UTILISATION RESERVE			
As per last Balance Sheet		103,453,055	103,453,055
	(d)	<u>103,453,055</u>	<u>103,453,055</u>
ASSET IMPAIRMENT RESERVE			
As per last Balance Sheet	(e)	<u>30,000,000</u>	<u>30,000,000</u>
CAPITAL REDEMPTION RESERVE			
As per last Balance Sheet		39,000,000	-
Add: Transfer from Profit and Loss account on redemption of Non-Cumulative Redeemable Preference Shares (Refer Schedule No.1 for details of redemption)		11,000,000	39,000,000
	(f)	<u>50,000,000</u>	<u>39,000,000</u>
SURPLUS			
Balance in Profit & Loss Account		320,719,522	545,539,803
	(g)	<u>320,719,522</u>	<u>545,539,803</u>
TOTAL (a+b+c+d+e+f+g)		<u>1,132,827,120</u>	<u>1,346,647,404</u>

SCHEDULE 3 : SECURED LOANS

FROM BANKS

STATE BANK OF INDIA (FCNR LOAN)*

Secured by a charge over the Vessel M.V.Oel Trust and collateral charge over M.V. Unity
(Due within 12 Months NIL, Previous Year Rs. 72,444,786/-)

289,882,759 387,564,421

STATE BANK OF INDIA (FCNR LOAN)*

Secured by a charge over the Vessel M.V.Independent spirit and collateral charge over M.V. Unity
(Due within 12 Months NIL, Previous Year Rs. 67,681,980/-)

286,982,064 380,321,370

ICICI BANK LTD (CAR LOAN)

Secured by hypothecation of Cars
(Due within 12 Months Rs. 568,363/- Previous Rs. 516,520/-)

1,085,337 1,601,857

STANDARD CHARTERED BANK (Working Capital Overdraft)

Secured by hypothecation of present and future book debts & Stocks

73,977,588 36,392,846

DEUTSCHE BANK AG, MUMBAI (Overdraft)

Secured by lien on Mutual Fund Investments & Debentures

64,996,086 -

TOTAL

716,923,834 **805,880,494**

*Note: In respect of FCNR Loans from State Bank of India, terms of repayment have been renegotiated and bank has agreed for a moratorium on repayment till December, 2011.

SCHEDULE 4 : FIXED ASSETS

(AMOUNT IN RUPEES)

DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	COST AS AT 01.04.2009	ADDITIONS	DEDUCTIONS/ ADJUSTMENTS	COST AS AT 31.03.2010	AS AT 01.04.2009	FOR THE YEAR	DEDUCTIONS/ ADJUSTMENTS	AS AT 31.03.2010	AS AT 31.03.2010	AS AT 31.03.2009
FLEET	2,447,572,515	-	387,032,141	2,060,540,374	434,997,038	114,005,003	201,141,540	347,860,501	1,712,679,873	2,012,575,477
EQUIPMENT ON BOARD	3,070,796	-	3,070,796	-	1,660,998	74,223	1,735,221	-	-	1,409,798
FURNITURE & FIXTURES	349,263	-	152,794	196,469	43,933	19,638	15,810	47,761	148,708	305,330
OFFICE EQUIPMENTS (INCLUDING COMPUTERS AND SOFT WARE - See Note 10)	10,788,378	147,537	3,038,110	7,897,805	3,807,436	1,272,487	1,492,353	3,587,570	4,310,235	6,980,942
VEHICLES	4,364,369	-	-	4,364,369	1,044,519	414,615	-	1,459,134	2,905,235	3,319,850
TOTAL AS ON 31.03.2010	2,466,145,321	147,537	393,293,841	2,072,999,017	441,553,924	115,785,966	204,384,924	352,954,966	1,720,044,051	2,024,591,397
TOTAL AS ON 31.03.2009	2,951,449,616	1,538,823,206	2,024,127,501	2,466,145,321	454,305,198	133,473,293	146,224,567	441,553,924	2,024,591,397	

Deductions under Fleet includes adjustment of Rs. 81,697,360/- forex gain during the year on repayment / restatement of foreign currency loans utilised for acquisition of fleet.

(Previous year; Additions Rs. 190,347,754, Deductions Rs. 73,265,433)

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

NAME OF THE COMPANY	Face Value Rupees	As at 31.03.2010		As at 31.03.2009	
		No. of Shares/ debentures	Amount Rupees	No. of Shares/ debentures	Amount Rupees
1) TRADE-UNQUOTED - Fully Paid IN SUBSIDIARIES					
SHREYAS RELAY SYSTEMS LIMITED - Equity Shares.	10	2,500,000	25,000,000	2,500,000	25,000,000
SHREYAS RELAY SYSTEMS LIMITED - 11 % Non -Convertible Cumulative. Redeemable Preference Shares	100	1,000,000	100,000,000	1,000,000	100,000,000
HAYTRANS (INDIA) LTD. - Equity Shares.	100	10,450	5,434,171	10,450	5,434,171
HAYTRANS (INDIA) LTD. - Share Application money paid during the year pending allotment			12,800,000		
OTHERS					
ORIENT EXPRESS SHIP MANAGEMENT LIMITED - Equity Shares.	10	15,000	150,000	15,000	150,000
2) NON TRADE-QUOTED					
Listed, Secured, Guaranteed, Non-Convertible Debentures of DSP Merrill Lynch Capital Ltd.*	1,000,000	10	10,000,000	10	10,000,000
TOTAL LONG TERM INVESTMENTS (A)			153,384,171		140,584,171

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

S. No.	DESCRIPTION	UNITS UNDER LIEN	Face Value Rs.	As at 31.03.2010		As at 31.03.2009	
				Units	Amount Rupees	Units	Amount Rupees
1	BIRLA SUNLIFE GILT PLUS-REGULAR-QTRLY DIVIDEND		10	-	-	1,199,111	14,378,186
2	BIRLA SUNLIFE DYNAMIC BOND FUND-RETAIL MTHLY DIVIDEND		10	-	-	1,467,818	15,090,640
3	DSP BLACK ROCK STRATEGIC BOND FUND WKLY DIVIDEND		1,000	-	-	50,386	50,541,960
4	TSTD-TATA SHORT TERM BOND FUND - FORTNIGHT DIVIDEND		10	-	-	3,362,766	40,214,309
5	PRU ICICI GILT INVESTMENT PLAN DIV.		10	-	-	2,268,437	28,782,387
6	PRU ICICI GILT INVESTMENT PLAN DIV.		10	-	-	1,160,304	14,722,175
7	PRU ICICI INST. SHORT TERM PLAN - FORTNIGHTLY DIVIDEND *	2,529,677	10	2,646,850	31,766,175	1,247,692	14,940,981
8	PRUDENTIAL ICICI FLEXIBLE INCOME PLAN PREMIUM-DAILY DIV *	425,743	100	440,844	46,612,683	-	-
9	RELIANCE SHORT TERM PLAN-RETAIL PLAN - DIVIDEND *	955,958	10	975,416	10,384,477	-	-
10	HDFC CASH MGT FUND-TREASURY ADVANTAGE PLAN-DAILY DIVIDEND *	4,486,085	10	4,644,469	46,590,995	-	-
TOTAL CURRENT INVESTMENTS (B)				135,354,330		178,670,638	
TOTAL INVESTMENTS (A + B)				288,738,501		319,254,809	

S. No.	DESCRIPTION	As on 31.03.2010		AS on 31.03.2009	
		Cost	Market Value	Cost	Market Value
1	Aggregate value Quoted Investments (Market Value - No quotes are available)	10,000,000	N.A	10,000,000	N.A
2	Aggregate value Unquoted Investments	278,738,501	N.A	309,254,809	N.A
TOTAL		288,738,501		319,254,809	

Refer Annexure II (item 19 of Schedule 17 Notes to the Accounts) for details of Purchases and Sales of Investments

* Under Lien to Deutsche Bank AG for loans in this company & Shreyas Relay Systems Ltd, a wholly owned Subsidiary

(AMOUNT IN RUPEES)

SCHEDULE 6 : INVENTORIES

(At lower of Cost or Net Realisable Value)

Lube Oils and Fuel Oil *

Victualling Stock*

*(As valued and certified by the Management)

TOTAL

AS AT 31.03.2010	AS AT 31.03.2009
29,595,553	33,230,495
472,390	880,668
30,067,943	34,111,163
597,962	-
102,174,785	82,113,860
102,772,747	82,113,860

SCHEDULE 7 : SUNDRY DEBTORS

(Unsecured and considered good)

Debts outstanding for a period exceeding six months

Other Debts

TOTAL

(AMOUNT IN RUPEES)

SCHEDULE 8 : CASH AND BANK BALANCES

	AS AT 31.03.2010	AS AT 31.03.2009
Cash on Hand	1,148,823	2,005,671
With Scheduled Banks		
in Current Accounts	5,475,635	8,211,666
in Term Deposits	39,754,106	13,045,191
in Margin Money Deposits*	-	1,826,587
(*Pledged with Bank as Margin for Guarantees issued)		
in Unclaimed Dividend Accounts	3,307,886	3,605,682
TOTAL	49,686,450	28,694,797

SCHEDULE 9 : OTHER CURRENT ASSETS

Claims Receivable (Unsecured, Considered good)	5,653,612	21,423,229
Interest accrued and not due on deposits	25,674	114,820
Income accrued	2,426,315	1,381,764
Unfinished Voyages Expenses	4,741,596	13,796,381
TOTAL	12,847,197	36,716,194

SCHEDULE 10 : LOANS AND ADVANCES

(Unsecured, considered good, unless otherwise stated)		
Advances recoverable in cash or in kind or for value to be received		
Considered good	73,287,564	110,230,025
Considered doubtful	2,344,386	2,344,386
	75,631,950	112,574,411
Less: Provision for Doubtful Advances	2,344,386	2,344,386
	73,287,564	110,230,025
Gratuity Fund with Life Insurance Corporation	1,336,399	1,744,411
Advance Income Tax Less Provisions	27,617,547	21,274,415
Advance Fringe Benefits Tax Less Provisions	214,050	214,050
Bills receivable		
Considered good	-	-
Considered doubtful	2,266,418	2,266,418
	2,266,418	2,266,418
Less: Provision for Doubtful Bills receivable	2,266,418	2,266,418
	-	-
Deposits	185,194	1,003,862
TOTAL	102,640,754	134,466,763

SCHEDULE 11 : CURRENT LIABILITIES

Sundry Creditors for Trade		
Due to Micro and Small Enterprises (excluding Interest)	114,488	6,997
Due to Others	99,911,422	114,592,277
Creditors for Expenses	6,292,464	12,160,502
Other Liabilities	22,749,821	36,424,706
Unfinished Voyages Income	12,662,196	17,919,971
Investor Education and Protection Fund:		
Unclaimed Dividend	3,307,886	3,605,682
(No amount is due and outstanding to be credited to the fund.)		
Interest accrued but not due on loans	8,685	12,818
TOTAL	145,046,962	184,722,953

SCHEDULE 12 : PROVISIONS

Proposed Preference Dividend	7,788,225	7,462,000
Provision for tax on Preference Dividend	1,293,527	1,268,170
Provision for Compensated Absence	3,342,645	3,392,632
TOTAL	12,424,397	12,122,802

SCHEDULE TO PROFIT AND LOSS ACCOUNT

(AMOUNT IN RUPEES)

	Year ended 31.03.2010	Year ended 31.03.2009
SCHEDULE 13 : MISCELLANEOUS INCOME		
Dividend from Mutual Fund Investments (Current - Non Trade)	5,972,718	9,710,390
Dividend Received from Subsidiary	5,605,480	-
Interest received on Deposits with Banks (TDS Rs. 26,718/- , Previous Year Rs. 2,34,087/-)	766,261	1,387,883
Interest Received on Income Tax Refund	-	364,188
Interest Received on Loan to Subsidiary	-	81,027
Profit on Sale of Mutual Fund Investments (Current - Non Trade)	3,204,992	-
Liabilities / Provisions for expenses no longer required written back	8,039,699	2,667,123
Other Income	49,699	106,030
TOTAL	23,638,849	14,316,641
SCHEDULE 14 : OPERATING EXPENSES		
Salaries, Wages & Other Allowances for Floating Staff	139,545,748	202,874,893
Contribution to Provident Fund for Floating Staff	2,201,344	4,318,784
Staff Welfare for Floating Staff	839,461	2,165,296
TOTAL	142,586,553	209,358,973
Fuel/Lube Oils Consumed	453,601,546	628,133,507
Ocean Freight Charges	3,784,150	18,891,562
Port and Marine Dues	145,584,648	169,456,448
Stores and Spares Consumed	56,860,945	125,989,360
Crew Victualling	9,490,591	13,568,937
Repairs and Maintenance to Fleet	18,726,465	27,585,806
Insurance and Protection Club fee	31,361,085	35,250,286
Vessel Management and Agency Fees	48,970,373	57,964,159
Brokerage / Commission	-	899,997
Rates & Taxes	1,905,758	2,699,627
Dry Dock Expenses	26,872,636	14,112,692
Sundry Expenses	11,907,474	17,150,519
TOTAL	951,652,224	1,321,061,873



(AMOUNT IN RUPEES)

SCHEDULE 15 : ADMINISTRATION & OTHER EXPENSES

Salaries, wages and Other Allowances*

(*includes payments to Managerial Personnel as per item No. 5 in Schedule 17 - Notes to the Accounts)

	Year ended 31.03.2010	Year ended 31.03.2009
Salaries and Bonus	18,185,229	29,603,446
Contribution to Provident Fund and Gratuity	1,781,122	2,042,600
Staff Welfare	1,683,059	2,497,360
TOTAL	21,649,410	34,143,406
Communication Expenses	1,360,027	2,402,354
Travelling and Conveyance	1,020,992	2,606,816
Professional & Consultancy Fees	4,682,311	6,565,698
Provision for doubtful advances	-	2,344,386
Loss on Sale / Restatement of Current Non-trade Investments	-	3,850,864
Loss on Sale / Discard of Assets	1,662,542	5,964,684
Insurance Expenses	513,326	622,451
Rent	1,871,701	4,623,693
Rates & Taxes	367,460	189,054
Repairs and Maintenance- other assets.	1,792,318	2,314,629
Donations	87,590	51,001
Director's Sitting fees	462,000	666,000
Other Expenses	8,180,119	11,084,737
TOTAL	43,649,796	77,429,773

SCHEDULE 16: INTEREST

On Loan from Banks

i) Fixed Period Loans	22,764,105	79,765,406
ii) Working Capital Loans	8,454,485	2,487,343
Others	114,125	261,119
TOTAL	31,332,715	82,513,868

SCHEDULE 17 : NOTES TO THE ACCOUNTS

SIGNIFICANT ACCOUNTING POLICIES

(i) Accounting basis and convention

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

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

(ii) Fixed Assets

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

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

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

(iii) Depreciation

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

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

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

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

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

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

(iv) Investments

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

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

(v) Inventories

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

(vi) Foreign Exchange Transactions

- a) Transactions in foreign currencies are recorded at standard exchange rates prevailing in the respective fortnight of the relevant transactions. The realized exchange gains or losses are recognized in the Profit and Loss Account.
- b) The exchange differences on repayment / translation of foreign currency liabilities contracted for acquisition of fixed assets from a country outside India were added to/ deleted from the cost of the relevant fixed assets in terms of Schedule VI to the Companies Act 1956 upto 31st March, 2007.
- c) The exchange differences arising on reporting of long term foreign currency monetary items (including those arising on settlement), in so far as they relate to acquisition of depreciable capital assets are adjusted to the cost of the capital asset, with effect from 1st April 2007, in terms of Ministry of Corporate affairs Notification dated 31st March, 2009 relating to Accounting Standard 11.
- d) Other Monetary Assets and Liabilities denominated in foreign currency are translated at the year end exchange rates. The resultant gain or loss on such translation is recognised in the Profit and Loss Account
- e) In respect of forward exchange contracts covering either Company's earnings or payment related to acquisition of fixed assets (other than firm commitments and highly probable forecast transactions), the premium or discount arising at the inception of the contract is amortised as expense or income over the life of the contract. Exchange



differences on such a contract are recognised in the statement of profit and loss in the reporting period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such a forward exchange contract is recognised as income or as expense for the period. In case of New Build ship, in respect of forward exchange contract entered into to hedge the foreign currency risk of a firm commitment or a highly probable forecast transaction (not covered by Accounting Standing 11 revised 2003), the company capitalizes all the related costs including premium or discount, exchange differences and Profit / Loss on cancellation of such contracts, if any.

(vii) Derivatives

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

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

(viii) Revenue Recognition

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

(ix) Dry Dock/Special Survey expenses

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

(x) Asset Impairment

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

(xi) Assets Impairment Reserve

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

(xii) Employee Benefits

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

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

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

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

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

(xiii) Borrowing Costs:

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

(xiv) Provisions and Contingent liabilities

Provisions are recognised when there is a present obligation as a result of past events where it is probable that there will be outflow of resource to settle the obligation and when a

reliable estimate of the amount of the obligation can be made. When any such present obligation can not be measured or where a realistic estimate of the obligation can not be made, contingent liabilities are recognised.

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

(xv) Taxation

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

NOTES ON ACCOUNTS

1) The Company's Subsidiary, Haytrans (India) Limited has made a loss of Rs. 75,83,743/- for the year ended 31st March, 2010 and has a negative net worth of Rs. 39,61,729/- as on 31st March, 2010. In view of the long term plans for the company, the diminution in value is considered as temporary and hence no provision is made.

2) Disclosures as required by AS 15 on Employee benefits.:

(A) Gratuity Benefits

(a) Description of the Gratuity Plan:

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

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

(In Rs. Lakhs)

Particulars	2009-2010	2008-2009
Present Value of Funded Obligations	47.33	46.88
Fair Value of Plan Assets	(60.69)	(64.32)
Net Liability / (Asset) recognised in the Balance Sheet	(13.36)	(17.44)

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

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

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

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

(In Rs. Lakhs)

Particulars	2009-2010	2008-2009
Current Service Cost	5.26	7.28
Interest on Defined Benefit Obligation	3.64	5.74
Expected Return on Plan Assets	(4.87)	(1.68)
Net Actuarial Losses/ (Gains) Recognized in the year	1.00	(14.51)
Past Service Cost	-	-
Losses/ (Gains) on "Curtailements & Settlements"	-	-
Effect of the limit in Para 59(b)	(0.95)	2.49
Total	4.08	(0.68)

*The actual return on Plan Assets is 5.27 lakhs (Previous year Rs. 1.67 lakhs.)

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

(In Rs. Lakhs)

Particulars	Period Ended	
	2009-2010	2008-2009
<u>Change in Defined Benefit Obligation</u>		
Opening Defined Benefit Obligation	46.88	69.15
Current Service Cost	5.26	7.28
Interest Cost	3.64	5.74
Actuarial Losses / (Gain)	1.40	(14.52)
Past Service Cost	-	-
Actuarial Losses / (Gain) due to Curtailment	-	-
Liabilities Extinguished on Settlements	-	-
Liabilities Assumed on Acquisition / Settled on Divestiture	3.22	-
Exchange Difference on Foreign Plans	-	-
Benefits Paid	(13.07)	(20.77)
Closing Defined Benefit Obligation	47.33	46.88

(In Rs. Lakhs)

Particulars	Period Ended	
	2009-2010	2008-2009
<u>Change in Fair Value of Assets</u>		
Opening Fair Value of Plan Assets	66.81	20.30
Expected Return on Plan Assets	4.87	1.67
Actuarial Gain / (Losses)	0.40	(0.01)
Assets Distributed on Settlements	-	-
Contributions by Employer	-	65.62
Assets Acquired on Acquisition / (Distributed on Divestiture)	3.22	0.00
Exchange Difference on Foreign Plans	0.00	0.00
Benefits Paid	(13.07)	(20.77)
Sub - Total	62.23	66.81
Amount not recognized as per assets (Limit para 59(b))	(1.54)	(2.49)
Closing Fair Value of Plan Assets	60.69	64.32
Expected Employer's Contribution Next Year	-	-

(e) Actuarial Assumptions at the Valuation date

Particulars	2009-2010	2008-2009
Discount Rate	8.00% p.a.	7.25% p.a.
Expected Rate of Return on Plan Assets*	7.50% p.a.	7.50% p.a.
Salary Escalation Rate	10.00% for the first 2 yrs & 7% thereafter	10.00% for the first 3 yrs & 7% thereafter

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

(f) Description of the Plan Assets

Category of Assets	2009-2010	2008-2009
Government of India Securities	0%	0%
Corporate Bonds	0%	0%
Special Deposit Scheme	0%	0%
Insurer Managed Funds	100%	100%
Others	0%	0%
Total	100%	100%

(g) Experience Adjustments

(In Rs. Lakhs)

Particulars	2009-2010	2008-2009	2007-2008
Defined Benefit Obligation	47.33	46.88	69.15
Plan Assets	62.23	66.81	20.30
Surplus / (Deficit)	14.90	19.94	(48.85)
Exp.Adj.on Plan Liabilities	3.90	(16.34)	0.15
Exp. Adj. on Assets	0.40	(0.01)	0.50

B) Privilege Leave Encashment (Compensated Absence)

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

(a) Actuarial Assumptions at the Valuation date

Particulars	2009-2010	2008-2009
Discount Rate	8.00% p.a.	7.25% p.a.
Salary Escalation Rate	10.00% for the first 2 yrs & 7% thereafter	10.00% for the first 3 yrs & 7% thereafter

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

(In Rs. Lakhs)

Particulars	2009-2010	2008-2009
Opening balance of present value of Compensated Absences {after adjustments of opening valuation} (X)	33.93	41.33
Closing balance of present value of Compensated Absences (Y)	33.43	33.93
Movement in Net Liability (X - Y)	0.50	7.40

(c) Payments made under defined Contribution Scheme:

(In Rs. Lakhs)

Particulars	2009-2010	2008-2009
Contribution to Provident Fund & Gratuity		
Crew & Offshore Staff	22.01	43.19
Contribution to Provident Fund	12.20	18.86

3. Information pursuant to para 4-D, clauses a,b,c and e of Part II of Schedule VI of the Companies Act, 1956 has not been given in view of exemption granted by the Department of Company Affairs Vide Order No 46/15/2010-CL-III. Dated 20th January, 2010

4. Dividend remitted in Foreign Currency

	Year ended 31.03.2010 (Rupees)	Year ended 31.03.2009 (Rupees)
Dividend (Gross)	Nil	2,47,03,300
Number of Non-resident shareholders		1
Number of Shares held	Nil	1,23,51,650
Type		Final
For the year	-	2007-2008

5. MANAGERIAL REMUNERATION*

(Included under Salary, Wages and Allowances - Schedule -15)

	Year ended 31.03.2010 (Rupees)	Year ended 31.03.2009 (Rupees)
TO MANAGING DIRECTOR*		
(i) Remuneration	47,98,000	47,52,000
(ii) Contribution to Provident Fund	4,70,400	4,60,800
Total	52,68,400	52,12,800
TO EXECUTIVE DIRECTOR*		
(i) Remuneration	-	29,66,155
(ii) Contribution to Provident Fund	-	2,98,405
(iii) Leave Travel Allowance	-	1,18,356
(iv) Medical Allowance	-	11,836
(v) Leave Encashment	-	6,29,800
Total	-	40,24,552

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

6. AUDITORS REMUNERATION

(included in Administration & Other expenses – Schedule 15)

	Year ended 31.03.2010 (Rupees)	Year ended 31.03.2009 (Rupees)
(i) As Auditors (including Service Tax)	8,27,700	7,44,525
(ii) In other capacity (including Service Tax)		
a) Tax and Transfer pricing Audit Fees	1,65,540	1,48,905
b) Fees for Limited Review of Quarterly Accounts	3,22,628	3,02,291
c) Fees for Certification.	16,854	50,459
(iii) Out of Pocket Expenses	3,50,515	4,92,908

7. CONTINGENT LIABILITIES

(Amount in Rupees)

	As at 31.03.2010	As at 31.03.2009
a) Claims against the Company not acknowledged as debts	10,57,00,000	10,57,00,000
b) Corporate guarantee given on behalf of Subsidiary company (including interest)	9,31,06,425	17,42,09,199
c) Investments of Company given as security for overdraft facility availed by subsidiary	2,31,87,560	NIL
d) Estimated amount of Contracts remaining to be executed on Capital Account and not provided for	NIL	NIL
e) Claim from ONGC for expenses incurred by it in connection with recovery and allied activities in respect of OEL Vision in distress during July 2006 (Recoverable from Insurance company)	3,05,97,784	3,05,97,784
f) Income Tax demand for Assessment year 2007-2008 contested and appealed against.	9,03,135	NIL

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

(Amount in equivalent US Dollars)

Particulars	2009-2010	2008-2009
a) Receivables	9,16,848	6,73,754
b) Payables	10,83,504	10,14,440
c) FCNR Loan from Bank	1,27,79,660	1,50,71,360
d) Cash and Bank Balance	9,37,483	3,66,162
e) Balance with collection Agents	1,96,802	6,30,091

The Company has no derivatives as at 31st March ,2010.

