

THE SHIPPING CORPORATION OF INDIA LTD.

**MINUTES OF THE PROCEEDINGS OF THE 60TH ANNUAL
GENERAL MEETING OF THE SHIPPING CORPORATION OF
INDIA LTD. HELD AT 1630 HRS. ON WEDNESDAY, THE
29TH SEPTEMBER 2010 AT THE REGISTERED OFFICE OF
THE COMPANY AT “SHIPPING HOUSE”, 245, MADAME
CAMA ROAD, MUMBAI – 400 021**

1 The following were present:

Shri S. Hajara,
Chairman & Managing Director - in the Chair.

Shri S.K. Sahoo } as nominee of the President of India.

Shri B.K. Mandal }
Shri Kailash Gupta } as Directors & Shareholders
Shri J.N. Das }
Capt. K.S. Nair }

Shri U. Sundararajan } as Director & Chairman of the
} Audit Committee.

Shri Nasser Munjee }
Shri Sushil Tripathi }
Prof. Sushil Khanna } – as Directors
Shri Arun K. Verma }
Shri Arun Ramanathan }
Rear Admiral (Retd.) T.S. Ganeshan }

and 121 other Shareholders and 31 Proxies.

2 Shri Dipankar Haldar, Sr. Vice President (Legal Affairs) & Company Secretary,
was present.

3 The Shareholders signed the Attendance Register to record their attendance.

4 In terms of Article 90 of the Articles of Association of the Company,
Shri S.Hajara, Chairman & Managing Director presided over the 60th Annual General Meeting
of the Company.

5 The number of members required to form quorum as per the provisions of the
Companies Act, 1956 and the Articles of Association, being present, the Chairman declared
commencement of the 60th Annual General Meeting of the Company. He welcomed the
members and all others present at the meeting.

6 Chairman thereafter stated that the Minutes Book and the Audited Accounts for the year 2009-2010 were on the table for inspection by persons having the right to attend the meeting.

7 The Register of Directors' Shareholdings kept in pursuance of Section 307 of the Companies Act, 1956 was available for inspection at the venue of the meeting.

8 The Chairman requested the Company Secretary to read the Notice convening the 60th Annual General Meeting and thereafter the Auditors' Report relating to the Accounts for the above period and also the comments of the Comptroller and Auditor General of India under Section 619(4) of the Companies Act, 1956 relating to the Accounts for the year ended 31st March 2010.

9 Shri J.B. Martins, a shareholder, proposed that the Notice of the AGM be taken as read. Chairman thereafter directed that the Notice dated 11th August 2010 convening the 60th Annual General Meeting be taken as read. The Company Secretary thereafter, in terms of Secretarial Standard-2 on General Meetings, read the Report of the Auditors to the Shareholders, the comments of the Comptroller and Auditor General of India on the audited Accounts of the Company for the year ended 31st March 2010 and the Auditor's Certificate on corporate governance for the year ended 31st March 2010. Company Secretary also brought to attention a printing error in the period for which the auditor's certificate on corporate governance was provided which had been misprinted as 31st March 2009 instead of 31st March 2010.

10 Chairman delivered his speech.

11 Copies of the Chairman's Speech were distributed to the members and all others present.

12 The meeting then proceeded with the transaction of business, as set out in the Notice calling the meeting.

ORDINARY BUSINESS

ITEM NO. 1 OF THE NOTICE

ADOPTION OF THE BALANCE SHEET AS AT 31ST MARCH 2010, P&L ACCOUNT FOR THE YEAR ENDED ON THAT DATE AND REPORTS OF AUDITORS & DIRECTORS THEREON.

13 Shri Gautam Tiwari proposed the following resolution.

“RESOLVED THAT the Audited Balance Sheet of The Shipping Corporation of India Ltd. as at 31st March 2010 and the Profit & Loss Account for the year ended on that date and the Reports of the Directors and Auditors as circulated to the Shareholders, be and are hereby approved and adopted.”

14 Shri B.G. Parikh seconded the resolution.

15 Chairman invited comments from the members present at the meeting.

16 Some shareholders spoke at the meeting and among the questions raised were those relating to the Company's future plans, acquisition and diversification programmes, disinvestment proposal of the Government and FPO, capital expenditure, reduction in profit, dividend, bonus shares, measures adopted to face piracy, loss suffered by Joint Venture viz. Irano Hind Shipping Company Ltd., foreign exchange liability, wage settlement of the employees, etc. These were suitably replied by the Chairman to the satisfaction of the members present in the meeting.