9. Segment Reporting:

a) Segment wise Revenue and Results:

(Rs. In Lacs)

Particulars	Year ended 31 st March, 2010	Year ended 31 st March, 2009
Revenue by Segment		
Shipping	5,534.06	9,791.09
Logistics (Shipping part)	4,304.97	4,790.88
Others	(606.74)	3,123.53
Total Revenue	9,232.29	17,705.50
Segment Results		
Shipping	(1684.19)	174.82
Logistics (Shipping part)	865.90	(111.15)
Others	(606.74)	3,106.64
Total	(1,425.03)	3,170.31
Add: Other Income	236.39	279.07
Less: i) Interest & Finance Charges	313.33	825.14
ii) Unallocated Expenditure	491.66	784.46
Profit before Tax , Prior Period, Exceptional & Extra Ordinary items	(1993.63)	1,839.78
Segment Depreciation		
Shipping	823.97	949.09
Logistics (Shipping part)	316.83	364.10
Unallocated	17.06	21.54

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

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

(Rs. In Lacs)

Particulars	Year ended 31 st March, 2010	Year ended 31 st March, 2009
In India	6,832.02	10,237.37
In Pakistan	28.39	96.18
Rest of World	2,371.88	7,371.95
Total Revenue	9,232.29	17,705.50

c) Segment Capital employed

Fixed Assets used in the company's business or liabilities contracted have not been identified to any of the reportable segments, as the fixed assets and services are used interchangeably between segments. Accordingly, no disclosure relating to individual segment assets and liabilities has been made. However Depreciation has been allocated

amongst segments based on best estimates of usage of fixed assets in the respective segments during the year.

10. Intangible Assets

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

(Amount in Rupees)

Particulars	Year ended 31.3.2010	Year ended 31.3.2009
Opening Balance	11,22,578	2,235
Addition during the year	-	14,08,082
Total	11,22,578	14,10,317
Amortisation	4,66,172	2,87,739
Closing Balance	6,56,406	11,22,578

11. Accounting for Lease

The Company has taken Vehicles on Cancelable Operating Lease and the lease rental of Rs. 6,33,000/- (Rs.15,69,616/-) is charged to the Profit and Loss account.

12. Working of Earnings Per Share:

Particulars	Year ended 31.3.2010	Year ended 31.3.2009
Weighted average number of Equity shares	2,19,57,533	2,19,57,533
Nominal value Per Share	Rs. 10/-	Rs. 10/-
Profit / (Loss) for the year after Tax	Rs. (20,47,38,529)	Rs. 14,99,20,497
Less: Provision for Preference Dividend + Tax (including proposed dividend)	Rs. 90,81,752	Rs. 1,08,52,062
Net Balance available to Equity Shareholders	Rs. (21,38,20,281)	Rs. 13,90,68,435
Earnings Per Share (Basic & Diluted)	(Rs.9.74)	Rs. 6.33

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

	2009-2010	2008-2009
A The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year;	Principal : Rs. 1,14,488/- Interest : Rs. 6,644/-	Principal: Rs. 6997/- Interest : Rs NIL/-
B The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;		Rs. 8237 (for the year 2007-08)

	2009-2010	2008-2009
C The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;)	6,644/-	Nil
D The amount of interest accrued and remaining unpaid at the end of each accounting year;	6,644/-	Nil
E The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil

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

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

Amount in Rupees

Expense Head	Year ended 31.3.2010	Year ended 31.3.2009
A. Salaries, Wages & Other Allowances	15,77,30,977	23,24,78,339
B. Contribution to Provident Fund and Gratuity	39,82,466	63,61,384
C. Staff Welfare	25,22,520	46,62,656
D. Insurance Expenses	3,18,74,411	3,58,72,737
E. Rates & Taxes	22,73,218	28,88,681

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

(Amount in Rupees)

Name of the Company	As At 31.3.2010	As At 31.3.2009	Maximum amount due at any one time during the year
Relay Shipping Agency Limited	2,32,02,683	3,29,84,322	5,34,77,645

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

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

Particulars	Name of the company	Amount outstanding as on 31.03.2010 (Rs)	Maximum amount due at any one time during the year (Rs.)
a) Loans and advances			
(i) Loans and advances in the nature of loans made to subsidiary company.	Haytrans (India) Ltd.	NIL	NIL
(ii) Loans and advances in the nature of loans made to associate company.			
(iii) Loans and advances in the nature of loans where there is.			
1) no repayment schedule or repayment beyond seven year (or)			
2) no interest or interest below section 372A of the Companies Act.			
(iv) Loans and advances in the nature of loans made to firms / companies in which directors of the company are interested.			

Particulars	Name of the company	Amount outstanding as on 31.03.2010 (Rs.)	Maximum amount due at any one time during the year (Rs.)
b) Investments by the company.			
(i) In subsidiary company.	Shreyas Relay Systems Ltd.		
	a) 25,00,000 Equity shares of Rs. 10 each (fully paid)	2,50,00,000	2,50,00,000
	b) 10,00,000 Non Convertible, Cumulative, Redeemable Preference Shares each of Rs. 100/- (fully paid)	10,00,00,000	10,00,00,000
(ii) In subsidiary company	Haytrans (India) Ltd		
	a) 10,450 Equity Shares of Rs. 100 each (fully paid.)	54,34,171	54,34,171
	b) Share Application Money	1,28,00,000	1,28,00,000
(iii) In associates company.		NIL	NIL
c) Investments by the loanee in the shares of the parent company and Subsidiary company when the company has made a loan advance in the nature of Loan-NIL.		NIL	NIL

18. Related Party Transactions (Refer Annexure I)

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

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

SIGNATURES TO SCHEDULES 1 TO 17.

AS PER OUR REPORT ATTACHED

For PKF Sridhar & Santhanam

Chartered Accountants
Firm Regn. No. 0039905

S. Ramakrishnan

Partner
Membership No. 18967

Place : Mumbai
Date : 24th May, 2010

FOR AND ON BEHALF OF THE BOARD

S. Ramakrishnan

Chairman & Managing Director

K. P. Medhekar

Director

Namrata Malushte

Company Secretary

Place : Mumbai
Date : 24th May, 2010

V. Ramnarayan

Executive Director

Vinay Kshirsagar

Chief Financial Officer

(Annexure I)

RELATED PARTY TRANSACTIONS (as on 31.03.2010)

(Amount in '000)

TRANSACTION	Subsidiary Company*	Fellow subsidiaries*	Other related parties*	Key Management personnel*	Total as at 31.03.2010	Total as at 31.03.2009
Charter hire income						
Orient Express Lines Ltd., Mauritius	-	-	-	-	-	30,217
Shreyas World Navigation Pte. Ltd.Singapore	-	-	-	-	-	7,652
Service / freight income						
Balaji Shipping Lines FZCO	-	5,991	-	-	5,991	19,115
Orient Express Lines Ltd., Mauritius	-	2,551	-	-	2,551	61,414
Orient Express Lines (S) Pte. Ltd., Singapore	-	18	-	-	18	-
Shreyas Relay Systems Ltd.	430,497	-	-	-	430,497	479,088
Relay Shipping Agency Ltd.	-	-	-	-	-	1,523
Albatross Shipping Ltd.	-	-	378	-	378	-
Clarion Solutions Ltd.	-	-	-	-	-	17
Dividend Received on Preference Shares						
Shreyas Relay Systems Ltd.	5,605	-	-	-	5,605	-
Loan given						
Haytrans (India) Limited	-	-	-	-	-	5,000
Interest received on loan given						
Haytrans (India) Limited	-	-	-	-	-	81
Repayment of loan given						
Haytrans (India) Limited	-	-	-	-	-	5,000
Vessel management fees paid						
Orient Express Ship Management Ltd.	-	-	21,204	-	21,204	29,417
Agency Fees paid						
Relay Shipping Agency Ltd.	-	-	26,235	-	26,235	22,717
Lanka Orient Express Lines Ltd. Colombo	-	-	766	-	766	5,116
Seabridge Shipping Co L.L.C	-	278	-	-	278	643
Ocean Sea Freight Charges						
Orient Express Lines Ltd., Mauritius	-	4,268	-	-	4,268	5,362
Rent paid						
Sivaswamy Holdings Pvt. Ltd.	-	-	1,781	-	1,781	3,781
Vehicle Lease Rent paid						
Mrs. Savita Kshirsagar	-	-	-	-	-	380



(Annexure I)

RELATED PARTY TRANSACTIONS (as on 31.03.2010) (Contd.)

(Amount in '000)

TRANSACTION	Subsidiary Company*	Fellow subsidiaries*	Other related parties*	Key Management personnel*	Total as at 31.03.2010	Total as at 31.03.2009
Managerial Remuneration paid	-	-	-	-	-	-
Mr. S. Ramakrishnan	-	-	-	5,268	5,268	5,213
Mr. Anil Devli	-	-	-	-	-	4,025
Mr. Vinay Kshirsagar	-	-	-	2,704	2,704	2,728
Stores, spares, victualling, Repairs expenses, Handling & Fwd etc.paid						
ADMEC Logistics Ltd.	-	-	6,388	-	6,388	9,860
Haytrans (India) Limited	-	-	-	-	-	251
Sale of Vessel						
Orient Express Lines - Panama	-	-	-	-	-	1,727,493
Purchases of Assets						
Clarion Solutions Ltd.	-	-	-	-	-	23
Shreyas Relay Systems Ltd.	-	-	-	-	-	68
Haytrans (India) Limited	-	-	-	-	-	124
Investment made						
Shreyas Relay Systems Ltd.	-	-	-	-	-	100,000
Share application money Haytrans (India) Limited	12,800	-	-	-	12,800	-
Dividend Paid on Equity Shares						
Transworld Holdings Ltd.	-	-	-	-	-	24,703
Mr. S. Ramakrishnan	-	-	-	-	-	219
Mrs. Geeta Ramakrishnan	-	-	-	-	-	217
Mr. Ritesh Ramakrishnan	-	-	-	-	-	337
Ms. Anisha Ramakrishnan	-	-	-	-	-	1,951
Mrs. Valli Sivaswamy	-	-	-	-	-	767
Mrs. Mala Mahesh	-	-	-	-	-	217
Master Murlu Mahesh	-	-	-	-	-	337
Kumari Mithila Mahesh	-	-	-	-	-	1,951
Mr. S. Mahesh	-	-	-	-	-	225
Mr.V. Ramnarayan	-	-	-	-	-	219
Mrs. Brinda Ramnarayan	-	-	-	-	-	217
Mr. Rajan Ramnarayan	-	-	-	-	-	282
Mr. Rajiv Ramnarayan	-	-	-	-	-	273
Mr. Anil Devli	-	-	-	-	-	12

RELATED PARTY TRANSACTIONS (as on 31.03.2010) (Contd.)

Outstanding balances pertaining to related parties as at 31st March, 2010 (In Rs.'000)

(Amount in '000)

Nature of balance	Subsidiary Company*	Fellow subsidiaries*	Other related parties*	Key Management personnel*	Total as at 31.03.2010	Total as at 31.03.2009
Debit balance due to company	48,901	3,918	23,384	-	76,203	64,059
Credit balance due from company	-	9,675	1,452	-	11,127	9,091

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

*** Names of related parties**

Nature of relationship	Name of the related party
Holding company	Transworld Holdings Ltd., Mauritius (holds 56.25% of the equity share capital as at 31 st March, 2010)
Fellow subsidiaries	Shreyas World Navigation Pte. Ltd., Singapore Orient Express Lines Ltd., Mauritius Orient Express Lines (S) Pte. Ltd., Singapore Orient Express Lines Inc, Panama Balaji Shipping Lines FZCO Balaji Shipping Co. SA, Panama Sea Bridge Shipping L.L.C
Subsidiary Companies	Shreyas Relay Systems Ltd. Haytrans (India) Limited
Other related parties	ADMEC Logistics Ltd. Albatross Shipping Ltd. Lanka Orient Express Lines Ltd. Colombo Orient Express Ship Management Ltd. Relay Shipping Agency Ltd. Sivaswamy Holdings Pvt. Ltd.
Key Management Personnel	Mr. S. Ramakrishnan Mr. V. Ramnarayan Mr. Vinay Kshirsagar
Relatives of Key Management Personnel	Mrs. Geeta Ramakrishnan Mr. Ritesh Ramakrishnan Ms. Anisha Ramakrishnan Mr. S. Mahesh Mrs. Mala Mahesh Master Murlu Mahesh Kumari Mithila Mahesh Mrs. Valli Sivaswamy Mrs. Brinda Ramnarayan Mr. Rajan Ramnarayan Mr. Rajiv Ramnarayan Mrs. Savita Kshirsagar



(Refer Annexure II)

(B) SHORT TERM INVESTMENTS IN MUTUAL FUND

Details of Purchases and Sales of Investments Schedule -5

S. No.	DESCRIPTION	YEAR 2009-2010				YEAR 2008-2009			
		PURCHASE/SWITCH		SOLD/SWITCH OUT		PURCHASE/SWITCH		SOLD/SWITCH OUT	
		UNITS	COST	UNITS	COST	UNITS	COST	UNITS	COST
1	ABN AMRO Cash Fund-Institutional Daily Dividend	-	-	-	-	5,000,756	50,007,565	5,000,756	50,007,565
2	ABN AMRO Money Plus Fund-Institutional Daily Dividend	-	-	-	-	5,112,929	51,130,528	5,112,929	51,130,528
3	Birla Sunlife Cash Plus Fund-Institutional-Daily Div.Reinvest	-	-	-	-	4,556,123	45,564,628	4,556,123	45,564,628
4	Birla Sunlife Dynamic Bond Fund-Retail Plan Monthly Div.	1,453,836	15,269,593	2,921,654	30,376,493	1,467,818	15,259,297	-	-
5	Birla Sunlife Gilt Plus-Regular-Quarterly Dividend	-	-	1,199,111	15,127,391	1,199,111	15,280,209	-	-
6	Birla Sunlife Liquid Plus Fund-Institutional Plan	-	-	-	-	5,571,397	70,754,007	5,571,397	70,754,007
7	DSP Black Rock Liquidity Fund-Regular Plan-Daily Div	249,772	2,500,219	249,772	2,500,219	-	-	-	-
8	DSP Black Rock Cash Plus Fund-Regular Plan-Weekly Div.	-	-	-	-	49,941	50,000,000	49,941	50,000,000
9	DSP Black Rock Strategic Bond Fund-Institutional Plan-Weekly Div.	2,745	2,753,914	53,130	53,320,661	50,386	50,541,961	-	-
10	DSP Black Rock Strategic Bond Fund-Regular Plan-Weekly Div.	-	-	-	-	49,868	50,079,756	49,868	50,079,756
11	HDFC Cash Management-Call Plan-Daily Div	4,316,091	45,002,158	4,316,091	45,002,158	-	-	-	-
12	HDFC Cash Management Fund Treasury Advantage Plan - Wholesale - Daily Dividend	4,644,469	46,590,995	-	-	-	-	-	-
13	HSBC Cash Fund-Institutional Plus-Daily Dividend	-	-	-	-	4,998,060	50,008,592	4,998,060	50,008,592
14	HSBC Liquid Plus-Inst.Plus-Daily Dividend	-	-	-	-	5,012,590	50,189,061	5,012,590	50,189,061
15	ING Liquid Fund Institutional - Daily Dividend Option	-	-	-	-	8,450	84,529	520,383	5,205,545
16	Kotak Flexi Debt Scheme	-	-	-	-	3,528,306	38,385,438	3,528,306	38,385,438
17	LIC Liquid Fund Daily Dividend	-	-	-	-	910,916	10,001,951	910,916	10,001,951
18	LIC MF Liquid Plus Fund-Daily Dividend Plan	-	-	-	-	1,559,643	15,596,433	2,349,756	23,497,556
19	LOTUS India FMP - 3 Months - Series 1- Retail Dividend	-	-	-	-	750,299	7,514,396	750,299	7,514,396
20	Prudential ICICI Gilt Investment Plan-Qtrly Div.	-	-	2,268,437	30,522,505	2,268,437	30,369,710	-	-
21	Prudential ICICI Gilt Investment Plan-Qtrly Div.	-	-	1,160,304	15,560,434	1,160,304	15,016,508	-	-

(Refer Annexure II)

(B) SHORT TERM INVESTMENTS IN MUTUAL FUND

Details of Purchases and Sales of Investments Schedule -5 (Contd.)

S. No.	DESCRIPTION	YEAR 2009-2010				YEAR 2008-2009			
		PURCHASE/SWITCH		SOLD/SWITCH OUT		PURCHASE/SWITCH		SOLD/SWITCH OUT	
		UNITS	COST	UNITS	COST	UNITS	COST	UNITS	COST
22	Prudential ICICI Floating Rate Fund-Plan-B Fortnightly Div.	-	-	-	-	1,487,958	15,043,637	1,487,958	15,043,637
23	Prudential ICICI Floating Rate Plan C Fortnightly Div.	-	-	-	-	1,492,475	15,041,525	1,492,475	15,041,525
24	Prudential ICICI Flexible Income Plan-Daily Div.	4,780,724	92,511,549	4,339,879	45,898,996	5,240,724	55,010,857	6,189,514	65,042,887
25	Prudential ICICI Institutional Short Term Plan-Fortnightly Div.	1,280,733	15,626,562	1,280,733	15,505,837	410,444	4,913,389	410,444	4,913,389
26	Prudential ICICI Liquid -Super Institutional Plan-Daily Div.	4,500,723	45,011,578	4,500,723	45,015,777	8,767,083	90,000,000	8,767,083	90,000,000
27	Prudential ICICI Short Term Plan-Fortnightly Div.	2,632,012	32,094,220	1,232,853	32,094,220	1,247,692	15,230,735	-	-
28	Reliance Liquid Plus Fund-Institutional Option	-	-	-	-	327,129	5,000,892	327,129	5,000,892
29	Reliance Liquid Plus Fund-Institutional Option	-	-	-	-	25,404	25,433,250	25,404	25,433,250
30	Reliance Liquid Plus Fund-Retail Option-Dly Dividend	2,617,690	40,017,157	2,617,690	40,017,157	1,308,571	20,004,384	1,308,571	20,004,384
31	Reliance Short Term Fund - Retail Plan - Dividend Plan	975,416	10,398,892	-	-	-	-	-	-
32	SBI SHF Liquid Fund	-	-	-	-	33,176,522	331,931,104	33,176,522	331,931,104
33	SBI Premier Liquid Fund	-	-	-	-	32,878,919	329,857,758	32,878,919	329,857,758
34	Sundaram BNP Paribas Money Fund	-	-	-	-	1,981,512	20,003,962	1,981,512	20,003,962
35	Sundaram BNP Paribas Liquid Plus Fund	-	-	-	-	2,017,378	20,224,213	2,017,378	20,224,213
36	TATA Fixed Income Portfolio Fund Scheme A	-	-	-	-	6,500,000	65,000,000	6,500,000	65,000,000
37	TFLD TATA Floater Fund-Daily Dividend	-	-	-	-	6,411,935	64,347,614	6,411,935	64,347,614
38	TLSD01 TATA Liquid Super High Investment Fund-Daily Div.	-	-	-	-	6,590,917	155,369,850	6,590,917	155,369,850
39	TSTD-TATA Short Term Bond Fund-Dividend	24,602	294,955	3,387,368	40,748,677	3,362,766	40,753,466	-	-
40	Templeton India Treasury Management-Institutional Plan-Daily Div.	14,992	15,001,628	14,992	15,001,628	-	-	-	-
41	Templeton India Ultra Short Bond Fund-Institutional Plus -Daily Div.	1,500,853	15,028,406	1,500,853	15,025,193	-	-	-	-
42	UTI Cash Fund-Daily Income Plan	-	-	-	-	49,055	50,009,162	49,055	50,009,162
43	UTI Liquid Fund-Cash Plan IP-Daily Div.	-	-	-	-	65,483	65,497,009	75,542	75,557,722



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

I Registration details		
Registration No.		48500
State Code		11
Balance Sheet Date		31/03/2010
II Capital raised during the year		Amount (Rs. in '000)
Public Issue		Nil
Rights Issue		Nil
Bonus Issue		Nil
Private Placement		
Non-Convertible, Cumulative, Redeemable Preference Share of Rs. 100/- each		Nil
III Position of Mobilization and Deployment of Funds		Amount (Rs. in '000)
Total Liabilities		2,149,326
Total Assets		2,149,326
Source of Funds		
Share Capital		299,575
Reserves & Surplus		1,132,827
Secured Loans		716,924
Unsecured Loans		NIL
Deferred Tax Liability		NIL
Application of Funds		
Net Fixed Assets		1,720,044
Investments		288,738
Net Current Assets		140,544
Misc. Expenditure		NIL
Accumulated losses		NIL
IV Performance of the Company		
Turnover (Including other income)		946,868
Total Expenditure		1,146,231
Profit before extraordinary, exceptional items and tax		(199,363)
Profit/(Loss) after Tax		(204,739)
Preference Dividend Paid		NIL
Interim Equity Dividend Paid		NIL
Tax on Dividend Paid		NIL
Proposed Preference Dividend		7,788
Tax on Proposed Preference Dividend		1,294
Transfer to Capital Redemption Reserve		11,000
Transfer to General Reserve		NIL
Balance available to Equity Shareholders		(213,820)
Earning per share including Exceptional Items (Rs.)		(9.74)
Earning per share excluding Exceptional items (Rs.)		(9.74)
Interim Equity Dividend Rate %		
Final Equity Dividend rate%		
V Generic Names of three Principal products / Services of the Company		
Item Code No. (ITC Code)		Nil
Product description		Nil

Note: This is a Shipping Company.

FOR AND ON BEHALF OF THE BOARD

S. Ramakrishnan
Chairman & Managing Director

K. P. Medhekar
Director

Namrata Malushte
Company Secretary

Place : Mumbai
Date : 24th May, 2010

V. Ramnarayan
Executive Director

Vinay Kshirsagar
Chief Financial Officer

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010

Particulars	Year ended 31 st March, 2010	Year ended 31 st March, 2009
Cashflow from operating activities		
Net profit/ (Loss) before tax	(199,362,702)	183,977,719
Adjusted for Non cash / Non Operating items		
Depreciation	115,785,966	133,473,293
Loss on Sale on Fixed assets	1,662,542	5,964,684
Loss/(Profit) on Sale of Investments	(3,204,992)	3,850,864
Interest Expenses	31,218,590	82,252,749
Unrealised Exchange / swap Loss / (Gain) on current assets & Liabilities	717,485	315,432
Dividend received from Subsidiary	(5,605,480)	-
Income for current Investments	(5,972,718)	(9,710,390)
Interest Income	(766,261)	(1,468,910)
(Profit)/Loss on Sale of Ship	61,327,819	(278,270,133)
Operating Profit Before Working Capital changes (a)	(4,199,751)	120,385,308
Adjustments for : Increase/(Decrease) in Working Capital		
Increase/(Decrease) in Current Assets		
Inventories	(4,043,220)	(29,927,442)
Sundry Debtors	21,584,184	(96,571,773)
Other Current Assets, Loans and Advances	(63,864,725)	37,236,395
	(46,323,761)	(89,262,820)
Less: Increase/(Decrease) in Current Liabilities & Provision	(37,682,924)	(87,660,538)
Net Increase/(Decrease) in Working Capital (b)	(8,640,837)	(1,602,282)
Cash Generated from Operations (a) - (b) = (c)	4,441,086	121,987,590
Less: Taxation	11,718,960	33,793,976
Less : Prior Period items	-	367,147
NET CASH FROM OPERATING ACTIVITIES (A)	(7,277,874)	87,826,467
Cash flow from investing activities		
Addition / Revaluation to Fixed Assets including Capital Work in Progress	(147,537)	(559,683,421)
Sale of Fixed Assets	44,221,194	2,150,208,383
Purchase of Investments	(12,800,000)	(100,000,000)
Interest Income	766,261	1,468,910
Dividend received from Subsidiary	5,605,480	-
Income from Current Investments	9,177,710	5,859,526
NET CASH FROM INVESTING ACTIVITIES (B)	46,823,108	1,497,853,398
Cash Flow from Financing Activities		
Proceeds / (Repayment) of Borrowings (Net)	(7,259,298)	(1,270,458,871)
Redemption of Preference Share capital	(11,000,000)	(39,000,000)
Interest Expenses	(31,218,590)	(82,252,749)
Dividend Paid	(7,462,000)	(56,388,726)
Tax on dividend paid	(1,268,170)	(9,583,269)
NET CASH FROM FINANCING ACTIVITIES (C)	(58,208,058)	(1,457,683,615)
NET CHANGES IN CASH & CASH EQUIVALENT (A+B+C)	(18,662,824)	127,996,250
CASH & CASH EQUIVALENTS - OPENING BALANCE	201,933,166	73,476,166
ADD : NET CHANGES IN CASH & CASH EQUIVALENT AS ABOVE	(18,662,824)	127,996,250
ADD : EFFECT OF CHANGES IN EXCHANGE RATES ON CASH AND CASH EQUIVALENTS	(1,537,448)	460,750
CASH & CASH EQUIVALENTS - CLOSING BALANCE	181,732,894	201,933,166
	(18,662,824)	127,996,249
 CLOSING CASH & CASH EQUIVALENTS CONSISTS OF		
CASH ON HAND (Refer Schedule 8)	1,148,823	2,005,671
BALANCES WITH SCHEDULE BANK IN CURRENT ACCOUNT & DEPOSITS (Refer Schedule 8)	45,229,741	21,256,857
INVESTMENT IN LIQUID FUND SECURITIES	135,354,330	178,670,638
TOTAL	181,732,894	201,933,166

Notes:

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

AS PER OUR REPORT ATTACHED

FOR AND ON BEHALF OF THE BOARD

For PKF Sridhar & Santhanam

Chartered Accountants
Firm Regn No. 0039905

S. Ramakrishnan

Partner
Membership No. 18967

S. Ramakrishnan

Chairman & Managing Director

Place : Mumbai

Date : 24th May, 2010

Place : Mumbai

Date : 24th May, 2010



STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956

SR. NO.	PARTICULARS	SHREYAS RELAY SYSTEMS LIMITED	HAYTRANS (INDIA) LIMITED
1	The relevant financial year of the subsidiary ends on	31 st March, 2010	31 st March, 2010
2	No. of shares held as on 31 st March, 2010	25,00,000 Equity shares of Rs. 10/- each fully paid-up	10,450 Equity shares of Rs. 100/- each fully paid-up
3	Extent of holding as on 31 st March, 2010	100%	51.10%
4	The net aggregate of profit / (loss) of subsidiary so far as they concern the members of the company		
	(a) Dealt with in the accounts of company for the year ended 31 st March, 2010	-	-
	(b) Not dealt with in the accounts of company for the year ended 31 st March, 2010	59,942,704	(6,766,225)
5	The net aggregate of profit / (loss) for previous financial years of the subsidiary, since it became subsidiary so far as they concern members of the company		
	(a) Dealt with in the accounts of company	-	-
	(b) Not dealt with in the accounts of company	(56,947,495)	(31,456,077)

FOR AND ON BEHALF OF THE BOARD

S. Ramakrishnan
Chairman & Managing Director

K. P. Medhekar
Director

Namrata Malushte
Company Secretary

Place : Mumbai
Date : 24th May, 2010

V. Ramnarayan
Executive Director

Vinay Kshirsagar
Chief Financial Officer

Auditor's Report on Consolidated Financial Statements

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

1. We have audited the attached consolidated Balance Sheet of Shreyas Shipping & Logistics Ltd. ('the Company') and its subsidiaries (the company and its subsidiaries constitutes 'the Group') as at 31st March 2010, and the related Profit and Loss Account and the Cash Flow Statement for the year ended on that date, both annexed thereto. The financial statements are the responsibility of the company's management. Our responsibility is to express our opinion on these consolidated financial statements based on our audit.
2. We conducted our audit in accordance with generally accepted Auditing Standards in India. These Standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from any material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentations. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of one subsidiary (Haytrans (India) Ltd). The financial statement of Haytrans (India) Ltd as on 31st March, 10 (Total Assets: Rs. 117.48 lakhs; Total Revenue Rs. 867.97 lakhs; Total Cash Flows of Rs. 26.13 lakhs) has been audited by another auditor whose report has been furnished to us and, our opinion, in so far as it relates to the amounts included in respect of this subsidiary, is based solely on the reports of the other auditor.
4. (i) We report that the consolidated Financial Statements have been prepared in accordance with the requirement of Accounting Standard (AS 21) "Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India, on the basis of the individual audited Financial Statements of the Company and its subsidiary.
(ii) On the basis of the information and according to the explanations given to us, in our opinion, the Consolidated Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India.
 - a) in the case of consolidated Balance Sheet, of the consolidated state of affairs of the Group as at 31st March, 2010;
 - b) in the case of consolidated Profit and Loss Account of the consolidated results of operations of the Group for the year ended as on that date, and
 - c) in the case of consolidated Cash Flow statement of the consolidated cash flows of the Group for the year ended as on that date.

For PKF Sridhar & Santhanam
Chartered Accountants
Firm Regn. No: 0039905

S. Ramakrishnan
Partner
M. No. 18967

Place: Mumbai
Date: 24th May, 2010



CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2010

(AMOUNT IN RUPEES)

	Schedule	AS AT 31.03.2010	AS AT 31.03.2009
SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
SHARE CAPITAL	1	299,575,330	310,575,330
RESERVES AND SURPLUS	2	1,093,875,700	1,262,787,545
		<u>1,393,451,030</u>	<u>1,573,362,875</u>
LOAN FUNDS			
SECURED LOANS	3	848,927,265	1,020,201,201
		<u>848,927,265</u>	<u>1,020,201,201</u>
		<u>2,242,378,295</u>	<u>2,593,564,076</u>
TOTAL			
APPLICATION OF FUNDS			
FIXED ASSETS			
GROSS BLOCK	4	2,246,467,039	2,643,752,764
LESS : DEPRECIATION		384,809,233	465,727,879
NET BLOCK		<u>1,861,657,806</u>	<u>2,178,024,885</u>
CAPTIAL WORK-IN-PROGRESS			
		-	-
TOTAL		<u>1,861,657,806</u>	<u>2,178,024,885</u>
INVESTMENTS			
	5	145,689,081	188,999,099
DEFERRED TAX ASSETS			
		934,570	-
CURRENT ASSETS, LOANS AND ADVANCES			
INVENTORIES	6	30,067,943	34,111,163
SUNDRY DEBTORS	7	185,061,193	189,427,684
CASH AND BANK BALANCES	8	58,348,775	39,622,156
OTHER CURRENT ASSETS	9	12,848,068	40,744,020
LOANS AND ADVANCES	10	177,997,674	208,683,748
CURRENT ASSETS TOTAL (A)		<u>464,323,653</u>	<u>512,588,771</u>
LESS : CURRENT LIABILITIES AND PROVISIONS			
CURRENT LIABILITIES	11	212,197,433	270,621,667
PROVISIONS	12	18,029,383	15,427,012
CURRENT LIABILITIES TOTAL (B)		<u>230,226,816</u>	<u>286,048,679</u>
NET CURRENT ASSETS (A-B)		<u>234,096,837</u>	<u>226,540,092</u>
TOTAL		<u>2,242,378,295</u>	<u>2,593,564,076</u>
NOTES TO THE ACCOUNTS			
	17		

AS PER OUR REPORT ATTACHED

For PKF Sridhar & Santhanam
Chartered Accountants
Firm Regn. No. 0039905

S. Ramakrishnan
Partner
Membership No. 18967

Place : Mumbai
Date : 24th May, 2010

FOR AND ON BEHALF OF THE BOARD

S. Ramakrishnan
Chairman & Managing Director

K. P. Medhekar
Director

Namrata Malushte
Company Secretary

Place : Mumbai
Date : 24th May, 2010

V. Ramnarayan
Executive Director

Vinay Kshirsagar
Chief Financial Officer

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED AS AT 31ST MARCH, 2010

(AMOUNT IN RUPEES)

	Schedule	Year ended 31.03.2010	Year ended 31.03.2009
INCOME			
OPERATING EARNINGS			
a) CHARTER HIRE INCOME		124,783,353	238,523,725
b) FREIGHT INCOME		1,328,805,617	1,998,389,602
c) NON LINER		654,175	1,620,453
d) FREIGHT FORWARDING INCOME		85,630,199	602,071,414
e) DUTY CREDIT ENTITLEMENT UNDER SFIS		-	32,462,140
TOTAL OPERATING EARNINGS		1,539,873,344	2,873,067,334
OTHER INCOME			
a) PROFIT ON SALE OF SHIP (NET)		(61,327,819)	278,270,133
b) MISCELLANEOUS INCOME	13	21,922,113	16,619,870
c) FOREX GAIN/ (NET)		-	13,381,088
TOTAL OTHER INCOME		(39,405,706)	308,271,091
TOTAL INCOME		1,500,467,638	3,181,338,425
EXPENDITURE			
OPERATING EXPENSES	14	1,378,922,899	2,627,980,273
ADMINISTRATION & OTHER EXPENSES	15	98,962,696	223,464,661
FOREX LOSS (Net)		2,858,389	-
INTEREST	16	45,951,155	102,859,998
DEPRECIATION		124,840,160	144,530,716
TOTAL EXPENDITURE		1,651,535,299	3,098,835,648
PROFIT BEFORE EXTRA ORDINARY AND EXCEPTIONAL AND PRIOR PERIOD ITEMS AND TAXATION		(151,067,661)	82,502,777
ADD/ (Less) : EXCEPTIONAL ITEMS		-	8,750
PROFIT BEFORE TAX		(151,067,661)	82,511,527
LESS: PRIOR PERIOD ITEMS (net)		-	367,147
LESS PROVISION FOR TAXATION			
- CURRENT		11,465,116	31,000,000
- FOREIGN TAX		3,875,827	-
- DEFERRED TAX		(934,570)	(7,537,709)
- FRINGE BENEFIT TAX		-	2,209,501
- PRIOR YEAR		224,044	611,131
- MINIMUM ALTERNATE TAX CREDITS		(8,647,598)	-
PROFIT AFTER TAX		(157,050,480)	55,861,457
ADD : LOSS TRANSFERRED TO MINORITY INTEREST		-	-
PROFIT AFTER TAX		(157,050,480)	55,861,457
SURPLUS BROUGHT FORWARD FROM PREVIOUS YEAR		465,543,057	459,533,662
AMOUNT AVAILABLE FOR APPROPRIATION		308,492,577	515,395,119
APPROPRIATIONS			
TRANSFER TO CAPITAL REDEMPTION RESERVE		11,000,000	39,000,000
TRANSFER TO TONNAGE TAX RESERVE		-	-
DIVIDEND PAID ON PREFERENCE SHARES		-	1,813,660
TAX ON DIVIDEND PAID		952,651	308,232
PROPOSED DIVIDEND ON PREFERENCE SHARES		7,788,225	7,462,000
TAX ON PROPOSED DIVIDEND ON PREFERENCE SHARES		3,120,490	1,268,170
SURPLUS CARRIED TO SCHEDULE 2		285,631,211	465,543,057
		308,492,577	515,395,119
Earnings per share-Basic and Diluted (excluding Extraordinary / exceptional items) (Refer Note 10 in schedule 17)	17	(7.69)	3.10

AS PER OUR REPORT ATTACHED

For PKF Sridhar & Santhanam

Chartered Accountants
Firm Regn. No. 0039905

S. Ramakrishnan

Partner
Membership No. 18967

Place : Mumbai

Date : 24th May, 2010

FOR AND ON BEHALF OF THE BOARD

S. Ramakrishnan

Chairman & Managing Director

K. P. Medhekar

Director

Namrata Malushte

Company Secretary

Place : Mumbai

Date : 24th May, 2010

V. Ramnarayan

Executive Director

Vinay Kshirsagar

Chief Financial Officer

SCHEDULES TO CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2010

(AMOUNT IN RUPEES)

SCHEDULE 1 : SHARE CAPITAL
AUTHORISED

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

AS AT 31.03.2010	AS AT 31.03.2009
240,000,000	240,000,000
140,000,000	140,000,000
380,000,000	380,000,000

ISSUED, SUBSCRIBED AND PAID UP

2,19,57,533	Equity Shares of Rs 10/- each fully Paid up
a)	1,23,51,650 Equity Shares held by Holding Company Transworld Holdings Limited., Mauritius.
b)	10,162,750 Equity Shares allotted as fully paid up pursuant to a contract without payment being received in cash.
c)	21,33,333 Equity shares issued as fully paid up on conversion of equal number of Global Depository Receipts (GDR). (All the GDRs have been converted into Equity Shares).

219,575,330	219,575,330
-------------	-------------

1,300,000. 9.5% (with effect from 16th October, 2009) (previously 8.2%) Non-Convertible, Cumulative, Redeemable Preference Shares of Rs. 100/- each fully paid up
Date of allotment 27th October, 2005
As per Last Balance Sheet

91,000,000	130,000,000
11,000,000	39,000,000
80,000,000	91,000,000

Less Redeemed during the year
Balance

As per the original terms of allotment the preference shares were to be redeemed at par at the end of 3rd, 4th, and 5th year from the date of allotment in the ratio of 30:30:40. First Tranche of Rs. 39,000,000 was redeemed on the 25th October, 2008. However during the year the terms of redemption for the balance amount of Rs. 91,000,000 have been amended with mutual consent as to be redeemed in 18 monthly instalments as below
5 monthly instalments of Rs. 18,00,000 each payable from October, 2009.
1 monthly instalment of Rs. 20,00,000 payable in March, 2010.
11 monthly instalments of Rs. 67,00,000 each payable from April, 2010.
Last instalment of Rs. 63,00,000 payable in March, 2011.
As part of the revised terms of redemption the dividend rate has been increased to 9.5% with effect from 16th october, 2009.
In the current year the Company has redeemed the 6 monthly instalments amounting Rs. 11,000,000 falling due before 31st March, 2010.

TOTAL

299,575,330	310,575,330
--------------------	--------------------

SCHEDULE 2 : RESERVES AND SURPLUS
SECURITIES PREMIUM

As per last Balance Sheet	(a)
Less: Expenses on upgradation and refurbishment of vessels and loss of stores in sunken vessel as per court order.	

382,292,449	382,292,449
-	-
382,292,449	382,292,449

GENERAL RESERVE

As per last Balance Sheet	
Add: Transfer from provision on cancellation of Derivatives	
Less: Opening adjustment toward Changes in Foreign Exchange Rates as per (AS-11)	

135,352,040	98,177,585
-	107,525,147
-	70,350,692
135,352,040	135,352,040

TONNAGE TAX RESERVE

(In view of income subject to Tonnage Tax being negative, no transfer to Tonnage Tax Reserve is made in the current year.)

107,146,945	107,146,945
--------------------	--------------------

(AMOUNT IN RUPEES)

		AS AT 31.03.2010	AS AT 31.03.2009
ASSET IMPAIRMENT RESERVE			
As per last Balance Sheet	(d)	30,000,000	30,000,000
TONNAGE TAX UTILISATION RESERVE			
As per last Balance Sheet	(e)	103,453,055	103,453,055
CAPITAL REDEMPTION RESERVE			
As per last Balance Sheet		39,000,000	-
Add: Transfer from Profit and Loss account on redemption of Non-Cumulative Redeemable (Refer Schedule No.1 for details of redemption)	(f)	11,000,000	39,000,000
		50,000,000	39,000,000
SURPLUS			
Balance in Profit & Loss Account	(g)	285,631,211	465,543,057
		285,631,211	465,543,057
TOTAL (a+b+c+d+e+f+g)		1,093,875,700	1,262,787,546

SCHEDULE 3 : SECURED LOANS

FROM BANKS.

*STATE BANK OF INDIA (FCNR LOAN)		289,882,759	387,564,421
Secured by a charge over the Vessel Oel Trust (Due within 12 Months NIL, Previous Year Rs. 72,444,786/-.)			
*STATE BANK OF INDIA (FCNR LOAN)		286,982,064	380,321,370
Secured by a charge over the Vessel M.V.Independent spirit (Due within 12 Months NIL, Previous Year Rs. 67,681,980/-.)			
ICICI BANK LTD (CAR LOAN)		1,085,337	1,601,857
Secured by hypothecation of Cars (Due within 12 Months Rs. 568,363 Previous Year Rs. 516,520/-.)			
STANDARD CHARTERED BANK (TERM LOAN)		8,133,333	66,266,667
Secured by Hypothecation of specific Containers (Due within 12 Months Rs. 81,33,333 , Previous Year Rs. 58,133,333/-)			
STATE BANK OF INDIA (FCNR LOAN)		13,542,000	30,749,004
Secured by Hypothecation of specific Containers (Due within 12 Months Rs. 13542000.-, Previous Year Rs. 15,285,000/-)			
STANDARD CHARTERED BANK. (Working Capital Overdraft)		161,118,125	153,697,882
Secured by hypothecation of present and future book debts & Stocks			
DEUTSCHE BANK AG, MUMBAI (Overdraft)		88,183,647	-
Secured by lien on Mutual Fund Investments & Debentures			
TOTAL		848,927,265	1,020,201,201

*Note: In respect of FCNR Loans from State Bank of India, terms of repayment have been renegotiated and bank has agreed for a moratorium on repayment till December, 2011.