17 There being no further comments on the Accounts, the Chairman put the resolution to vote. All the members present in the meeting supported the Resolution. The Chairman thereafter declared the same as carried unanimously.

ITEM NO. 2 OF THE NOTICE

DECLARATION OF FINAL DIVIDEND

18 Shri R.F. Fernandes proposed the following resolution.

RESOLVED THAT the final dividend @ Rs. 5 per share for the year ended 31.03.2010, absorbing a sum of Rs. 211,72,68,225/-, be and is hereby declared payable to those shareholders whose names stand on the Register of Members of the Company as on 22nd September 2010.

19 Shri P.T. Manjrekar seconded the resolution.

20 Chairman put the resolution to vote. All the members present in the meeting unanimously supported the Resolution. The Chairman thereafter declared the same as carried unanimously.

ITEM NO. 3 OF THE NOTICE

REAPPOINTMENT OF SHRI B.K. MANDAL AS A DIRECTOR

21 Shri B.G. Parikh proposed the following resolution.

RESOLVED THAT Shri B. K. Mandal, who retires as a Director of the Company at this meeting in accordance with Article 137 of the Company's Articles of Association, be and is hereby reappointed.

22 Shri P.K. Agnihotri seconded the resolution.

23 Chairman put the resolution to vote. All the members present in the meeting supported the Resolution. The Chairman thereafter declared the same as carried unanimously.

ITEM NO. 4 OF THE NOTICE

REAPPOINTMENT OF SHRI KAILASH GUPTA AS A DIRECTOR

24 Shri S. Krishnamoorthy proposed the following resolution.

“RESOLVED THAT Shri Kailash Gupta, who retires as a Director of the Company at this meeting in accordance with Article 137 of the Company’s Articles of Association, be and is hereby reappointed.”

25 Shri G.K. Tiwari seconded the resolution.

26 Chairman put the resolution to vote. All the members present in the meeting unanimously supported the Resolution. The Chairman thereafter declared the same as carried unanimously.

ITEM NO. 5 OF THE NOTICE

REAPPOINTMENT OF SHRI J.N. DAS AS A DIRECTOR

27 Shri B.G. Parikh proposed the following resolution.

“RESOLVED THAT Shri J.N. Das, who retires as a Director of the Company at this meeting in accordance with Article 137 of the Company’s Articles of Association, be and is hereby reappointed.”

28 Shri S. Krishnamoorthy seconded the resolution.

29 Chairman put the resolution to vote. All the members present in the meeting unanimously supported the Resolution. The Chairman thereafter declared the same as carried unanimously.

ITEM NO. 6 OF THE NOTICE

FIXING REMUNERATION OF THE AUDITORS

30 Shri R.F. Fernandes proposed the following resolution.

RESOLVED THAT the remuneration of the Joint Statutory Auditors M/s. P.S.D. & Associates, Jaipur, and M/s. Sarda & Pareek, Mumbai who were appointed for the financial year 2010-2011 by the Comptroller & Auditor General of India pursuant to Section 619(2) of the Companies Act, 1956, be and is hereby approved and their remuneration is fixed at Rs.23.10 lacs per annum in terms of Section 224(8)(aa) of the Companies Act, 1956, to be shared equally by the aforesaid audit firms i.e. Rs.11.55 lacs per audit firm in addition to the out-of-pocket expenses, service tax, certification work and other expenses, as applicable, with effect from the financial year 2010-2011.

31 Shri B.F. Pouredahi seconded the resolution.

32 Chairman put the resolution to vote. All the members present in the meeting unanimously supported the Resolution. The Chairman thereafter declared the same as carried unanimously.

SPECIAL BUSINESS

ITEM NO. 7 OF THE NOTICE

APPOINTMENT OF SHRI NASSER MUNJEE AS A DIRECTOR

33 Shri P.T. Manjrekar proposed the following resolution.

“RESOLVED THAT Shri Nasser Munjee who was appointed a Director by the Board of Directors under Article 125 of the Company’s Articles of Association and who holds office upto the date of this Annual General Meeting pursuant to the said Article and Section 260 of the Companies Act, 1956, be and is hereby appointed as a Director of the Company and from whom the Company had received a notice dated 11th August 2010 pursuant to Section 257 of the Companies Act, 1956, signifying his candidature to the office of Director at the ensuing Annual General Meeting.”