SCHEDULE 4 : FIXED ASSETS

(AMOUNT IN RUPEES)

DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	COST AS AT 01.04.2009	ADDITIONS	DEDUCTIONS/ ADJUSTMENTS	COST AS AT 31.03.2010	AS AT 01.04.2009	FOR THE YEAR	DEDUCTIONS/ ADJUSTMENTS	AS AT 31.03.2010	AS AT 31.03.2010	AS AT 31.03.2009
FLEET	2,447,572,515	-	387,032,141	2,060,540,374	434,997,038	114,005,003	201,141,540	347,860,501	1,712,679,873	2,012,575,477
LAND	-	-	-	-	-	-	-	-	-	-
EQUIPMENT ON BOARD	3,070,796	-	3,070,796	-	1,660,998	74,223	1,735,221	-	-	1,409,798
CONTAINER EQUIPMENT	167,691,881	-	2,675,220	165,016,661	19,461,901	7,905,126	19,654	27,347,373	137,669,288	148,229,980
FURNITURE & FIXTURES	2,179,174	106,882	607,478	1,678,578	1,029,042	86,122	286,268	828,896	849,682	1,150,132
OFFICE EQUIPMENTS (INCLUDING COMPUTERS AND SOFT WARE - See Note 10)	16,513,092	518,876	4,543,774	12,488,194	6,520,156	1,859,374	2,547,720	5,831,810	6,656,384	9,992,936
TRAILOR (VEHICLE)	2,332,268	-	-	2,332,268	985,823	492,883	-	1,478,706	853,562	1,346,445
VEHICLES	4,386,855	46,596	22,487	4,410,964	1,066,738	417,429	22,220	1,461,947	2,949,017	3,320,117
BICYCLES	6,183	-	6,183	-	6,183	-	6,183	-	-	-
TOTAL AS ON 31.03.2010	2,643,752,764	672,354	397,958,079	2,246,467,039	465,727,879	124,840,160	205,758,806	384,809,233	1,861,657,806	2,178,024,885
TOTAL AS ON 31.03.2009	3,131,105,655	1,553,739,860	2,041,092,751	2,643,752,764	474,181,186	144,530,716	152,984,023	465,727,879	2,178,024,885	

Deductions under Fleet and Container includes adjustment of Rs. 842,666,671/- forex gain during the year on repayment / restatement of foreign currency loans utilised for acquisition of fleet. (Previous year; Additions Rs. 190,347,754, Deductions Rs. 79,835,433)

SCHEDULE 5 : INVESTMENTS

(AMOUNT IN RUPEES)

(A) LONG TERM INVESTMENTS (AT COST)	AS AT 31.03.2010	AS AT 31.03.2009
1 TRADE - UNQUOTED-FULLY PAID	10,150,000	10,150,000
(B) CURRENT NON TRADE INVESTMENT- (UNQUOTED)		
1 MUTUAL FUNDS INVESTMENTS	135,539,081	178,849,099
(AT LOWER OF COST OR NET ASSET VALUE)		
TOTAL (A + B)	145,689,081	188,999,099

SCHEDULE 6 : INVENTORIES

(AMOUNT IN RUPEES)

	AS AT 31.03.2010	AS AT 31.03.2009
(At lower of Cost or Net Realisable Value)		
Lube Oils and Fuel Oil*	29,595,553	33,230,495
Victualling Stock*	472,390	880,668
(*As valued and Certified by the Management)		
TOTAL	30,067,943	34,111,163

SCHEDULE 7 : SUNDRY DEBTORS

(Unsecured and considered good)

Debts outstanding for a period exceeding six months		
Considered Good	8,732,470	19,411,098
Considered doubtful	3,826,144	17,746,535
Others		
Considered Good	176,328,723	170,016,586
Considered doubtful	15,873,909	5,071,582
	204,761,246	212,245,801
Less: Provision for doubtful debts	19,700,053	22,818,117
TOTAL	185,061,193	189,427,684

SCHEDULE 8 : CASH AND BANK BALANCES

Cash on Hand	1,201,672	2,125,377
With Scheduled Banks		
in Current Accounts	14,085,111	18,389,319
in Term Deposits	39,754,106	13,045,191
in Margin Money Deposits*	-	2,456,587
(*Pledged with Bank as Margin for Guarantees issued) in Unclaimed Dividend Account	3,307,886	3,605,682
TOTAL	58,348,775	39,622,156

SCHEDULE 9 : OTHER CURRENT ASSETS

Claims Receivable (Considered good)	5,653,612	21,740,550
Income accrued	2,426,315	1,381,764
Interest income accrued but not due on deposits	26,545	155,295
Unfinished Voyages Expenses	4,741,596	17,466,411
TOTAL	12,848,068	40,744,020

(AMOUNT IN RUPEES)

SCHEDULE 10 : LOANS AND ADVANCES

(Unsecured, considered good, unless otherwise stated)

Advances recoverable in cash or in kind or for value to be received

	AS AT 31.03.2010	AS AT 31.03.2009
Considered good	94,364,411	134,745,532
Considered doubtful	2,344,386	2,344,386
Less: Provision for Doubtful Advances	<u>2,344,386</u>	<u>2,344,386</u>
	94,364,411	134,745,532
Gratuity Fund with Life Insurance Corporation	1,921,645	1,744,411
Advance Income Tax Less Provisions	70,077,025	68,412,922
Advance Fringe Benefits Tax Less Provisions	398,498	263,821
Bills receivable		
Considered good	-	-
Considered doubtful	2,266,418	2,266,418
	<u>2,266,418</u>	<u>2,266,418</u>
Less: Provision for Doubtful Bills receivable	<u>2,266,418</u>	<u>2,266,418</u>
	-	-
Deposits	2,588,497	3,517,062
Minimum Alternate Tax Credit Entitlements	8,647,598	-
TOTAL	<u><u>177,997,674</u></u>	<u><u>208,683,748</u></u>

SCHEDULE 11 : CURRENT LIABILITIES

Sundry Creditors for Trade

Due to Micro and Small Enterprises(excluding Interest)

Due to Others

Creditors for Expenses

Other Liabilities

Unfinished Voyages Income

Investor Education and Protection Fund:

Unclaimed Dividend

(No amount is due and outstanding to be credited to the fund.)

Interest accrued but not due on loans

Share Application money received from Minority Share
Holders in a Subsidiary (Pending Allotment)

	262,383	6,997
	138,776,213	173,593,642
	19,626,450	24,734,486
	25,353,620	39,177,299
	12,662,196	29,490,744
	3,307,886	3,605,681
	8,685	12,818
	<u>12,200,000</u>	-
TOTAL	<u><u>212,197,433</u></u>	<u><u>270,621,667</u></u>

SCHEDULE 12 : PROVISIONS

Proposed Preference Dividend

Provision for tax on Preference Dividend

Provision for Gratuity

Provision for Compensated Absence

	7,788,225	7,462,000
	3,120,490	1,268,170
	563,715	-
	<u>6,556,953</u>	<u>6,696,842</u>
TOTAL	<u><u>18,029,383</u></u>	<u><u>15,427,012</u></u>

SCHEDULES TO CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

(AMOUNT IN RUPEES)

	Year ended 31.03.2010	Year ended 31.03.2009
SCHEDULE 13 : OTHER INCOME		
Dividend from Mutual Fund Investment (Current - Non Trade)	5,979,008	9,750,853
Interest received on Deposits with Banks (TDS Rs. 26718/- , Previous Year Rs. 2,45,076)	1,269,592	1,463,011
Interest on Income Tax Refund	452,619	1,069,812
Profit on Sale of Mutual Fund Investments (Current - Non Trade)	3,204,992	-
Profit on sale of Asset	1,496	-
Liabilities for expenses no longer required written back	8,039,699	-
Other Income	2,974,707	4,336,194
TOTAL	21,922,113	16,619,870
SCHEDULE 14 : OPERATING EXPENSES		
Salaries, Wages & Other Allowances for Floating Staff	139,545,748	202,874,893
Contribution to Provident Fund for Floating Staff	2,201,344	4,318,784
Staff Welfare for Floating Staff	839,461	2,165,296
TOTAL	142,586,553	209,358,973
Fuel/Lube Oils Consumed	453,601,546	628,133,507
Ocean Freight Charges	(24,744)	63,050,610
Port and Marine Dues	145,584,648	169,456,448
Stores and Spares Consumed	56,860,945	125,738,413
Crew Victualling	9,490,591	13,568,937
Repairs and Maintenance to Fleet	18,726,465	27,585,806
Insurance and Protection Club fee	32,352,915	39,251,029
Vessel Management and Agency Fees	54,650,304	66,661,491
Brokerage / Commission	119,529	10,449,018
Rates & Taxes	1,905,758	2,699,627
Dry Dock Expenses	26,872,636	14,112,692
Sundry Expenses	11,907,474	17,150,519
Terminal Handling Charges Domestic	213,679,291	214,446,582
Transportation Expenses	77,420,063	320,870,354
Other Domestic Expenses	21,016,184	34,769,015
Terminal Handling Charges Liner	15,168,017	51,573,551
Other Liner Expenses	955,993	16,354,397
Godown Rent	163,750	3,583,302
Container Lease Rent	18,388,101	60,841,601
Other Operating Expenses	-	1,267,451
Trailer Expenses	2,656,962	3,533,438
Freight Forwarding Expenses	74,839,918	533,523,512
TOTAL	1,378,922,899	2,627,980,273

(AMOUNT IN RUPEES)

SCHEDULE 15 : ADMINISTRATION & OTHER EXPENSES

Salaries, wages and Other Allowances*

(*includes payments to Managerial Personnel)

Salaries and Bonus

Contribution to Provident Fund and Gratuity

Staff Welfare

TOTAL**Year ended
31.03.2010**Year ended
31.03.2009**43,769,892**

91,709,645

3,046,823

5,128,690

5,042,285

6,155,638

51,859,000**102,993,973**

Bad debts

5,409,099

695,966

Less Provision for eariler year no longer required written back

4,867,082

695,966

TOTAL**542,017****-**

Provision for Doubtful Debts

14,382

21,914,997

Communication Expenses

2,715,662

7,234,296

Travelling and Conveyance

3,141,553

7,137,941

Professional & Consultancy Fees

9,117,136

9,343,827

Provision for doubtful advances

4,186,935

2,344,386

Loss on Sale / Restatement of Current Non-trade
Investments**-**

4,850,864

Loss on Sale / Discard of Assets

1,909,027

15,223,243

Insurance Expenses

867,264

1,580,524

Rent

4,652,109

15,923,696

Rates & Taxes

661,890

989,054

Repairs and Maintenance- other assets.

3,407,474

4,907,956

Gifts & Presents

101,717

42,290

Donations

87,590

51,201

Director's Sitting fees

642,000

826,000

Other Expenses

15,056,939

28,100,413

Exchange Rate Variation (Net)

-**-****TOTAL****98,962,696****223,464,662****SCHEDULE 16: INTEREST**

On Loan from Banks

i) Term Loans

27,321,568

88,293,013

ii) Working Capital Loans

18,515,462

14,305,866

Others

114,125

261,119

TOTAL**45,951,155****102,859,998**

SCHEDULE 17 : NOTES TO THE ACCOUNTS

SIGNIFICANT ACCOUNTING POLICIES

(i) Accounting basis and convention

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

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

(ii) Fixed Assets

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

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

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

(iii) Depreciation

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

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

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

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

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

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

- (a) Increase/decrease in Long term liability on account of exchange fluctuations.
- (b) Additions and major improvements forming an integral part of an asset, Haytrans (India) Limited, a subsidiary, has provided depreciation on written down value method. The impact of depreciation on straight line method is not likely to be material and hence, not quantified or adjusted.

(iv) Investments

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

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

(v) Inventories

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

(vi) Foreign Exchange Transactions

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

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

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

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

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

(vii) Derivatives

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

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



- c) Other derivatives are marked to market and the notional losses or gains are booked in the Profit and Loss account.

(viii) Revenue Recognition

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

(ix) Dry Dock/Special Survey expenses

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

(x) Asset Impairment

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

(xi) Assets Impairment Reserve

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

(xii) Employee Benefits

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

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

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

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

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

(xiii) Borrowing Costs

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

(xiv) Provisions and Contingent liabilities

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

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

(xv) Taxation

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

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

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

NOTES ON ACCOUNTS

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

Name of the Company	No. of Equity Shares held by Shreyas Shipping & Logistics Limited		Holding %	
	2009-10	2008-09	2009-10	2008-09
Shreyas Relay Systems Ltd	25,00,000	25,00,000	100	100
Haytrans (India) Ltd	10,450	10,450	51.10	51.10

2. Change in accounting policies

Shreyas Relay Systems Ltd., a subsidiary company had been hitherto recognizing domestic freight income, only when the ship calls on the port of delivery whereas in the case of liner operations income was recognized once the ship sails from the port of loading. This resulted in recognition of unfinished voyage Expenses/Income on the Balance Sheet date in respect of unfinished legs of domestic voyages. From the current year, in order to bring in uniformity in revenue recognition amongst liner and domestic operations, income in respect of domestic operations is also recognized once the ship sails from the port of loading. Consequently, no unfinished voyage expenses and income are recognized in the Balance Sheet for the current year.

Because of the above change in accounting policy, current year loss is lower and net current assets are more by Rs. 48,04,700/-

3. Disclosures as required by AS 15 on Employee benefits.:

(A) Gratuity Benefits

(a) Description of the Gratuity Plan:

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

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

(In Rs. Lakhs)

Particulars	2009-2010	2008-2009
Present Value of Funded Obligations	72.64	62.94
Fair Value of Plan Assets	(92.11)	(75.21)
Amount not recognized as an Asset (Limit in Para 59(b))	0.26	-
Net Liability / (Asset) recognised in the Balance Sheet	(19.21)	(12.27)

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

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

***The Above figures do not include that of Subsidiary, Haytrans (India) Ltd. HIL in the absence of detailed disclosures in the standalone accounts. HIL has a provision of Rs.5.63 Lakhs (Previous Year Rs. 5.64 Lakhs) towards Gratuity.

****The net asset as aggregated for the Group Rs.15.21 Lakhs (Previous Year Rs. 6.63 Lakhs) is grouped under "Loans & Advances".

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

(In Rs. Lakhs)

Particulars	2009-2010	2008-2009
Current Service Cost	8.36	10.10
Interest on Defined Benefit Obligation	5.02	7.10
Expected Return on Plan Assets	(5.98)	(2.23)
Net Actuarial Losses/ (Gains) Recognized in the year	(4.54)	(16.43)
Past Service Cost	-	-
Losses/ (Gains) on "Curtailments & Settlements"	-	-
Effect of the limit in Para 59(b)	(0.69)	2.49
Total	2.17	1.03

*The actual return on Plan Assets is 6.36 lakhs (Previous year Rs. 2.39 lakhs.)

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

(In Rs. Lakhs)

Particulars	Period Ended	
	2009-2010	2008-2009
Change in Defined Benefit Obligation		
Opening Defined Benefit Obligation	62.94	84.31
Current Service Cost	8.36	10.10
Interest Cost	5.02	7.10
Actuarial Losses / (Gain)	(4.16)	(16.27)
Past Service Cost	-	-
Actuarial Losses / (Gain) due to Curtailment	-	-
Liabilities Extinguished on Settlements	-	-
Liabilities Assumed on Acquisition / Settled on Divestiture	19.25	-
Exchange Difference on Foreign Plans	-	-
Benefits Paid	(18.77)	(22.30)
Closing Defined Benefit Obligation	72.64	62.94

Particulars	Period Ended	
	2009-2010	2008-2009
Change in Fair Value of Assets		
Opening Fair Value of Plan Assets	77.70	25.63
Expected Return on Plan Assets	5.98	2.21
Actuarial Gain / (Losses)	0.38	0.16
Assets Distributed on Settlements	-	-
Contributions by Employer	9.11	72.00
Assets Acquired on Acquisition / (Distributed on Divestiture)	19.25	-
Exchange Difference on Foreign Plans	-	-
Benefits Paid	(18.77)	(22.30)
Sub - Total	93.65	77.70
Amount not recognized as per assets (Limit para 59(b))	(1.80)	(2.49)
Closing Fair Value of Plan Assets	91.85	75.21
Expected Employer's Contribution Next Year	5.00	8.00

(e) Actuarial Assumptions at the Valuation date

Particulars	2009-2010	2008-2009
Discount Rate	8.00% p.a	7.25% p.a
Expected Rate of Return on Plan Assets*	7.50% p.a.	7.50% p.a.
Salary Escalation Rate	10.00% for the first 2 yrs & 7% thereafter	10.00% for the first 3 yrs & 7% thereafter

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

(f) Description of the Plan Assets

Category of Assets	2009-2010	2008- 2009
Government of India Securities	0%	0%
Corporate Bonds	0%	0%
Special Deposit Scheme	0%	0%
Insurer Managed Funds	100%	100%
Others	0%	0%
Total	100%	100%

(g) Experience Adjustments

(In Rs Lakhs)

Particulars	2009-2010	2008-2009	2007-2008
Defined Benefit Obligation	72.64	62.94	84.31
Plan Assets	93.65	77.70	25.63
Surplus / (Deficit)	21.01	14.77	(58.68)
Exp.Adj.on Plan Liabilities	(0.14)	(18.63)	5.69
Exp. Adj. on Assets	0.38	0.16	0.59

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

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

(a) Actuarial Assumptions at the Valuation date

Particulars	2009-2010	2008-2009
Discount Rate Salary	8.00 % p.a.	7.25 % p.a.
Escalation Rate	10.00% for the first 2 yrs & 7% thereafter	10.00% for the first 3 yrs & 7% thereafter

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

(In Rs. Lakhs)

Particulars	2009-2010	2008-2009
Opening balance of present value of Compensated Absences {after adjustments of opening valuation} (X)	58.51	65.54
Closing balance of present value of Compensated Absences (Y)	58.92	58.51
Movement in Net Liability (X - Y)	(0.41)	7.03

* The above figures do not include that of Subsidiary, Haytrans (India) Ltd. (HIL) in the absence of detailed disclosures in the Standalone accounts. HIL has a provision of Rs. 6.66 Lakhs (Previous Year Rs. 8.46 Lakhs) towards Leave encashment.

(c) Payments made under defined Contribution Scheme:

(In Rs. Lakhs)

Particulars	2009-2010	2008-2009
Contribution to Provident Fund & Gratuity		
Crew & Offshore Staff	22.01	43.19
Contribution to Provident Fund	23.53	32.92

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

4. MANAGERIAL REMUNERATION*

(Included under Salary, Wages and Allowances-Schedule -15)
TO MANAGING DIRECTOR*

	Year ended 31.03.2010 (Rupees)	Year ended 31.03.2009 (Rupees)
(i) Remuneration	47,98,000	47,52,000
(ii) Contribution to Provident Fund	4,70,400	4,60,800
Total	52,68,400	52,12,800

TO EXECUTIVE DIRECTOR*		
(i) Remuneration	-	29,66,155
(ii) Contribution to Provident Fund	-	2,98,405
(iii) Leave Travel Allowance	-	1,18,356
(iv) Medical Allowance	-	11,836
(v) Leave Encashment	-	6,29,800
Total	-	40,24,552

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

5. CONTINGENT LIABILITIES

(Amount in Rupees)

	As at 31.03.2010	As at 31.03.2009
a) Claims against the Company not acknowledged as debts	10,64,09,031	10,64,09,031
b) Estimated amount of Contracts remaining to be executed on Capital Account and not provided for.	NIL	NIL
c) Claim from ONGC for expenses incurred by it in connection with recovery and allied activities in respect of OEL Vision in distress during July 2006 (Recoverable from Insurance company)	3,05,97,784	3,05,97,784
d) Income Tax demand for Assessment year 2007-2008 contested as appeal	9,03,135	NIL
e) Bank Guarantees issued to customers/vendors	55,05,000	24,30,000

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

(Amount in equivalent US Dollars)

Particulars	2009-2010	2008-2009
a) Receivables	9,17,534	7,74,591
b) Payables	12,18,943	10,95,648
c) FCNR Loan from Bank	1,30,79,660	1,56,71,360
d) Cash and Bank Balance in FCNR	9,37,483	3,66,162
e) Balance with collection Agents	1,96,802	6,30,091

The Group has no derivatives as at 31st March, 2010.

7. Segment Reporting:

a) Segment wise Revenue and Results:

(Rs. In Lacs)

Particulars	Year ended 31 st March, 2010	Year ended 31 st March, 2009
Revenue by Segment		
Shipping	5,534.06	9,791.09
Logistics	13,306.81	17,386.04
Freight Forwarding	856.30	6,023.64
Others	(606.74)	3,123.53
Total Revenue	19,090.43	36,324.30
Less: Intersegment Revenue	4,304.97	4,810.93
	14,785.46	31,513.37

(Rs. In Lacs)

Particulars	Year ended 31 st March, 2010	Year ended 31 st March, 2009
Segment Results		
Shipping	(1,684.19)	174.82
Logistics	1,563.21	(839.31)
Freight Forwarding	(51.01)	(104.08)
Others	(606.74)	3,106.64
Total	(778.73)	2,338.07
Add: Other Income	219.22	300.01
Less: i) Interest & Finance Charges	459.51	1,028.60
ii) Unallocated Expenditure	491.66	784.46
Profit before Tax , Prior Period, Exceptional & Extra Ordinary items	(1,510.68)	825.02
Segment Depreciation		
Shipping	823.97	949.09
Logistics	404.78	461.93
Freight Forwarding	2.59	12.74
Unallocated	17.06	21.55

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

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

(Rs. In Lacs)

Particulars	Year ended 31 st March, 2010	Year ended 31 st March, 2009
In India	16,614.14	28,525.13
In Pakistan	95.03	293.17
Rest of World	2,381.26	7,506.00
Total Revenue	19,090.43	36,324.30

c) Segment Capital employed

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

d) Others under Revenue and Results include Profit / (Loss) on sale of ship (Rs. 6,13,27,819/- Net) (Previous year

Rs. 27,82,70,133/- Net).

8. Intangible Assets

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

(Amount in Rupees)

Particulars	Year ended 31.3.2010	Year ended 31.3.2009
Opening Balance	11,22,578	2,235
Addition during the year	-	14,08,082
Total	11,22,578	14,10,317
Amortisation	4,66,172	2,87,739
Closing Balance	6,56,406	11,22,578

9. Accounting for Lease

- Shreyas Relay Systems Limited, a subsidiary, has taken Containers on Cancelable Operating Lease and the lease rental of Rs. 1,83,88,101/- (P.Y Rs 6,08,41,601/-) is charged to the Profit and Loss account.
- The Group has taken Vehicles on Cancelable Operating Lease and the lease rental of Rs. 21,90,304/- (P.Y Rs. 25,67,220/-) is charged to the Profit and Loss

10. Working of Earnings Per Share:

Particulars	Year ended 31.3.2010	Year ended 31.3.2009
Weighted average number of Equity shares	2,19,57,533	2,19,57,533
Nominal value Per Share	Rs. 10/-	Rs. 10/-
Profit / (Loss) for the year after Tax	Rs. (15,70,50,480)	Rs. 5,58,61,457
Less: Preference Dividend + Tax (including proposed dividend)	Rs. 1,18,61,366	Rs. 1,08,52,062
Net Balance available to Equity Shareholders	Rs. (16,89,11,846)	Rs. 4,50,09,395
Earnings Per Share (Basic & Diluted)	(Rs.7.69)	Rs. 2.05

11. Deferred Tax

Shreyas Relay Systems Ltd, a subsidiary, has recognized Deferred

Tax Asset relating to unabsorbed depreciation and carry forward losses as per Income Tax Act, considering the virtual certainty of future taxable income, owing to significant improvement in the volume of business, as reflected in the current financial year. The break up of net Deferred Tax Asset recognized in Accounts of subsidiary is as below :

(Amount in Rupees)

Particulars	Year ended 31.3.2010	Year ended 31.3.2009
Deferred Tax Assets		
Timing Difference on :		
Provision for Compensated Absence	846,635	NIL
Provision for Doubtful Debts	1,225,966	NIL
Unabsorbed Loss	14,780,043	NIL
Less:		
Deferred Tax Liabilities		
Timing Difference on :		
Depreciation	15,723,670	NIL
Gratuity	194,404	NIL
Net Deferred Tax Assets	934,570	NIL

12. Related Party Transactions (Refer Annexure I)

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

SIGNATURES TO SCHEDULES 1 TO 17.

For PKF Sridhar & Santhanam

Chartered Accountants
Firm Regn No. 003990S

S. Ramakrishnan

Partner
Membership No. 18967

Place : Mumbai
Date : 24th May, 2010

FOR AND ON BEHALF OF THE BOARD

S. Ramakrishnan

Chairman & Managing Director

K. P. Medhekar

Director

Namrata Malushte

Company Secretary

Place : Mumbai
Date : 24th May, 2010

V. Ramnarayan

Executive Director

Vinay Kshirsagar

Chief Financial Officer

(Annexure I)

RELATED PARTY TRANSACTIONS (as on 31.03.2010)

(Amount in '000)

TRANSACTION	Fellow subsidiaries*	Other related parties*	Key Management personnel*	Total as at 31.03.2010	Total as at 31.03.2009
Charter hire income					
Orient Express Lines Ltd., Mauritius	-	-	-	-	30,217
Shreyas World Navigation Pte Ltd Singapore	-	-	-	-	7,652
Service / freight income					
Balaji Shipping Lines FZCO	5,991	-	-	5,991	19,115
Orient Express Lines Ltd., Mauritius	2,551	-	-	2,551	61,414
Orient Express Lines (S) Pte. Ltd., Singapore	18	-	-	18	-
Relay Shipping Agency Ltd	-	64,702	-	64,702	35,469
Clarion Solutions Pvt. Ltd	-	145,076	-	145,076	4,936
Albatross shipping ltd	-	378	-	378	393
OEL Shipping Agency SDN Bhd-PKL	-	-	-	-	96
Admec Logistics Ltd.	-	938	-	-	-
Trailer Income					
Admec Logistics Ltd	-	3,026	-	3,026	4,071
Forwarding Income					
United Arab Shipping Co. (I) Pvt. Ltd.	-	-	-	-	871
Cresecent Shipping Agency (I) Ltd.	-	-	-	-	166
Meridian Shipping Agency Pvt. Ltd.	-	-	-	-	3
NLS Agency (I) Pvt. Ltd.	-	-	-	-	787
Transworld Logistics Ltd.	-	-	-	-	2
TLPL Logistics Pvt. Ltd.	-	-	-	-	478
Albatross Shipping Ltd.	-	-	-	-	69
Relay Shipping Agency Ltd.	-	-	-	-	14
Merdian Shipping Trading LLC	-	-	-	-	33
Transworld Logistics Shipping Services - USA	-	-	-	-	78
Container lease Rental Received					
Albatross Shipping Ltd.	-	561	-	561	-
Ocean Sea Freight Charges paid					
Orient Express Lines Ltd., Mauritius	4,436	-	-	4,436	48,127
Orient Express Lines (S) Pte. Ltd., Singapore	-	-	-	-	1,392
Stores, spares, victualling, Repairs, handling and forwarding expenses, etc. paid					
ADMEC Logistics Ltd.	-	6,388	-	6,388	9,860
Vessel management fees paid					
Orient Express Ship Management Ltd.	-	21,204	-	21,204	29,417



(Annexure I)

RELATED PARTY TRANSACTIONS (as on 31.03.2010) (Contd.)

(Amount in '000)

TRANSACTION	Fellow subsidiaries*	Other related parties*	Key Management personnel*	Total as at 31.03.2010	Total as at 31.03.2009
Fowarding Expenses					
United Arab Shipping Co.(I) Pvt. Ltd.	-	-	-	-	42,648
Crescent Shipping Agency (I) Ltd.	-	-	-	-	17,364
Meridian Shipping Agency Pvt. Ltd.	-	-	-	-	6,772
NLS Agency (I) Pvt. Ltd.	-	-	-	-	2,861
Transworld Logistics Ltd.	-	-	-	-	278
TLPL Logistics Pvt. Ltd.	-	-	-	-	7,114
Albatross Shipping Ltd.	-	-	-	-	3,261
Admec Logistics Ltd.	-	-	-	-	242
Relay Shipping Agency Ltd.	-	-	-	-	2,411
Meridian Shipping Trading LLC	-	-	-	-	1
Sea Bridge Shipping	-	-	-	-	349
Transworld Logistics Shipping Services - USA	-	-	-	-	255
Agency Fees paid					
Relay Shipping Agency Ltd.	-	34,709	-	34,709	27,674
Lanka Orient Express Lines Ltd. Colombo	-	766	-	766	5,116
Crescent Shipping Agency (India) Ltd.	-	-	-	-	597
Clarion shipping agency (pvt) Ltd Colombo	-	5	-	5	274
Clarion Solutions Pvt. Ltd	-	730	-	-	-
Seabridge Shipping co LLC	278	-	-	278	1,962
Oel Shipping Agency SDN Bhd-PKL	-	-	-	-	222
Meridian Shipping & Trdg LLC - Muscat	-	-	-	-	174
Documentation charges reced					
Clarion Solutions Pvt. Ltd	-	2,734	-	2,734	-
Transporation charges paid					
Admec Logistics Ltd	-	10,944	-	10,944	7,076
Balaji Shipping Lines FZCO	1,078	-	-	1,078	-
Trailor Expenses					
Admec Logistics Ltd	-	3,761	-	3,761	3,517
Rent paid					
Sivaswamy Holdings Pvt. Ltd.	-	3,737	-	3,737	10,421
S. Ramakrishnan	-	-	-	-	442
Transworld Mgt Consultancy P ltd.	-	-	-	-	154

(Annexure I)

RELATED PARTY TRANSACTIONS (as on 31.03.2010) (Contd.)

(Amount in '000)

TRANSACTION	Fellow subsidiaries*	Other related parties*	Key Management personnel*	Total as at 31.03.2010	Total as at 31.03.2009
Container lease rental charges paid					
Admec Logistics Ltd	-	3,296	-	3,296	3,444
Balaji Shipping Lines FZCO	3,477	-	-	3,477	-
Relay Shipping Agency Limited	-	367	-	367	-
Vehicle Lease Rent paid					
Mrs. Savita Kshirsagar	-	-	-	-	380
Managerial Remuneration paid					
Mr. S. Ramakrishnan	-	-	5,268	5,268	5,213
Mr. Anil Devli	-	-	-	-	4,025
Mr Vinay Kshirsagar	-	-	2,704	2,704	2,728
Personnel Delegation					
Transworld Management Private Ltd.	-	-	-	-	2,540
Purchase of Assets					
Transworld Logistics Ltd	-	-	-	-	122
Clarion Solutions Pvt. Ltd	-	-	-	-	23
Sale of Asset					
Crescent Shipping Agency (India) Ltd	-	-	-	-	16
Relay Shipping Agency Limited	-	-	-	-	320
Sale of Vessel					
Orient Express Lines - Panama	-	-	-	-	1,727,493
Dividend Paid on Equity Shares					
Transworld Holdings Ltd.	-	-	-	-	24,703
Mr. S. Ramakrishnan	-	-	-	-	219
Mrs. Geeta Ramakrishnan	-	-	-	-	217
Mr. Ritesh Ramakrishnan	-	-	-	-	337
Ms. Anisha Ramakrishnan	-	-	-	-	1,951
Mrs. Valli Sivaswamy	-	-	-	-	767
Mrs. Mala Mahesh	-	-	-	-	217
Master Murli Mahesh	-	-	-	-	337
Kumari Mithila Mahesh	-	-	-	-	1,951
Mr. S. Mahesh	-	-	-	-	225
Mr.V.Ramnarayan	-	-	-	-	219
Mrs. Brinda Ramnarayan	-	-	-	-	217
Mr Rajan Ramnarayan	-	-	-	-	282
Mr Rajiv Raamnarayan	-	-	-	-	273
Mr. Anil Devli	-	-	-	-	12

(Annexure I)

Outstanding balances pertaining to related parties as at 31st March, 2010 (In Rs.'000)

Nature of balance	Fellow subsidiaries*	Other related parties*	Key Management personnel*	Total as at 31.03.2010	Total as at 31.03.2009
Debit balance due to company	3,975	62,191	-	66,165	100,456
Credit balance due from company	9,707	5,025	-	14,732	14,316

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

*** Names of related parties**

Nature of relationship	Name of the related party
Holding company Fellow subsidiaries	Transworld Holdings Ltd. (holds 56.25% of the equity share capital as at 31st March, 2010) Shreyas World Navigation Pte. Ltd., Singapore Orient Express Lines Ltd., Mauritius Orient Express Lines (S) Pte. Ltd., Singapore Orient Express Lines Inc, Panama Balaji Shipping Lines FZCO Balaji Shipping Co. SA, Panama Jubilee Shipping inc. Panama Sea Bridge Shipping L.L.C
Other related parties	ADMEC Logistics Ltd. Albatross Shipping Ltd. Clarion Shipping Ltd, Colombo Clarion Solutions Pvt. Ltd. Crescent Shipping Agency (India) Ltd. Lanka Orient Express Lines Ltd. Colombo Meridian Shipping & Trdg LLC - Muscat Meridian Shipping Agency Pvt. Ltd. NLS Agency (India) Pvt. Ltd. Orient Express Ship Management Ltd. Relay Shipping Agency Ltd. Sivaswamy Holdings Pvt. Ltd. TLPL Logistics Pvt Ltd. Transworld Logistics Ltd. United Arab Shipping Co.(I) Pvt Ltd.
Key Management Personnel	Mr. S. Ramakrishnan Mr.V.Ramnarayan Mr. Vinay Kshirsagar
Relatives of Key Management Personnel	Mrs. Geeta Ramakrishnan Mr. Ritesh Ramakrishnan Ms. Anisha Ramakrishnan Mr. S. Mahesh Mrs. Mala Mahesh Master Murlī Mahesh Kumari Mithila Mahesh Mrs. Valli Sivaswamy Mrs. Brinda Ramnarayan Mr. Rajiv Ramnarayan Mrs. Savita Kshirsagar

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010

Particulars	Year ended 31 st March, 2010	Year ended 31 st March, 2009
A Cashflow from operating activities		
Net profit/(Loss) Before tax	(151,067,661)	82,502,777
Adjusted for non operating expenses (income)		
Depreciation	124,840,160	144,530,716
Profit on Sale on Asset	61,327,819	(278,270,133)
Loss on Sale on Fixed assets	1,907,531	15,223,243
Loss/(Profit) on Sale of Investments	(3,204,992)	4,850,864
Interest Expenses	45,837,030	102,859,998
Exchange Loss/(Gain) on Current Assets & Liabilities	717,485	701,398
Income for current Investments	(5,979,008)	(9,750,853)
Interest Income	(1,722,211)	(1,463,011)
Operating Profit Before Working Capital changes	(a) 72,656,153	61,185,001
Adjustments for : Increase/(Decrease) in Working Capital		
Increases/(Decreases) in Current Assets		
Inventories	(4,043,220)	(29,927,442)
Sundry Debtors	(3,441,194)	(131,481,966)
Other Current Assets, Loans and Advances	(71,484,992)	7,745,844
	(78,969,406)	(153,663,564)
Less : Increases(Decreases) in Current Liabilities & Provision	55,957,354	(131,208,750)
Net increases(Decreases) in Working Capital	(b) (23,012,052)	(22,454,814)
Cash Generated from Operations	(a) - (b) (c) 95,668,205	83,639,814
Less : Taxation	17,363,767	47,479,121
Add : Exceptional Items	-	8,750
Less : Prior Period	-	367,147
NET CASH FROM OPERATING ACTIVITIES	(A) 78,304,438	35,802,295
B Cash flow from investing activities		
Addition / Revaluation to fixed Assets including Capital Work in Progress	(672,354)	(568,038,871)
Sale of Fixed Assets	44,697,244	2,151,155,619
Sale of investments	-	166,673
Interest Income	1,722,211	1,463,011
Diminution in value of Investments	-	1,000,000
Income from current investments	9,184,000	4,899,988
NET CASH FROM INVESTING ACTIVITIES	(B) 54,931,101	1,590,646,420
C Cash Flow from Financing Activities		
Proceeds / (Repayment) of Borrowings (Net)	(87,007,257)	(1,292,307,159)
Redemption of Preference Shares	(11,000,000)	(39,000,000)
Interest Expenses	(45,837,030)	(102,859,998)
Dividend Paid	(5,609,680)	(56,388,726)
Tax on dividend paid	(4,073,141)	(9,583,269)
NET CASH FROM FINANCING ACTIVITIES	(C) (153,527,108)	(1,500,139,152)
NET CHANGES IN CASH & CASH EQUIVALENT (A+B+C)	(20,291,569)	126,309,563
CASH & CASH EQUIVALENTS - OPENING BALANCE	212,408,986	85,638,673
OPENING BALANCE of CASH & CASH EQUIVALENTS	-	-
ADD : NET CHANGES IN CASH & CASH EQUIVALENT AS ABOVE	(20,291,569)	126,309,563
ADD : EFFECT OF CHANGES IN EXCHANGE RATES ON CASH AND CASH EQUIVALENTS	(1,537,447)	460,750
CASH & CASH EQUIVALENTS - CLOSING BALANCE	190,579,970	212,408,986
CASH ON HAND (Refer Schedule 8)	1,201,672	2,125,377
BALANCES WITH SCHEDULE BANK IN CURRENT ACCOUNT & DEPOSITS (Refer Schedule 8)	53,839,217	31,434,510
INVESTMENT IN LIQUID FUND SECURITIES (Refer Schedule 5)	135,539,081	178,849,099
TOTAL	190,579,970	212,408,986

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

AS PER OUR REPORT ATTACHED

FOR AND ON BEHALF OF THE BOARD

For PKF Sridhar & Santhanam

Chartered Accountants
Firm Regn No. 0039905

S. Ramakrishnan

Partner
Membership No. 18967

S. Ramakrishnan

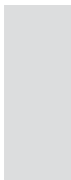
Chairman & Managing Director

Place : Mumbai

Date : 24th May, 2010

Place : Mumbai

Date : 24th May, 2010



Directors' Report

Your Directors are pleased to present the Seventeenth Annual Report and the Audited Accounts for the financial year ended 31st March 2010.

FINANCIAL PERFORMANCE

	(Rs. in Lacs)	
	Previous Year ended 31.03.2009	
	Current Year ended 31.03.2010	
Operating Income	12,595.16	9,001.83
Other Income	29.09	37.81
Profit before Interest, Depreciation and Tax	(601.23)	816.46
Less: Interest	157.89	121.84
Depreciation	97.84	87.95
Profit Before Tax	(856.96)	606.67
Less: Provision for Tax		
Current	-	91.48
Deferred	(84.87)	(9.35)
Fringe Benefit Tax	4.55	-
Prior Year	3.66	2.24
Minimum Alternate Tax Credit	-	(86.47)
Profit / (Loss) After Tax	(780.30)	608.77
Surplus / Deficit Brought Forward from Previous Year	207.54	-
Opening adjustment towards capitalization of changes in foreign exchange rates	2.28	-
Appropriations:		
Dividend paid on Preference Shares	-	56.05
Tax on Dividend Paid	-	9.53
Proposed Dividend on Preference Shares	-	110.00
Tax on Proposed Dividend on Preference Shares	-	18.27
Surplus / Deficit Carried to Balance Sheet	(570.48)	414.92

DIVIDEND

Your Directors declared preference dividend at the rate of 11.00 percent (i.e. Rs.11.00/- per share) out of the profits of the Company on 10,00,000 11% Non-convertible, cumulative, redeemable Preference shares of Rs.100/- each, for the period from 27th September, 2008 to 31st March, 2009, absorbing a sum of Rs.65,58,131/- including dividend distribution tax.

The Directors recommended preference dividend at the rate of 11.00 percent (i.e. Rs.11.00/- per share) out of the profits of the Company on 10,00,000 11% Non-convertible, cumulative, redeemable Preference shares of Rs.100/- each for the period from 1st April 2009 to 31st March, 2010 absorbing a sum of Rs.1,28,26,963/- including dividend distribution tax.

REVIEW OF OPERATIONS

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

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

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

QUALITY

Your Company firmly believes that the pursuit of excellence is one of the most critical components for success in the competitive market and therefore consistently strives to adhere to the highest quality standards. Your company has been certified by DNV Quality Registrar in accordance with Standard ISO 9001: 2000 for Systems for Multimodal Transportation of Cargo upto 17th November 2012.

FIXED DEPOSITS

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



HOLDING COMPANY

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

SUBSIDIARY COMPANY

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

DIRECTORS

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

Mr. D.T. Joseph was appointed as Additional Director with effect from 31st July, 2009 to hold office till the conclusion of the forthcoming Annual General Meeting of the Company. The Company has received notice under section 257 of the Companies Act, 1956 from member proposing their appointment as a Director of the Company.

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

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

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

	Rs. in Lacs (2009-10)
(i) Foreign exchange earnings (on accrual basis)	68.98
(ii) Foreign exchange outgo including operating and other expenditure, repayment of containers loan in foreign currency (on accrual basis)	269.20

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 217(2AA) of the Companies Act, 1956, the Directors confirm that, to the best of their knowledge and belief, in respect of the year ended on 31st March, 2010;

- a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

- b) appropriate accounting policies have been selected and applied consistently, and such judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2010 and of the profit of the Company for the year ended on 31st March, 2010;
- c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- d) the annual accounts have been prepared on a 'going concern' basis'.

AUDITORS

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

COST AUDIT

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

PERSONNEL

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

ACKNOWLEDGEMENTS

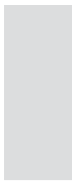
Your Directors wish to place on record their appreciation and acknowledge with gratitude, the support and co-operation that Company received from the Government of India, the Ministry of Shipping, the Ministry of Finance, the Ministry of Corporate Affairs, the Directorate General of Shipping, the Mercantile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

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

For and on behalf of the Board of Directors

Place: Mumbai
Date: 24th May, 2010

S. Ramakrishnan
Chairman



Auditors' Report

To
The Members of Shreyas Relay Systems Ltd.

1. We have audited the attached Balance Sheet of Shreyas Relay Systems Ltd. as at 31st March, 2010 the Profit and Loss account and also the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. These Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (ii) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (iii) The Balance Sheet, Profit and Loss account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (iv) In our opinion, the Balance Sheet, Profit and Loss account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - (v) On the basis of written representations received from the directors, as on 31st March, 2010 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on that date from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
 - (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2010;
 - (b) In case of the Profit and Loss account, of the profit for the year ended on that date; and
 - (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For PKF Sridhar & Santhanam.

Chartered Accountants
Firm Registration No. 0039905

S. Ramakrishnan

Partner
M. No. 18967

Place: Mumbai
Date: 24th May, 2010

Annexure to the Auditors' Report

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

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| <p>(i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;</p> <p>(b) The major fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification;</p> <p>(c) A substantial part of fixed assets have not been disposed off during the year;</p> <p>(ii) The Company has no inventories;</p> <p>(iii) (a) The Company has not given any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Act;</p> <p>(b) The Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Act;</p> <p>iv) There is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of fixed assets and for the sale of services. No goods are sold by the Company. There is no continuing failure to correct major weaknesses in internal control system;</p> <p>(v) (a) The particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section; and</p> <p>(b) In respect of transactions exceeding the value of Rs Five lakhs in respect of each party made in pursuance of such contracts or arrangements, they have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time; wherever applicable.</p> <p>(vi) The Company has not accepted deposits from the public;</p> <p>(vii) The Company has an internal audit system commensurate with its size and nature of its business;</p> <p>(viii) Maintenance of cost records has not been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Act;</p> <p>(ix) (a) The Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Wealth Tax, Service tax, Custom Duty, Cess and any other material statutory dues with the appropriate authorities. The Company is not registered under Value Added Tax and Excise duty legislations. There are no arrears of outstanding statutory</p> | <p>dues as at the last day of the financial year for a period of more than six months from the date they became payable;</p> <p>(b) There are no dues of Income tax/ Wealth tax/Service tax/custom duty/Cess that have not been deposited on account of any dispute;</p> <p>(x) The company has accumulated losses of Rs.156 lakhs which is less than 50% of its paid up share capital of 1250 lakhs (Net worth before adjusting losses). The Company has not incurred cash loss during the year. However, there was a cash loss during the previous financial year;</p> <p>(xi) The Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders;</p> <p>(xii) The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities;</p> <p>(xiii) As the Company is not a Nidhi/Mutual benefit fund/ Society, the provisions of special statute applicable to chit fund, etc is not applicable to this Company;</p> <p>(xiv) The Company is not dealing or trading in shares, securities, debentures and other investments;</p> <p>(xv) The Company has not given any guarantee for loans taken by others from banks or financial institutions;</p> <p>(xvi) The term loans taken from the Bank were applied for the purpose for which they were obtained;</p> <p>(xvii) On an overall examination of the Balance Sheet, we report that the funds raised on short-term basis have not been used for long term investment;</p> <p>(xviii) During the year, the Company has not made any preferential allotment of shares.</p> <p>(xix) The Company has not issued any debentures;</p> <p>(xx) There have been no public issues during the year;</p> <p>(xxi) Based on the audit procedures adopted and according to the information and explanations given to us by the management no fraud on or by the Company has been noticed or reported during the course of our audit.</p> |
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For PKF Sridhar & Santhanam
 Chartered Accountants
 Firm Registration No. 003990S

S. Ramakrishnan
 Partner
 M. No. 18967

Place: Mumbai
 Date : 24th May, 2010



BALANCE SHEET AS AT 31ST MARCH, 2010

(AMOUNT IN RUPEES)

	Schedule	AS AT 31.03.2010	AS AT 31.03.2009
SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
SHARE CAPITAL	1	125,000,000	125,000,000
RESERVES AND SURPLUS	2	-	-
		<u>125,000,000</u>	<u>125,000,000</u>
LOAN FUNDS			
SECURED LOANS	3	116,293,984	174,209,199
		<u>116,293,984</u>	<u>174,209,199</u>
		<u>241,293,984</u>	<u>299,209,199</u>
APPLICATION OF FUNDS			
FIXED ASSETS			
GROSS BLOCK	4	171,769,315	174,083,737
LESS : DEPRECIATION		30,550,558	21,831,985
NET BLOCK		<u>141,218,757</u>	<u>152,251,752</u>
DEFERRED TAX ASSETS		934,570	-
CURRENT ASSETS, LOANS AND ADVANCES			
SUNDRY DEBTORS	5	124,160,522	88,771,399
CASH AND BANK BALANCES	6	4,767,896	9,646,329
OTHER CURRENT ASSETS	7	871	13,554,176
LOANS AND ADVANCES	8	57,319,471	58,108,028
CURRENT ASSETS TOTAL (A)		<u>186,248,760</u>	<u>170,079,932</u>
LESS : CURRENT LIABILITIES AND PROVISIONS			
CURRENT LIABILITIES	9	87,287,893	77,195,217
PROVISIONS	10	15,375,725	2,974,963
CURRENT LIABILITIES TOTAL (B)		<u>102,663,618</u>	<u>80,170,180</u>
NET CURRENT ASSETS (A - B)		<u>83,585,142</u>	<u>89,909,752</u>
PROFIT & LOSS ACCOUNT- DEFICIT	16	<u>15,555,515</u>	<u>57,047,695</u>
TOTAL		<u>241,293,984</u>	<u>299,209,199</u>
NOTES TO THE ACCOUNTS	17		

AS PER OUR REPORT ATTACHED

For PKF Sridhar & Santhanam
Chartered Accountants
Firm Regn. No. 0039905

S. Ramakrishnan
Partner
Membership No. 18967

Place : Mumbai
Date : 24th May, 2010

FOR AND ON BEHALF OF THE BOARD

S. Ramakrishnan
Chairman

Sameer Chavan
Company Secretary

Place : Mumbai
Date : 24th May, 2010

V. Ramnarayan
Executive Director

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

(AMOUNT IN RUPEES)

	Schedule	Year ended 31.03.2010	Year ended 31.03.2009
INCOME			
OPERATING EARNINGS	11	900,183,310	1,259,515,717
OTHER INCOME	12	3,781,736	2,909,140
TOTAL INCOME		903,965,046	1,262,424,857
EXPENDITURE			
OPERATING EXPENSES	13	782,927,966	1,254,486,992
ADMINISTRATION & OTHER EXPENSES	14	39,390,667	68,060,872
INTEREST	15	12,184,262	15,789,452
DEPRECIATION	4	8,795,403	9,783,556
TOTAL EXPENDITURE		843,298,298	1,348,120,872
PROFIT/ (LOSS) BEFORE TAX		60,666,748	(85,696,015)
PROVISION FOR TAX			
- CURRENT		9,147,598	-
- DEFERRED TAX / (BENEFIT)		(934,570)	(8,487,000)
- FRINGE BENEFIT TAX		-	455,000
- PRIOR YEAR		224,044	365,990
- MINIMUM ALTERNATE TAX CREDIT		(8,647,598)	-
PROFIT/(LOSS) AFTER TAX		60,877,274	(78,030,005)
APPROPRIATIONS			
DIVIDEND PAID ON PREFERENCE SHARES		5,605,480	-
TAX ON DIVIDEND PAID		952,651	-
PROPOSED DIVIDEND ON PREFERENCE SHARES		11,000,000	-
TAX ON PROPOSED DIVIDEND ON PREFERENCE SHARES		1,826,963	-
SURPLUS CARRIED TO SCHEDULE 2		41,492,180	(78,030,005)
NOTES TO THE ACCOUNTS			
Face value of Shares Rs.10/- each	17		
Earnings per Share (Basic & Diluted) Ref Note No. 5 In schedule No 17		19.21	(33.82)

AS PER OUR REPORT ATTACHED

For PKF Sridhar & Santhanam

Chartered Accountants
Firm Regn. No. 0039905

S. Ramakrishnan

Partner
Membership No. 18967

Place : Mumbai
Date : 24th May, 2010

FOR AND ON BEHALF OF THE BOARD

S. Ramakrishnan
Chairman

Sameer Chavan
Company Secretary

Place : Mumbai
Date : 24th May, 2010

V. Ramnarayan
Executive Director



SCHEDULES TO BALANCE SHEET

(AMOUNT IN RUPEES)

SCHEDULE 1 : SHARE CAPITAL

AUTHORISED

3,000,000	Equity Shares of Rs. 10/- each
1,000,000	11% Non-Convertible,Cumulative, Redeemable Preference Shares of Rs. 100/- each.

AS AT 31.03.2010	AS AT 31.03.2009
30,000,000	30,000,000
100,000,000	100,000,000
130,000,000	130,000,000

ISSUED, SUBSCRIBED AND PAID UP

2,500,000	Equity Shares of Rs. 10/- each fully Paid up
1,000,000	11% Non-Convertible,Cumulative, Redeemable Preference Shares of Rs. 100/- each fully paid up Date of allotment 27 th September, 2008

As per the original terms of allotment, the preference shares were to be redeemed at par, in four equal tranches at the end of 12th, 24th, 36th and 48th month from the date of allotment. However, during the year, it has been agreed with mutual consent to defer the redemption of first tranche falling due at the end of 12th month to 24th month from the date of allotment along with the second tranche.

All the shares (Both Equity and Preference) are held by Shreyas Shipping & Logistics Ltd,the Holding Company and/or its nominees.

25,000,000	25,000,000
100,000,000	100,000,000
125,000,000	125,000,000

TOTAL

SCHEDULE 2 : RESERVES AND SURPLUS

SURPLUS:

As per last Balance Sheet	
Add : Opening adjustment towards capitalisation of changes in foreign exchange rates in line with Notification dated 31 st March, 2009 with regard to Accounting Standard - 11	
Add : Profit/(Loss) after tax transferred from Profit and Loss Account	
Less : Deficit transfered to Schedule No.16 Profit and Loss Account- Deficit	

(57,047,695)	20,754,310
-	228,000
41,492,180	(78,030,005)
(15,555,515)	(57,047,695)
(15,555,515)	(57,047,695)
-	-

TOTAL

SCHEDULE 3 : SECURED LOANS

From Banks

Standard Chartered Bank (Term Loan) Secured by Hypothecation of specific Containers, Corporate Guarantee from Shreyas Shipping & Logistics Ltd, the Holding Company and Letter of Comfort from Transworld Holdings Ltd, Mauritius,the Ultimate Holding Company. (Due within 12 Months Rs. 8,133,333)	
State Bank of India (FCNR Term Loan including interest due) Secured by Hypothecation of specific Containers and Corporate guarantee from Shreyas Shipping & Logistics Ltd, the Holding Company. (Due within 12 Months Rs. 13,542,000)	
Standard Chartered Bank (Working Capital Overdraft) Secured by first pari passu charge over the books debts of the company , Corporate Guarantee from Shreyas Shipping & Logistics Ltd, the Holding Company and Letter of Comfort from Transworld Holdings Ltd, Mauritius,the Ultimate Holding Company.	
Deutsche Bank AG, Mumbai (Working Capital Overdraft) Secured by lien on Mutual Fund Investments of Shreyas Shipping and Logistics Limited, the Holding Company.	

8,133,333	66,266,667
13,542,000	30,749,004
71,431,091	77,193,528
23,187,560	-
116,293,984	174,209,199

TOTAL

SCHEDULE 4 : FIXED ASSETS

(AMOUNT IN RUPEES)

DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	COST AS AT 01.04.2009	ADDITIONS	DEDUCTIONS/ ADJUSTMENTS	COST AS AT 31.03.2010	AS AT 01.04.2009	FOR THE YEAR	DEDUCTIONS/ ADJUSTMENTS	AS AT 31.03.2010	AS AT 31.03.2010	AS AT 31.03.2009
CONTAINERS	167,691,881	-	2,675,220	165,016,661	19,461,901	7,905,126	19,654	27,347,373	137,669,288	148,229,980
FURNITURE & FIXTURES	1,423,640	106,882	90,479	1,440,043	763,828	52,489	47,289	769,028	671,015	659,812
COMPUTERS	1,730,427	94,647	9,050	1,816,024	497,462	293,194	2,007	788,649	1,027,375	1,232,965
OFFICE EQUIPMENTS	905,521	276,692	64,490	1,117,723	122,971	48,897	7,880	163,988	953,735	782,550
TRAILOR (VEHICLE)	2,332,268	-	-	2,332,268	985,823	492,883	-	1,478,706	853,562	1,346,445
MOTOR VEHICLE	-	46,596	-	46,596	-	2,814	-	2,814	43,782	-
TOTAL AS ON 31.03.2010	174,083,737	524,817	2,839,239	171,769,315	21,831,985	8,795,403	76,830	30,550,558	141,218,757	152,251,752
TOTAL AS ON 31.03.2009	167,155,974	14,343,860	7,416,097	174,083,737	12,942,339	9,783,556	893,910	21,831,985	152,251,752	

Note :

Current year deduction under Containers include forex gain of Rs. 2,569,311 (Previous Year forex loss of Rs. 6,570,000) towards adjustment for exchange rate differences arising on foreign currency loans related to acquisition of Containers.

(AMOUNT IN RUPEES)

SCHEDULE 5 : SUNDRY DEBTORS

(Unsecured, Considered good, unless otherwise stated)

Debts outstanding for a period exceeding six months

 Considered Good

1,105,886 7,219,798

 Considered doubtful

3,826,144 5,994,822

Others

 Considered Good

123,054,636 81,551,601

 Considered doubtful

- 5,071,582

127,986,666 99,837,803

Less: Provision for doubtful debts

3,826,144 11,066,404

TOTAL

124,160,522 88,771,399

SCHEDULE 6 : CASH AND BANK BALANCES

Cash on Hand

25,795 17,137

With Scheduled Banks in Current Accounts

4,742,101 8,999,192

 in Margin Money Deposit*

- 630,000

(*Pledged with Bank as Margin for Guarantees issued)

TOTAL

4,767,896 9,646,329

(AMOUNT IN RUPEES)

	AS AT 31.03.2010	AS AT 31.03.2009
SCHEDULE 7 : OTHER CURRENT ASSETS		
Interest income accrued but not due	871	40,475
Unfinished Voyage Expenses	-	13,196,380
Claims Receivable	-	317,321
TOTAL	871	13,554,176
SCHEDULE 8 : LOANS AND ADVANCES		
(Unsecured, considered good)		
Advances recoverable in cash or in kind or for value to be received	20,887,378	25,494,446
Advance Income Tax Less Provisions	26,193,800	31,858,188
Advance Fringe Benefits Tax Less Provisions	184,448	49,771
Gratuity Fund with Life Insurance Corporation	585,246	-
Deposits	821,001	705,623
Minimum Alternate Tax Credit Entitlements	8,647,598	-
TOTAL	57,319,471	58,108,028
SCHEDULE 9 : CURRENT LIABILITIES		
Sundry Creditors for Trade		
Due to Micro and Small Enterprises (excluding Interest)	147,895	-
Due to Others	75,628,078	48,608,311
Creditors for Expenses	8,908,121	4,737,190
Unfinished voyage income	-	21,097,123
Other Liabilities	2,603,799	2,752,593
TOTAL	87,287,893	77,195,217
SCHEDULE 10 : PROVISIONS		
Provision for Compensated Absence	2,548,762	2,457,887
Provision for Gratuity	-	517,076
Provision for Proposed Preference Dividend	11,000,000	-
Provision for Proposed Preference Dividend Distribution Tax	1,826,963	-
TOTAL	15,375,725	2,974,963

SCHEDULES TO PROFIT AND LOSS ACCOUNT

(AMOUNT IN RUPEES)

	Year ended 31.03.2010	Year ended 31.03.2009
SCHEDULE 11 : OPERATING EARNINGS		
Domestic Service Income	861,423,565	1,073,412,557
Liner Income	35,733,345	182,032,560
Trailer Income	3,026,400	4,070,600
TOTAL	900,183,310	1,259,515,717
 SCHEDULE 13 : OTHER INCOME		
Interest on bank deposit (Gross)	-	75,128
(TDS - Rs. NIL, Previous Year - Rs. 10,989/-)		
Interest on Income Tax Refund	452,619	578,184
Sundry Creditors Written Back	39,187	-
Other Income	252,808	905,217
Gains on exchange Rate Variation (Net)	662,449	1,350,611
Excess Provision No Longer Required-Written back	2,373,177	-
Profit/(Loss) on sale of Assets	1,496	-
TOTAL	3,781,736	2,909,140
 SCHEDULE 13 : OPERATING EXPENSES		
Terminal Handling Charges Domestic	213,679,291	214,446,582
Transportation Expenses	77,420,063	253,441,473
Other Domestic Expenses	21,016,184	103,465,347
Terminal Handling Charges Liner	15,168,017	51,573,551
Other Liner Expenses	955,993	16,354,397
Godown Rent	163,750	3,583,302
Trailer Expenses	2,656,962	3,533,438
Container/Cargo Insurance	991,830	4,000,743
Container Lease Rent	18,388,101	60,841,601
Agency Fees	5,679,931	8,738,955
Brokerage / Commission	119,529	9,549,021
Ocean Freight Charges	426,688,315	524,958,582
TOTAL	782,927,966	1,254,486,992

SCHEDULE 17 : NOTES TO THE ACCOUNTS

SIGNIFICANT ACCOUNTING POLICIES

(i) Accounting basis and convention

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

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

(ii) Fixed Assets

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

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

(iii) Depreciation

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

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

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

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

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

(iv) Foreign Exchange Transactions

- (a) Transactions in foreign currencies are recorded at standard exchange rates prevailing in the respective fortnight of the relevant transactions. The realized exchange gains or losses are recognized in the Profit and Loss Account.
- (b) The exchange differences on repayment/translation of foreign currency liabilities contracted for acquisition of fixed

assets from a country outside India were added to / deleted from cost of the relevant fixed assets in terms of Schedule VI to the Companies Act 1956 upto 31st March, 2007.

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

(v) Revenue Recognition

- (a) All Income and expenditure are accounted for, on accrual basis other than interest on overdue bills which is accounted on receipt basis.
- (b) Operating Income represent freight earnings. Freight income is recognized once the ship sails from the port of loading.

(vi) Employee Benefits

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

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

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

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

(vii) Taxation

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

(viii) Asset Impairment

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

(ix) Provisions and Contingent liabilities

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

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

NOTES ON ACCOUNTS

1. Change in Accounting Policy :

The company had been hitherto recognizing domestic freight income, only when the ship calls on the port of delivery whereas in the case of liner operations income was recognized once the ship sails from the port of loading. This resulted in recognition of unfinished voyage expense/income on the Balance Sheet date in respect of unfinished legs of domestic voyages. From the current year, in order to bring in uniformity in revenue recognition amongst liner and domestic operations, income in respect of domestic operations is also recognized once the ship sails from the port of loading. Consequently, no unfinished voyage expenses and income are recognized in the Balance Sheet for the current year.

Because of the above change in accounting policy, current year profit and net current assets are more by Rs. 48,04,700/-

2. The disclosure requirements under Revised AS 15 are given hereunder:

(A) Gratuity Benefits

(a) Description of the Gratuity Plan:

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

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

	(Rs. in Lakhs)	
Particulars	2009-2010	2008-2009
Present Value of Funded Obligations	25.31	16.06
Fair Value of Plan Assets	(31.42)	(10.89)
Amount not Recognized as an Asset (limit in Para 59(b))	0.26	—
Net Liability / (Asset) recognized in the Balance Sheet	(5.85)	5.17

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

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

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

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

(Rs. in Lakhs)

Particulars	2009-2010	2008-2009
Current Service Cost	3.10	2.82
Interest on Defined Benefit Obligation	1.38	1.36
Expected Return on Plan Assets	(1.11)	(0.55)
Net Actuarial Losses / (Gains) Recognized in the year	(5.54)	(1.92)
Past Service Cost		
Losses / (Gains) on "Curtailements & Settlements"	-	-
Effect of the limit in Para 59(b)	0.26	-
Total	(1.91)	1.71

*The Actual Return on Plan Assets is Rs. 1.09 Lakhs (Previous Year Rs. 0.72 Lakhs).

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

Change in Defined Benefit Obligation

(Rs. in Lakhs)

Particulars	2009-2010	2008-2009
Opening Defined Benefit Obligation	16.06	15.16
Current Service Cost	3.10	2.82
Interest Cost	1.38	1.36
Actuarial Losses / (Gain)	(5.56)	(1.75)
Past Service Cost	-	-
Actuarial Losses / (Gain) due to Curtailment	-	-
Liabilities Extinguished on Settlements	-	-
Liabilities Assumed on Acquisition / (Settled on Divestiture)	16.03	-
Exchange Difference on Foreign Plans	-	-
Benefits Paid	(5.70)	(1.53)
Closing Defined Benefit Obligation	25.31	16.06

Change in Fair Value of Assets

(Rs. in Lakhs)

Particulars	2009-2010	2008-2009
Opening Fair Value of Plan Assets	10.89	5.33
Expected Return on Plan Assets	1.11	0.55
Actuarial Gain / (Losses)	(0.02)	0.17
Assets Distributed on Settlements	-	-
Contributions by Employer	9.11	6.37
Assets Acquired on Acquisition / (Distributed on Divestiture)	16.03	-
Exchange Difference on Foreign Plans	-	-
Benefits Paid	(5.70)	(1.53)
Sub - Total	31.42	10.89
Amount not recognized as per assets (Limit para 59(b))	(0.26)	-
Closing Fair Value of Plan Assets	31.16	10.89
Expected Employer's Contribution Next Year	5.00	8.00

(e) Actuarial Assumptions at the Valuation date

Particulars	2009-2010	2008-2009
Discount Rate	8.00% p.a.	7.25% p.a.
Expected Rate of Return on Plan Assets*	7.50% p.a.	7.50% p.a.
Salary Escalation Rate	10 % for the first 2 yrs & 7% thereafter	10 % for the first 3 yrs & 7% thereafter

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

(f) Descriptions of the Plan Assets

Category of Assets	2009 - 2010	2008 - 2009
Government of India Securities	0%	0%
Corporate Bonds	0%	0%
Special Deposit Scheme	0%	0%
Insurer Managed Funds	100%	100%
Others	0%	0%
Total	100%	100%

(g) Experience Adjustments

(Rs. in Lakhs)

Particulars	2009-2010	2008-2009	2007-2008
Defined Benefit Obligation	25.31	16.06	15.16
Plan Assets	31.42	10.89	5.33
Surplus / (Deficit)	6.11	(5.17)	(9.83)
Exp. Adj. on Plan Liabilities	(4.04)	(2.29)	5.54
Exp. Adj. on Plan Assets	(0.02)	0.17	0.09

(B) Privileged Leave Encashment (Compensated Absence)

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

(a) Actuarial Assumptions at the Valuation date

Particulars	2009-2010	2008-2009
Discount Rate	8.00 % p.a.	7.25 % p.a.
Salary Escalation Rate	10 % for the first 2 yrs & 7% thereafter	10 % for the first 3 yrs & 7% thereafter

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

(Rs. in Lakhs)

Particulars	Year ended 31.03.2010	Year ended 31.03.2009
Opening balance of present value of Compensated Absences {after adjustment of Opening Valuation} (X)	24.58	24.21
Closing balance of present value of Compensated Absences (Y)	25.49	24.58
Movement in Net Liability (X-Y)	(0.91)	(0.37)

(c) Payments made under defined contribution scheme.

(Rs. in Lakhs)

Particulars	Year ended 31.03.2010	Year ended 31.03.2009
Contribution to Provident Fund	11.33	14.06

- Information pursuant to para 4-D, clauses a,b,c and e of Part II of Schedule VI of the Companies Act, 1956 has not been given as an exemption has been granted by the Department of Company Affairs Vide Order No.46/18/2009-CL-III dated 20th January, 2010.
- Foreign Currency exposures not hedged by derivative instrument.**

(Amount in equivalent US Dollar)

Particulars	Year ended 31.03.2010	Year ended 31.03.2009
a) Receivables	686	1,00,837
b) Payables	1,35,439	81,208
c) FCNR Loan taken from Bank	3,00,000	6,00,000

The company does not have any derivatives exposures as at 31st March, 2010.

5. Working for Earnings per share

Particulars	Year ended 31.03.2010	Year ended 31.03.2009
Weighted average number of Equity shares	2,500,000	2,500,000
Nominal value Per Share	Rs. 10/-	Rs. 10/-
Profit/(Loss) after Tax	Rs. 60,877,274	(Rs. 78,030,005)
(Less)/Add : Preference Dividend (including Dividend Distribution Tax)	(Rs. 12,862,222)	Rs. 6,522,872
Adjusted Balance for Calculation of EPS	Rs. 48,015,052	(Rs. 84,552,877)
Earnings Per Share (Basic & Diluted)	Rs. 19.21	(Rs. 33.82)

6. Deferred Tax

The Company has recognized Deferred Tax Asset relating to unabsorbed depreciation and carry forward losses as per Income Tax Act, considering the virtual certainty of future taxable income, owing to significant improvement in the volume of business, as reflected in the current financial year. The break up of net Deferred Tax Asset recognized in Accounts is as below:

(Amount in Rupees)

Particulars	Year ended 31.03.2010	Year ended 31.03.2009
Deferred Tax Assets		
Timing Difference on :		
Provision for Compensated Absence	846,635	NIL
Provision for Doubtful Debts	1,225,966	NIL
Unabsorbed Loss	14,780,043	NIL
Less:		
Deferred Tax Liabilities		
Timing Difference on :		
Depreciation	15,723,670	NIL
Gratuity	194,404	NIL
Net Deferred Tax Assets	934,570	NIL

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

(Amount in Rupees)

Name of the Company	Year ended on 31.3.2010	Year ended on 31.3.2009	Maximum amount due at any one time during the year
Relay Shipping Agency Limited			
- Under Debtors	NIL	33,359,586	43,527,026
- Under Loans & Advances	13,090,809	20,133,299	39,979,109

8. Auditor's Remuneration (included in Administration & Other expenses-Schedule 14)

(Amount in Rupees)

Particulars	Year ended 31.03.2010	Year ended 31.03.2009
i) As Auditors (including Service Tax)	496,350	496,350
ii) In other capacity (including Service Tax)		
a) Tax Audit Fees	99,270	99,270
b) Fees for Certification	1,103	168,540
iii) Out of Pocket Expenses	1,422	12,966

9. Contingent Liabilities

Particulars	As at 31.03.2010	As at 31.03.2009
a) Bank Guarantees issued to Customers/vendors.	5,505,000	2,430,000
b) Estimated amount of contracts on Capital Account not provided for.	NIL	NIL
c) Arrears of Dividend on Preference Shares (including Dividend Distribution Tax)	NIL	6,522,872
d) Claims against the Company not acknowledged as debts	709,031	709,031

10. Segment Reporting

a) The company's business is only in one segment namely Logistics.

b) Geographical Segment (Based on Location of customers)

(Amount in Rupees)

Particulars	Year ended 31.03.2010	Year ended 31.03.2009
In India	896,365,559	1,229,504,899
In Pakistan	6,663,756	20,107,596
Rest of World	935,731	12,812,362
TOTAL REVENUE	903,965,046	1,262,424,857



11. Accounting for Lease

- a) The Company has taken Containers on Cancelable Operating Lease and the lease rental of Rs.18,388,101/- (P.Y Rs. 60,841,601/-) is charged to the Profit and Loss Account.
- b) The Company has taken Vehicles on Cancelable Operating Lease and the lease rental of Rs.1,557,304/- (P.Y Rs. 997,604/-) is charged to the Profit and Loss Account.

12. Disclosure under Micro, Small and Medium Enterprise Development Act, 2006.

Particulars	2009-2010	2008-2009
(a) The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year;	Principal Rs. 147,895 Interest Rs. 2,139	Nil
(b) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	Nil	Nil

(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	Rs. 2,139	Nil
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year; and	Rs. 2,139	Nil
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	N.A.	N.A.

13. Related Party Transactions (Refer Annexure 1)

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

AS PER OUR REPORT ATTACHED

For PKF Sridhar & Santhanam

Chartered Accountants
Firm Regn. No. 0039905

S. Ramakrishnan

Partner
Membership No. 18967

Place : Mumbai
Date : 24th May, 2010

FOR AND ON BEHALF OF THE BOARD

S. Ramakrishnan
Chairman

Sameer Chavan
Company Secretary

Place : Mumbai
Date : 24th May, 2010

V. Ramnarayan
Executive Director

(Annexure I)

RELATED PARTY TRANSACTIONS (as on 31.03.2010)

(Amount in '000)

TRANSACTION	Holding Company*	Fellow subsidiaries*	Other related parties*	Key Management personnel*	Total as at 31.03.2010	Total as at 31.03.2009
Service / freight/thc income received						
Relay Shipping Agency Ltd.	-	-	64,702	-	64,702	33,946
Clarion Solutions Pvt. Ltd.	-	-	145,076	-	145,076	4,919
Admec Logistics Ltd.	-	-	938	-	938	-
Haytrans (India) Ltd.	-	-	-	-	-	1,711
Albatross shipping Ltd.	-	-	-	-	-	393
Oel Shipping Agency SDN Bhd-PKL	-	-	-	-	-	96
Agency Fees /commission & brokerage						
Relay Shipping Agency Ltd.	-	-	8,474	-	8,474	4,956
Clarion Shipping Ltd. - Colombo	-	-	5	-	5	274
Clarion Solutions Pvt. Ltd.	-	-	730	-	730	-
Crescent Shipping Agency (India) Ltd.	-	-	-	-	-	597
Seabridge Shipping co LLC	-	-	-	-	-	1,320
Haytrans (India) Ltd.	-	-	-	-	-	42
Oel Shipping Agency SDN Bhd-PKL	-	-	-	-	-	222
Meridian Shipping & Trdg LLC - Muscat	-	-	-	-	-	174
Transworld Logistics Ltd.	-	-	-	-	-	0.4
Documentation charged received						
Clarion Solutions Pvt. Ltd.	-	-	2,734	-	2,734	-
Rent paid						
Sivaswamy Holdings Pvt. Ltd.	-	-	1,788	-	1,788	3,699
S. Ramakrishnan	-	-	-	-	-	442
Transworld Management Consultancy P. Ltd.	-	-	-	-	-	154
Container charges paid						
Admec Logistics Ltd.	-	-	3,296	-	3,296	3,444
Container lease rent received						
Albatross Shipping Ltd.	-	-	561	-	561	-
Sale of Asset						
Crescent Shipping Agency (India) Ltd.	-	-	-	-	-	16
Shreyas Shipping & Logisitics Ltd.	-	-	-	-	-	68
Relay Shipping Agency Ltd.	-	-	-	-	-	320

(Annexure I)

RELATED PARTY TRANSACTIONS (as on 31.03.2010) (Contd.)

(Amount in '000)

TRANSACTION	Holding Company*	Fellow subsidiaries*	Other related parties*	Key Management personnel*	Total as at 31.03.2010	Total as at 31.03.2009
Container lease rent paid						
Balaji Shipping Lines FZCO	-	-	3,477	-	3,477	-
Relay Shipping Agency Ltd.	-	-	367	-	367	-
Transportation charges paid						
Admec Logistics Ltd.	-	-	10,944	-	10,944	7,076
Balaji Shipping Lines FZCO	-	-	1,078	-	1,078	-
Trailer Income						
Admec Logistics Ltd.	-	-	3,026	-	3,026	4,071
Trailer Expenses (Management fee)						
Admec Logistics Ltd.	-	-	3,761	-	3,761	3,517
Slot charges paid						
Orient Express Lines Ltd., Mauritius	-	-	169	-	169	42,765
Shreyas Shipping & Logistics Ltd.	430,497	-	-	-	430,497	479,088
Orient Express Lines Ltd., Singapore	-	-	-	-	-	1,392
Preference Dividend paid						
Shreyas Shipping & Logistics Ltd.	5,605	-	-	-	5,605	-
Purchase of Containers						
Transworld Logistics Ltd.	-	-	-	-	-	122
Purchase of Computers						
Haytrans (India) Ltd.	-	94	-	-	94	-
Purchase of office equipments						
Haytrans (India) Ltd.	-	187	-	-	187	-
Issue of Redemable Preference Share						
Shreyas Shipping & Logistics Ltd.	-	-	-	-	-	100,000

(Annexure I)

RELATED PARTY TRANSACTIONS (as on 31.03.2010)

(Amount in '000)

TRANSACTION	Holding Company*	Fellow subsidiaries*	Other related parties*	Key Management personnel*	Total as at 31.03.2010	Total as at 31.03.2009
Debit balance due to company	-	57	39,243	-	39,300	59,376
Credit balance due from company	49,193	32	3,502	-	52,727	25,021

NOTE: 1) Figure have been adjusted for exchange rate variations

2) Reimbursement of expenses incurred by/to Group Companies is not included here.

*** Names of related parties**

Nature of relationship	Name of the related party
Holding Company	Shreyas Shipping & Logistics Ltd.
Fellow Subsidiary	Haytrans (India) Ltd.
Key Management Personnel	Mr. S. Ramakrishnan Mr. V.Ramnarayan
Other related parties	Admec Logistics Ltd. Albatross shipping Ltd. Balaji Shipping Lines FZCO Clarion Solutions Pvt. Ltd. Clarion Shipping Ltd., Colombo Crescent Shipping Agency (India) Ltd. Meridian Shipping & Trdg LLC, Muscat Oel Shipping Agency SDN Bhd-PKL Orient Express Lines Ltd., Mauritius Orient Express Lines Ltd., Singapore Relay Shipping Agency Ltd. Seabridge Shipping co LLC Sivaswamy Holdings Pvt. Ltd. Transworld Logistics Ltd. Transworld Management Consultancy P. Ltd.

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

I Registration details	
Registration No.	77152
State Code	11
Balance Sheet Date	31/03/2010
II Capital raised during the year	Amount (Rs. in '000)
Public Issue	NIL
Rights Issue	NIL
Private Placement	NIL
III Position of Mobilization and Deployment of Funds	Amount (Rs. in '000)
Total Liabilities	241,294
Total Assets	241,294
Source of Funds	
Share Capital	125,000
Reserves & Surplus	NIL
Secured Loans	116,294
Unsecured Loans	NIL
Deferred Tax Liability	NIL
Application of Funds	
Net Fixed Assets	141,219
Investments	NIL
Deferred Tax Assets	934
Net Current Assets	83,585
Misc. Expenditure	NIL
Accumulated losses	155,555
IV Performance of the Company	
Turnover (Including other income)	903,965
Total Expenditure	843,298
Profit/(Loss) before Tax	60,667
Profit/(Loss) after Tax and prior period item	60,877
Profit/(Loss) after Exceptional Items	60,877
Dividend on Preference Shares	16,605
Tax on Preference Dividend	2,780
Balance available to Equity Shareholders	41,492
Earning per share including Exceptional Items (Rs.)	19.21
Earning per share excluding Exceptional items (Rs.)	19.21
Interim Equity Dividend Rate %	NIL
Final Equity Dividend rate%	NIL
V Generic Names of three Principal products/Services of the Company	
Item Code No. (ITC Code)	NIL
Product description	NIL

FOR AND ON BEHALF OF THE BOARD

S. Ramakrishnan
Chairman

V. Ramnarayan
Executive Director

Place : Mumbai
Date : 24th May, 2010

Sameer Chavan
Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010

Particulars	Year Ended 31 st March, 2010	Year Ended 31 st March, 2009
A. Cashflow from operating activities		
Net profit / (Loss) Before tax	60,666,748	(85,696,015)
Adjusted for Non cash/ Non operating item		
Depreciation	8,795,403	9,783,556
(Profit) / Loss on Sale of Fixed Asset	(1,496)	6,102,368
Interest Expenses	12,184,262	15,789,452
Interest income	(452,619)	(653,312)
Exchange Loss / (Gain) on Current Assets & Liabilities	(662,449)	(1,350,611)
Operating Profit Before Working Capital changes (a)	80,529,849	(56,024,562)
Adjustments for Increase/Decrease in Working Capital		
Increase / (Decrease) in Current Assets		
Sundry Debtors	35,389,123	(77,855,253)
Margin money deposits	(630,000)	130,000
Other Current assets	(13,553,305)	(1,696,324)
Loans & Advances	4,741,154	(21,678,635)
	25,946,972	(101,100,212)
Less: Increase / (Decrease) in Current Liabilities	9,666,475	(90,929,640)
Net increase / (Decrease) in working Capital (b)	16,280,497	(10,170,572)
Cash Generated from / (used in) Operations (a) - (b) = (c)	64,249,352	(45,853,990)
Less: Taxation	(4,805,667)	9,020,812
NET CASH FROM OPERATING ACTIVITIES (A)	69,055,019	(54,874,802)
B. Cash flow from investing activities		
(Addition) to Fixed Assets including capital advances	(524,817)	(7,782,655)
Sale of Asset	194,593	419,819
Interest income	452,619	653,312
NET CASH FROM INVESTING ACTIVITIES (B)	122,395	(6,709,524)
C. Cash Flow from Financing Activities		
Proceeds / (Repayment) of Borrowings (Net)	(55,345,903)	(25,833,345)
Issue of Preference Share	-	100,000,000
Preference Share Dividend & Distribution Tax Paid	(6,558,131)	-
Interest Expenses	(12,184,262)	(15,789,452)
Exchange Gain / (Loss) on current Assets & Liabilities	662,449	1,350,611
NET CASH FROM FINANCING ACTIVITIES (C)	(73,425,847)	59,727,814
NET CHANGES IN CASH & CASH EQUIVALENT (A+B+C)	(4,248,432)	(1,856,512)
CASH & CASH EQUIVALENTS - OPENING BALANCE	9,016,329	10,872,841
ADD : NET CHANGES IN CASH & CASH EQUIVALENT AS ABOVE	(4,248,432)	(1,856,512)
CASH & CASH EQUIVALENTS - CLOSING BALANCE	4,767,896	9,016,329
CLOSING CASH & CASH EQUIVALENTS CONSISTS OF (Refer Schedule 7)		
CASH ON HAND	25,795	17,137
BALANCE WITH SCHEDULED BANK IN CURRENT ACCOUNT	4,742,101	8,999,192
TOTAL	4,767,896	9,016,329

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

AS PER OUR REPORT ATTACHED

FOR AND ON BEHALF OF THE BOARD

For PKF Sridhar & Santhanam

Chartered Accountants

Firm Regn. No. 0039905

S. Ramakrishnan

Partner

Membership No. 18967

S. Ramakrishnan

Chairman

Place : Mumbai

Date : 24th May, 2010

Place : Mumbai

Date : 24th May, 2010

Directors' Report

Your Directors are pleased to present the 30th Annual Report and the Audited Accounts of the Company for the financial year ended 31st March 2010.

FINANCIAL PERFORMANCE

	Current year ended 31.03.2010	(Amount in Rs.) Previous Year year ended 31.03.2009
Income	11,957,060	69,669,688
Expenditure	18,723,285	85,448,616
Profit Before Tax	(6,766,225)	(15,778,928)
Less: Earlier year Expenses/Exceptional Item	-	(8,750)
Less: Provision for Taxation	-	1,664,820
Profit After Tax	(6,766,225)	(17,434,998)
Add: Balance B/F	(24,361,826)	(8,332,791)
Amount available for appropriation	(31,945,569)	(24,361,826)

DIVIDEND

Your Directors do not recommend any Dividend for the financial year 2009-10.

REVIEW OF OPERATIONS

Haytrans (India) Limited - Subsidiary of Shreyas Shipping & Logistics Limited is engaged in the field of Air Cargo Freight Forwarding. The main segments handled by Company are:

1. Air Import
2. Air Export
3. Custom House Agent.

In the field of Air Cargo Freight Forwarding, the Company offers door to door services through its wide spread agency network world wide, to various Government as well as Private Sector clients. The Company is engaged with Government clients like National Chemical Laboratories, National Institute of Virology, Indian Institute of Science, Education and Research and various other clients on a annual contract basis to provide above stated services.

FIXED DEPOSITS

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

HOLDING COMPANY

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

SUBSIDIARY COMPANY

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

COMPLIANCE CERTIFICATE

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

DIRECTORS

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

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

DIRECTORS' RESPONSIBILITY STATEMENT

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

- a) in the preparation of the Annual Accounts, the applicable accounting standards have been followed and that no material departures has been made for the same;

- b) appropriate accounting policies have been selected and applied consistently, and such judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2010 and of the profit of the Company for the year ended on 31st March, 2010;
- c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- d) the Annual Accounts have been prepared on a 'going concern' basis'.

AUDITORS

M/s. K. L. Murty & Co., Chartered Accountants, retires at the conclusion of the 30th Annual General Meeting and offers themselves for re-appointment. A certificate from the Auditors has been received to the effect that their re-appointment, if made, would be within the limits prescribed under Section 224(1B) of the Companies Act, 1956.

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

Under Notification Number GSR 1029, dated 31st December, 1988, companies are required to furnish prescribed information regarding conservation of energy and technology absorption. This, however,

does not apply to your Company. With regard to foreign exchange earnings and outgo, the position is as under:

		(In Rs. Lakhs) (2009-10)
(i)	Foreign exchange earnings (on accrual basis)	12.56
(ii)	Foreign exchange outgo including operating and other expenditure, purchase of containers in foreign currency (on accrual basis)	48.22

PERSONNEL

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

ACKNOWLEDGMENTS

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

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

Place: Mumbai
 Date : 24th May, 2010

S. Ramakrishnan
 Chairman

AUDITORS' REPORT

To

The Members of HAYTRANS (INDIA) LIMITED

1. We have audited the attached Balance Sheet of Haytrans (India) Limited as at 31st March 2010, and the Profit and Loss account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these Financial Statements based on our audit.
 2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
 3. As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order 2004 issued by the Company Law Board, in terms of sub-section 4A of Section 227 of the Companies Act, 1956 (Order) we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
 4. Further to our comments in the Annexure referred to in paragraph-3 above and subject to , we report that :
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (ii) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books.
 - (iii) The Balance Sheet and Profit and Loss account dealt with by this report are in agreement with the books of account.
- (iv) In our opinion, the Balance Sheet and Profit and Loss account dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
 - (v) On the basis of written representations received from the Directors, as on 31st March, 2010 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March 2010 from being appointed as a Director in terms of Clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
 - (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with note no. 1(f)(1) and (3) of Schedule J regarding not providing gratuity and leave benefits of employee on the basis of actuarial valuation thereto, the said accounts give the information required by the Companies Act, 1956, in the manner so required and gives a true and fair view in conformity with the accounting principles generally accepted in India;
 - a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2010; and
 - b) in the case of the Profit and Loss account, of the Loss for the year ended on that date.
 - c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For K. L. Murty & Co
Chartered Accountants
Firm Registration No. 106721W

K. Uma Murty
Proprietor
Membership Number: 016634

Place : Mumbai
Date : 24th May, 2010

ANNEXURE TO THE AUDIT REPORT:

- i. (a) Based our scrutiny of the company's books of accounts and other records and according to the information and explanation given to us, we are of the opinion that company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed assets are physically verified by management at year end. As informed to us, there is no material discrepancies were noticed on such verification.
- (c) During the year, company has disposed Fixed Assets having written down value of Rs. 5,27,947/-. On the basis of information and explanation given to us, we are of the opinion that such disposal does not affect the going concern.
- ii. (a) As the company is engaged in Freight Forwarding business, clause (a), (b) and (c) to para 4(ii) are not applicable.
- iii. (a) According to the information an explanation given to us, the Company has not granted any loans secured or unsecured to the parties covered in the register maintained Under Section 301 of the Companies Act, 1956. Accordingly, paragraphs 4 (iii) (a), 4(iii) (b) and 4 (iii) (c) of the Order are not applicable.
- (b) According to the information an explanation given to us, during the year, Company has taken unsecured loan of Nil (P.Y. - Rs. 50,00,000/-) from Shreyas Shipping & Logistics Limited, holding company. The maximum balance involved during the year was Nil (P.Y. - Rs. 50,00,000/-) and the year end balance was Nil (P.Y. - Nil).
- (c) In our opinion, the rate of interest and other terms and conditions on which loan have been taken from holding company is not, prima facie, prejudicial to the interest of company.
- iv. In our opinion and according, to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and nature of its business with regard to the purchase of fixed assets, and with regard to the services rendered. During the course of our audit, no major weakness has been noticed in the internal controls.
- v. Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the transactions that need to be entered into the register maintained under Section 301 of the Companies Act, 1956, have been properly entered.
- vi. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public and therefore, the provisions of Section 58A and 58AA of the Companies Act, 1956 and Rules there under are not applicable to the Company.
- vii. In our opinion, the company has an internal audit system commensurate with the size and the nature of its business.
- viii. In respect of this company, maintenance of cost records has not been prescribed by the Central Government under Section 209 (1) (d) of the Companies Act, 1956.
- ix. (a) According to the records of the company and information and explanations given to us, the company has been regular in depositing undisputed statutory dues with the appropriate authorities during the year.
- (b) According to the information and explanations given to us, there are no undisputed amounts payable in respect of Income tax, Sales Tax, Service-tax, Wealth Tax, Customs Duty, Excise Duty and Cess which were in arrears as at 31st March 2010 for a period of more than six months from the date on which they become payable.
- (c) According to the information and explanations given to us and the records of the company examined by us, there are no dues of Income tax, Sales Tax, Wealth Tax, Customs Duty, Excise Duty and Cess which have not been deposited on account of any dispute.
- x. The company has accumulated losses are more than 50% of net worth of the company at end of the year. The company has incurred cash loss during the financial year covered by audit and also during the immediately preceding financial year.
- xi. Based on our audit procedures and on the basis of information and explanations given by the management, we are of the opinion that the Company has not defaulted in the repayment of dues to financial institutions and banks.
- xii. According to the information and explanations given to us, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities
- xiii. In our opinion, the Company is not a Chit fund or a Nidhi/ Mutual Benefit fund/ Society. Therefore, the provisions of clause 4 (xiii) of the Companies (Auditor's Report) Order 2003 are not applicable to the company.
- xiv. On the basis of our examination of the company's records, company has not entered any transactions in respect of trading in securities, debentures and other investments.
- xv. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks and financial institutions.
- xvi. According to the information and explanations given to us, no term loans were availed by the Company during the year.

xvii. According to the information and explanations given to us and on an overall examination of Balance Sheet basis, funds raised on short term basis, prima facie, have not been used during the year for long term investment.

xviii. The company has not made any preferential allotment to parties and companies covered under register maintained under section 301 of the Companies Act, 1956, during the year.

xix. According to the information and explanations given to us and the records examined by us, no debentures were issued by the company.

xx. The Company has not raised any money through public issue during the year.

xxi. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the year.

For K.L.Murty & Co.

Chartered Accountants
Firm Registration No. 106721W

K. Uma Murty

Proprietor
Membership Number: 016634

Place : Mumbai
Date : 24th May, 2010

BALANCE SHEET AS AT 31ST MARCH, 2010

(AMOUNT IN RUPEES)

	Schedule	AS AT 31.03.2010	AS AT 31.03.2009
I SOURCES OF FUNDS:			
1) SHAREHOLDERS FUNDS:			
a) Share Capital	A	27,045,000	2,045,000
b) Reserves & Surplus	B	938,840	938,840
c) Secured Loans	C	15,709,445	40,111,508
TOTAL		43,693,285	43,095,348
II APPLICATION OF FUNDS:			
1) FIXED ASSETS:	D		
a) Gross Block		1,698,709	3,523,706
b) Less: Depreciation		1,303,710	2,341,971
c) Net Block		394,999	1,181,735
2) INVESTMENTS	E	184,751	178,461
3) CURRENT ASSETS, LOANS & ADVANCES	F		
a) Sundry Debtors		7,028,622	42,115,189
b) Cash and Bank Balance		3,894,429	1,281,030
c) Loans & Advances		21,435,980	25,129,927
		32,359,031	68,526,145
LESS: CURRENT LIABILITIES & PROVISIONS	G		
a) Sundry Creditors and other liability		16,563,275	41,944,253
b) Provisions		4,627,790	9,208,567
		21,191,065	51,152,820
NET CURRENT ASSETS		11,167,966	17,373,325
4) DEFERRED TAX ASSETS		-	-
5) PROFIT & LOSS ACCOUNT (DR.)		31,945,569	24,361,826
TOTAL		43,693,285	43,095,348
NOTES TO ACCOUNTS	J		

AS PER OUR REPORT ATTACHED

FOR AND ON BEHALF OF THE BOARD

For K.L. Murty & Co.
 Chartered Accountants
 Firm Regn. No. 106721W

S. Ramakrishnan
 Chairman

K. Uma Murty
 Proprietor
 Membership No. 016634

V. Ramnarayan
 Director

Sivaswamy Mahesh
 Director

 Place : Mumbai
 Date : 24th May, 2010

 Place : Mumbai
 Date : 24th May, 2010

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

(AMOUNT IN RUPEES)

	Schedule	FOR THE YEAR ENDED 31.03.2010	FOR THE YEAR ENDED 31.03.2009
I Freight Forwarding Income :	H		
Gross Revenue		85,630,199	602,363,984
Less: Operating Expenses		74,839,918	533,523,512
Gross Profit		10,790,282	68,840,472
Other Income	H	1,166,778	829,216
TOTAL INCOME		11,957,060	69,669,688
II EXPENDITURE			
A) Admin. & Other Charges	I	16,030,314	79,537,043
B) Finance Charges		2,434,178	4,637,705
C) Depreciation		258,793	1,273,867
TOTAL EXPENDITURE		18,723,285	85,448,616
III PROFIT BEFORE EXTRA ORDINARY AND EXCEPTIONAL ITEMS AND TAXATION		(6,766,225)	(15,778,928)
Less : Exceptional Items (Old Bal W/off)		-	(8,750)
IV PROFIT AFTER EXCEPTIONAL ITEMS AND PRIOR YEAR ITEMS AND BEFORE TAXATION		(6,766,225)	(15,770,178)
V Less : Provision for Taxation			
: -> Current		-	949,291
: -> Deffered		-	715,529
: -> FBT		-	1,664,820
VI PROFIT AFTER EXCEPTIONAL ITEMS AND PRIOR YEAR ITEMS AND TAXATION		(6,766,225)	(17,434,998)
Add/(Less): Excess/(Short) Provision for Taxes Earlier years		(817,517)	1,405,963
		(7,583,743)	(16,029,035)
VII Add: Balance C/F from previous year		(24,361,826)	(8,332,791)
VIII AMOUNT AVAILABLE FOR APPROPRIATION		(31,945,569)	(24,361,826)
IX APPROPRIATION			
Balance Transferred to Balance Sheet		(31,945,569)	(24,361,826)
		(31,945,569)	(24,361,826)
NOTES TO ACCOUNTS	J		

AS PER OUR REPORT ATTACHED

FOR AND ON BEHALF OF THE BOARD

For K.L. Murty & Co.
Chartered Accountants
Firm Regn. No. 106721W

S. Ramakrishnan
Chairman

K. Uma Murty
Proprietor
Membership No. 016634

V. Ramnarayan
Director

Sivaswamy Mahesh
Director

Place : Mumbai
Date : 24th May, 2010

Place : Mumbai
Date : 24th May, 2010

SCHEDULE FORMING PART OF ACCOUNTS

(AMOUNT IN RUPEES)

	AS AT 31.03.2010	AS AT 31.03.2009
SCHEDULE - A		
SHARE CAPITAL		
1 AUTHORISED :		
25000 Equity shares of Rs.100/- each	2,500,000	2,500,000
2 ISSUED, SUBSCRIBED & PAID UP :		
20,450 Equity shares of Rs.100/- each Fully Paid-up in Cash	2,045,000	2,045,000
3 SHARE APPLICATION MONEY	25,000,000	-
TOTAL	27,045,000	2,045,000
SCHEDULE - B		
RESERVES AND SURPLUS		
SHARE PREMIUM	938,840	938,840
TOTAL	938,840	938,840
SCHEDULE - C		
SECURED LOANS		
Standard Chartered Bank-Cash Credit	15,709,445	40,111,508
	15,709,445	40,111,508

SCHEDULE-D
FIXED ASSETS

DESCRIPTION	LAND	PREMISES	FURNITURE & FIXTURES	OFFICE EQUIPMENTS	VEHICLES	BICYCLES	TOTAL
COSTS AS ON 01/04/2009	-	-	406,271	3,088,766	22,487	6,183	3,523,706
ADDITIONS	-	-	-	-	-	-	-
TOTAL	-	-	406,271	3,088,766	22,487	6,183	3,523,707
DEDUCTIONS	-	-	364,204	1,432,124	22,487	6,183	1,824,998
COST AS ON 31/03/2010	-	-	42,067	1,656,642	-	-	1,698,709
ACCU. DEPRECIATION AS ON 01/04/2009	-	-	221,281	2,092,287	22,220	6,183	2,341,971
DEPRECIATION FOR THE YEAR	-	-	13,995	244,796	-	-	258,790
DEPRECIATION DEDUCTION	-	-	223,169	1,045,480	22,220	6,183	1,297,051
ACCU. DEPRECIATION AS ON 31/03/2010	-	-	12,107	1,291,603	-	-	1,303,710
NET BLOCK AS ON 31/03/2010	-	-	29,959	365,040	-	-	394,999
NET BLOCK AS ON 31/03/2009	-	-	184,990	996,479	267	-	1,181,735

(AMOUNT IN RUPEES)

SCHEDULE E : INVESTMENTS

Unquote Shares :

Transcorp Finance Limited

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

Less: Provision for Diminution in value of investment

Investment in Mutual Fund - Kotak Liquid Fund

TOTAL

SCHEDULE - F :

CURRENT ASSETS LOANS & ADVANCES

A) CURRENT ASSETS

1. Sundry Debtors (Unsecured - considered Good)

- Not exceeding six months

- Exceeding six months

Less : Prov for Doubtful Debts

2. CASH AND BANK BALANCES

a) Cash on hand

b) Balance in Current Accounts with Banks

A

B) LOANS AND ADVANCES

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

a) Deposits

b) Loans and advances

2. Taxes Paid (Advance Tax + TDS Receivables)

B

TOTAL (A+B)

SCHEDULE - G :

CURRENT LIABILITIES & PROVISIONS

A) CURRENT LIABILITIES :

1. Sundry Creditors

2. Creditors for Expenses

A

B) PROVISIONS :

1. For Taxation

2. For Leave Salary & Gratuity Prov.

3. For Fringe Benefit Tax

B

TOTAL (A + B)

	AS AT 31.03.2010	AS AT 31.03.2009
SCHEDULE E : INVESTMENTS		
<u>Unquote Shares :</u>		
Transcorp Finance Limited	1,000,000	1,000,000
(1,00,000 Equity Shares of Rs. 10/- each)		
Less: Provision for Diminution in value of investment	1,000,000	1,000,000
	-	-
Investment in Mutual Fund - Kotak Liquid Fund	184,751	178,461
TOTAL	184,751	178,461
SCHEDULE - F :		
CURRENT ASSETS LOANS & ADVANCES		
A) <u>CURRENT ASSETS</u>		
1. Sundry Debtors (Unsecured - considered Good)		
- Not exceeding six months	6,652,701	41,675,601
- Exceeding six months	16,249,830	12,191,300
	22,902,531	53,866,901
Less : Prov for Doubtful Debts	15,873,909	11,751,713
	7,028,622	42,115,189
2. <u>CASH AND BANK BALANCES</u>		
a) Cash on hand	27,054	102,569
b) Balance in Current Accounts with Banks	3,867,375	1,178,461
A	10,923,051	43,396,218
B) <u>LOANS AND ADVANCES</u>		
1. (Advances recoverable in cash or in kind or for value to be received)		
a) Deposits	1,582,302	1,807,577
b) Loans and advances	189,472	243,501
2. Taxes Paid (Advance Tax + TDS Receivables)	19,664,207	23,078,849
B	21,435,980	25,129,927
TOTAL (A+B)	32,359,031	68,526,145
SCHEDULE - G :		
CURRENT LIABILITIES & PROVISIONS		
A) <u>CURRENT LIABILITIES :</u>		
1. Sundry Creditors	12,137,411	34,075,070
2. Creditors for Expenses	4,425,865	7,869,183
A	16,563,275	41,944,253
B) <u>PROVISIONS :</u>		
1. For Taxation	1,160,000	5,560,000
2. For Leave Salary & Gratuity Prov.	1,229,261	1,410,038
3. For Fringe Benefit Tax	2,238,529	2,238,529
B	4,627,790	9,208,567
TOTAL (A + B)	21,191,065	51,152,820

SCHEDULE FORMING PART OF ACCOUNTS

(AMOUNT IN RUPEES)

SCHEDULE H : INCOME
FREIGHT FORWARDING INCOME:

	FOR THE YEAR ENDED 31.03.2010	FOR THE YEAR ENDED 31.03.2009
Gross Revenue	85,630,199	602,363,984
Less: Operating Expenses	74,839,918	533,523,512
Gross Profit	10,790,282	68,840,472
Other / Miscellaneous Income;		
- Profit on Sale of Assets	-	3,489
- Rent Income	244,440	488,880
- Dividend income	6,290	40,463
- Interest Income	503,331	127,440
- Misc. Income	15,396	168,944
- Foreign Exchange Gain	397,321	-
	1,166,778	829,216
TOTAL	11,957,060	69,669,688

SCHEDULE I :- OPERATING AND OTHER EXPENSES

1. <u>Salaries , Bonus and other Benefits:</u>		
a) Salaries	6,088,572	34,809,219
b) Staff Welfare Expenses	207,309	1,038,767
c) Contribution to Esic	-	50,258
d) Group Gratuity	974,952	-
e) Leave Salary	53,445	-
f) Contribution to Provident Fund	323,413	1,458,005
	7,647,691	37,356,249
2. Rent , Rates and Taxes	551,945	5,633,530
3. Electricity Charges	143,292	1,444,538
4. Printing and Stationary	103,168	642,549
5. Vehicle Fuel & Maintenance	593,188	2,141,896
6. Insurance Charges	73,914	648,350
7. Postage, Telegram, Telephone & Telex	437,026	2,857,121
8. Travelling & Conveyance:	337,902	2,897,360
9. Legal & Professional Fees	461,309	1,316,506
10. Business Promotion Expenses	133,825	293,680
11. Auditors Remuneration	148,710	142,914
12. Repairs & Maintenance	229,420	833,036
13. Office Expenses	115,467	1,230,637
14. Software developments charges	84,394	661,045
15. Personnel Delegation Expenses	-	2,520,000
16. Profit /Loss on sale of Assets	246,485	3,159,680
17. General Expenses	368,224	2,184,019
18. Membership & Subscription	44,954	165,802
19. Exchnage Rate - Loss	108,084	1,559,537
20. Bad & D/Debts w/off	14,382	1,592,002
21. Provision for Bad & D/Debts	4,186,935	9,256,592
22. Provision for Dimunition in value of share	-	1,000,000
TOTAL	16,030,314	79,537,043

SCHEDULE - J :

1. THE SIGNIFICANT ACCOUNTING POLICIES SUMMARISED BELOW :-

a) BASIC OF ACCOUNTING

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

b) FIXED ASSETS AND DEPRECIATION

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

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

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

c) SUNDRY DEBTORS

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

d) LOANS & ADVANCES

Loans and advances are stated at realizable values.

e) RECOGNITION OF INCOME & EXPENDITURE

Items of Income and Expenditure are recognized on accrual basis.

f) EMPLOYEES BENEFITS

1. The Company contributes to an approved Gratuity fund with Life Insurance Corporation of India (LIC). The Contribution to the fund are charged to the Revenues account in the respective Financial year.

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

3. Leave Salary

Provision for Leave Salary is made on accrual basis.

g) TAXES ON INCOME

Current income Tax and Fringe Benefit tax is measured at the amount expected to be paid to income tax authorities in accordance with income tax act. Deferred tax for timing difference between tax profits and book profits is accounted for using the tax rates and laws that have been enacted or substantially enacted as of the date of balance sheet date. Deferred Tax assets are recognised to the extent there is reasonable certainty that these assets can be realised in future.

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

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

4. Payment to auditors :-

(Amount in Rs.)

	2009-10	2008-09
i) Audit Fees	100,000	100,000
ii) Tax audit fees	25,000	25,000
iii) Out of pockets	5,039	5,039
iv) Service Tax	12,875	12,875
Total	142,914	142,914

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

(Rs. In Lakhs)

	2009-10	2008-09
i) Earning in foreign currency	12.56	176.74
ii) Expenditure in foreign currency	48.22	1018.59

6. DEFERRED TAXES

	2009-10	2008-09
Deffered Tax Asset on Unabsorbed P & L	-	-
Deffered Tax Asset for Difference in WDV of Assets	-	-
Deffered Tax Asset on Leave Salary	-	-
	-	-

Considering the uncertainty of realisation of deferred tax asset in future, no deferred tax assets has been recognised during the current year.

7. Segment Reporting

a) Segment wise Revenue & Results

Particulars	31.03.2010	31.03.2009
Revenue by Segment		
- Sea Division	1,933,596	499,002,477
- Air Division	83,696,603	103,361,506
	85,630,199	602,363,984
Segment Results :		
Gross Profit		
- Sea Division	(87,838)	53,545,979
- Air Division	10,878,120	15,294,493
	10,790,282	68,840,472
Add: Other Income	1,166,778	829,216
Less: Administrative Expns	16,030,314	79,537,043
Less: Finance Cost	2,434,178	4,637,705
Less: Depreciation	258,793	1,273,867
Profit Before Exceptional Item and Taxation	(6,766,225)	(15,778,928)



HAYTRANS (INDIA) LIMITED

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

For K.L. Murty & Co.
Chartered Accountants
Firm Regn. No. 106721W

K. Uma Murty
Proprietor
Membership No. 016634

Place : Mumbai
Date : 24th May, 2010

FOR AND ON BEHALF OF THE BOARD

S. Ramakrishnan
Chairman

V. Ramnarayan
Director

Sivaswamy Mahesh
Director

Place : Mumbai
Date : 24th May, 2010

RELATED PARTY TRANSACTIONS AS ON 31/03/2010

Amt Rs. in '000

Particulars	2009-2010	2008-09
Forwarding Income :		
United Arab Shipping Agency Co. (I) Pvt. Ltd.	-	871
Crescent Shipping Agency (I) Ltd.	-	166
Meridian Shipping Agency Pvt. Ltd.	-	3
NLS Agency (I) Pvt. Ltd.	-	787
Transworld Logistics Ltd.	-	2
TLPL Logistics Pvt Ltd.	-	478
Albatross Shipping Ltd.	-	69
Relay Shipping Agency Ltd.	-	14
Meridian Shipping Trading LLC	-	33
Sea Bridge Shipping	-	-
TLSS - USA	-	78
Shreyas Shipping & Logistics Ltd.	-	251
Shreyas Relay Systems Ltd.	-	-
Forwarding Expenses :		
United Arab Shipping Agency Co. (I) Pvt. Ltd.	-	42,648
Crescent Shipping Agency (I) Ltd.	-	17,364
Meridian Shipping Agency Pvt. Ltd.	-	6,772
NLS Agency (I) Pvt. Ltd.	-	2,861
Transworld Logistics Ltd.	-	278
TLPL Shipping Pvt. Ltd.	-	-
TLPL Logistics Pvt. Ltd.	-	7,114
Albatross Shipping Ltd.	-	3,261
Admec Logistics Ltd.	-	242
Relay Shipping Agency Ltd.	-	2,411
Meridian Shipping Trading LLC	-	1
Sea Bridge Shipping	-	349
TLSS - USA	-	255
Shreyas Relay Systems Ltd.	-	-
Rent Paid		
Sivaswamy Holdings Pvt. Ltd.	168	2,941
Agency Fees Paid		
Shreays Relay Systems Ltd.	-	42
Freight Expenses		
Shreays Relay Systems Ltd.	-	1,711
Personnel Delegation		
Transworld Management Private Ltd.	-	2,540
Interest Expenses on Loan Taken		
Shreyas Shipping & Logistics Ltd.	-	81

Particulars	2009-2010	2008-09
Allotment of Equity Shares alongwith Premium Share Application Money Received		
Shreyas Shipping & Logistics Ltd.	12,800	-
Loan Taken		
Shreyas Shipping & Logistics Ltd.	-	5,000
Sale of Assets		
Shreyas Relay Systems Ltd.	281	124
Repayment of Loan Taken		
Shreyas Shipping & Logistics Ltd.	-	5,000
Debit Bal Due To Company	506	298
Credit Balance Due From Company	722	3,483

Names of the Related Parties

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

SCHEDULE VI - PART IV

Balance Sheet Abstract and General Business Profile

(Inserted by Notification No. GSR 388 (E), dated 15.5.1995)

1. Registration Details		
Registration No.		22476 of 2002
State Code		11
Balance Sheet Date		31.03.2010
2. Capital Raised during the period		
Public issue		Rs.Nil
Right issue		Rs.Nil
Bonus issue		Rs.Nil
Private placement		Rs.Nil
3. Position of Mobilisation and Deployment of funds		
Total Liabilities		Rs.43,693,285
Total Assets		Rs.43,693,285
Sources of Funds		
Paid up Capital		Rs.27,045,000
Reserves & Surplus		Rs.938,840
Secured Loans		Rs.15,709,446
Unsecured Loans		Rs.Nil
Application of Funds		
Net Fixed Assets		Rs.394,999
Investments		Rs.184,751
Net Current Assets		Rs.11,167,966
Misc. Expenditure		Rs. -
Deferred Tax Asset		Rs. -
Accumulated Losses		Rs. Nil
4. Performance of Company		
Turnover		Rs.86,796,977
Total Expenditure		Rs.93,563,203
Profit Before Tax		Rs. (6,766,225)
Profit After Tax		Rs. (7,583,743)
Earning per share in		Rs. (370.84)
Dividend @ % per share		Rs. -
5. Generic Names of Three Principal Products/Services of Company		
(as per monetary terms)		
Item Code No. (ITC Code)		This is a C & F Agency Company
Product Description		

AS PER OUR REPORT ATTACHED

FOR AND ON BEHALF OF THE BOARD

For K.L. Murty & Co.
Chartered Accountants
Firm Regn. No. 106721W

S. Ramakrishnan
Chairman

K. Uma Murty
Proprietor
Membership No. 016634

V. Ramnarayan
Director

Sivaswamy Mahesh
Director

Place : Mumbai
Date : 24th May, 2010

Place : Mumbai
Date : 24th May, 2010

CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2010

Particulars	Year ended 31 st March 2010	Year ended 31 st March 2009
A. Cashflow from operating activities		
Net profit / (Loss) Before Exceptional tax	(6,766,225)	(15,778,928)
Adjusted for:		
Depreciation	258,793	1,273,867
Amortisation of misc expenses	-	-
Profit on Sale of Assets	-	(3,489)
Loss on Sale of Fixed Asset	246,485	3,159,680
Interest Expenses	2,434,178	4,637,705
Interest income	(503,331)	(127,440)
Exchange Gain on Current Assets & Liabilities	108,084	1,559,537
Diminution in value of investments	-	1,000,000
Operating Profit Before Working Capital changes	(A) (4,222,017)	(4,279,067)
Adjustments for in Working Capital		
Increase / (Decrease) in Current Assets		
Sundry Debtors	(35,086,566)	(14,369,487)
Margin money deposits	-	-
Other Current assets	-	-
Loans & Advances	(2,876,430)	(3,356,893)
	(37,962,996)	(17,726,380)
Less: Increase/(Decrease) in Current Liabilities & Provisions	(29,961,755)	(10,607,258)
Net increase/(Decrease) in working Capital	(B) 8,001,241	7,119,122
Cash Generated from Operations	(A) - (B) = (C) 3,779,224	2,840,055
Less: Taxation	-	715,529
Less: Exceptional Items	-	(8,750)
Less: Dividend (Including DDT)	-	-
NET CASH FROM OPERATING ACTIVITIES	(A) 3,779,224	2,133,276
B. Cash flow from investing activities		
Addition to Fixed Assets including capital advances	-	(572,794)
Sale of Asset	281,458	515,627
Purchase of Investment	(6,290)	-
Interest Income	503,331	127,440
	-	-
NET CASH FROM INVESTING ACTIVITIES	(B) 778,499	70,273
C. Cash Flow from Financing Activities		
Proceeds / (Repayment) of Borrowings (Net)	(24,402,063)	3,985,057
Issue of Equity Share	25,000,000	-
Deferred Payment credit for purchase consideration	-	-
Interest Expenses	(2,434,178)	(4,637,705)
Exchange Gain/(Loss) on current Assets & Liabilities	(108,084)	(1,559,537)
NET CASH FROM FINANCING ACTIVITIES (C)	(1,944,324)	(2,212,185)
NET CHANGES IN CASH & CASH EQUIVALENT	(A + B + C) 2,613,399	(8,637)
CASH & CASH EQUIVALENTS - OPENING BALANCE	1,281,030	1,289,666
ADD : NET CHANGES IN CASH & CASH EQUIVALENT AS ABOVE	2,613,399	(8,637)
CASH & CASH EQUIVALENTS - CLOSING BALANCE	3,894,428	1,281,029
CLOSING CASH & CASH EQUIVALENTS CONSIST; (Refer Schedule F)		
CASH ON HAND	27,054	102,569
BALANCE WITH SCHEDULE BANK IN CURRENT ACCOUNT	3,867,375	1,178,461
TOTAL	3,894,429	1,281,030

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

AS PER OUR REPORT ATTACHED

For K.L. Murty & Co.
 Chartered Accountants
 Firm Regn. No. 106721W

K. Uma Murty
 Proprietor
 Membership No. 016634

Place : Mumbai
 Date : 24th May, 2010

FOR AND ON BEHALF OF THE BOARD

S. Ramakrishnan
 Chairman

V. Ramnarayan
 Director

Sivaswamy Mahesh
 Director

Place : Mumbai
 Date : 24th May, 2010



SHREYAS
SHIPPING & LOGISTICS LTD

FINANCIAL HIGHLIGHTS

(Rs. in Lacs except where stated otherwise)

	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08*	2008-09*	2009-10*
Operating Earnings	6,674.57	6,492.67	6,757.39	7,689.86	9,683.74	14,136.35	17,911.46	29,011.57	28730.67	15398.73
Other Income	147.17	116.14	147.92	693.08	82.22	373.29	571.12	741.23	3,082.71	(394.06)
Total Income	6,821.74	6,608.81	6,905.31	8,382.94	9,765.96	14,509.64	18,482.58	29,752.80	31813.38	15004.67
Operating Expenses	4,769.91	4,768.15	5,252.90	5,925.77	5,772.37	9,285.73	13,187.27	24,363.80	26,279.80	13,789.23
Administration & Other Expenses	486.43	305.76	371.09	493.03	462.22	527.06	838.16	1,766.84	2,234.65	1,018.21
PBDT	1,565.40	1,534.90	1,281.32	1,964.14	3,567.37	4,696.85	4,457.15	3,621.99	3,298.93	197.23
Interest	679.16	569.10	273.91	174.65	85.44	193.12	485.81	1,335.53	1,028.60	459.51
PBDT	886.24	965.80	1,007.41	1,789.49	3,481.93	4,503.73	3,971.34	2,286.46	2,270.33	(262.28)
Depreciation	610.10	605.58	666.96	786.93	756.70	865.60	963.23	1,399.03	1,445.31	1,248.40
PBT	276.14	360.22	340.45	1,002.56	2,725.23	3,638.13	3,008.11	887.43	825.02	(1,510.68)
Tax	2.79	53.55	278.19	271.77	29.77	115.5	296.77	69.99	262.83	59.82
PAT (Including prior year item)	273.35	306.67	106.53	730.79	3,573.68	3,522.63	3,119.15	645.52	558.61	(1,570.50)
Share Capital	1,982.42	1,982.42	3,282.42	3,282.42	3,282.42	3,495.75	3,495.75	3,495.75	3,105.75	2,995.75
Reserves & Surplus	2,390.48	2,623.64	2,303.86	2,632.94	5,503.25	11,563.46	12,864.30	11,806.04	12627.88	10938.76
Net Worth	4,372.90	4,606.06	5,586.28	5,915.36	8,785.67	15,059.21	16,360.05	15,301.79	15,733.63	13,934.51
Loan Funds	5,139.88	5,271.75	4,760.51	1,582.24	2,624.74	2,647.36	15,893.08	23,125.08	10202.01	8489.27
Fixed Assets (Net) (including Capital work-in-progress)	8,668.44	9,392.09	10,209.73	7,945.95	10,121.12	11,343.24	26,866.11	37,068.49	21780.25	18616.58
Investments	14.63	223.75	224.51	14.05	3.11	4,322.41	2,097.14	444.32	1889.99	1456.89
Net Current Assets	205.43	106.97	84.47	152.46	1,286.18	2,062.66	3,340.73	989.45	2265.4	2340.97
EPS (Annualised) (Rs.) (excluding exceptional items)	1.38	1.55	0.24	3.02	12.87	16.92	11.69	3.10	2.05	(7.69)
Debt Equity Ratio	1.18	1.14	0.85	0.27	0.30	0.18	0.97	1.51	0.65	0.61
Dividend Per Equity Share (Rs.)	0.50	0.60	-	1.20	2.00	2.20	2.20	2.00	-	-
Book Value per share (Rs.)	22.06	23.23	21.62	22.45	32.88	62.29	60.10	54.18	71.65	59.78

* Consolidated figures have been presented

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