34 Shri B.F. Pouredehi seconded the resolution.

35 The Chairman put the resolution to vote and declared the same as carried unanimously.

ITEM NO. 8 OF THE NOTICE

APPOINTMENT OF SHRI SUSHIL TRIPATHI AS A DIRECTOR

36 Shri B.G. Parikh proposed the following resolution.

“RESOLVED THAT Shri Sushil Tripathi who was appointed a Director by the Board of Directors under Article 125 of the Company’s Articles of Association and who holds office upto the date of this Annual General Meeting pursuant to the said Article and Section 260 of the Companies Act, 1956, be and is hereby appointed as a Director of the Company and from whom the Company had received a notice dated 11th August 2010 pursuant to Section 257 of the Companies Act, 1956, signifying his candidature to the office of Director at the ensuing Annual General Meeting.”

37 Shri G.K. Tiwari seconded the resolution.

38 The Chairman put the resolution to vote and declared the same as carried unanimously.

ITEM NO. 9 OF THE NOTICE

APPOINTMENT OF SHRI U. SUNDARARAJAN AS A DIRECTOR

39 Shri G.K. Tiwari proposed the following resolution.

“RESOLVED THAT Shri U. Sundararajan who was appointed a Director by the Board of Directors under Article 125 of the Company’s Articles of Association and who holds office upto the date of this Annual General Meeting pursuant to the said Article and Section 260 of the Companies Act, 1956, be and is hereby appointed as a Director of the Company and from whom the Company had received a notice dated 11th August 2010 pursuant to Section 257 of the Companies Act, 1956, signifying his candidature to the office of Director at the ensuing Annual General Meeting.”

40 Shri B.F. Pouredehi seconded the resolution.

41 The Chairman put the resolution to vote and declared the same as carried unanimously.

ITEM NO. 10 OF THE NOTICE

APPOINTMENT OF PROF. SUSHIL KHANNA AS A DIRECTOR

42 Shri R.F. Fernandes proposed the following resolution.

“RESOLVED THAT Prof. Sushil Khanna who was appointed a Director by the Board of Directors under Article 125 of the Company’s Articles of Association and who holds office upto the date of this Annual General Meeting pursuant to the said Article and Section 260 of the Companies Act, 1956, be and is hereby appointed as a Director of the Company and from whom the Company had received a notice dated 11th August 2010 pursuant to Section 257 of the Companies Act, 1956, signifying his candidature to the office of Director at the ensuing Annual General Meeting.”

43 Shri Bharat Shah seconded the resolution.

44 The Chairman put the resolution to vote and declared the same as carried unanimously.

ITEM NO. 11 OF THE NOTICE

APPOINTMENT OF SHRI ARUN KUMAR VERMA AS A DIRECTOR

45 Capt. P. Mathews proposed the following resolution.

“RESOLVED THAT Shri Arun Kumar Verma who was appointed a Director by the Board of Directors under Article 125 of the Company’s Articles of Association and who holds office upto the date of this Annual General Meeting pursuant to the said Article and Section 260 of the Companies Act, 1956, be and is hereby appointed as a Director of the Company and from whom the Company had received a notice dated 11th August 2010 pursuant to Section 257 of the Companies Act, 1956, signifying his candidature to the office of Director at the ensuing Annual General Meeting.”

46 Shri B.G. Parikh seconded the resolution.

47 The Chairman put the resolution to vote and declared the same as carried unanimously.

ITEM NO. 12 OF THE NOTICE

APPOINTMENT OF SHRI ARUN RAMANATHAN AS A DIRECTOR

48 Shri R.F. Fernandes proposed the following resolution.

“RESOLVED THAT Shri Arun Ramanathan who was appointed a Director by the Board of Directors under Article 125 of the Company’s Articles of Association and who holds office upto the date of this Annual General Meeting pursuant to the said Article

and Section 260 of the Companies Act, 1956, be and is hereby appointed as a Director of the Company and from whom the Company had received a notice dated 11th August 2010 pursuant to Section 257 of the Companies Act, 1956, signifying his candidature to the office of Director at the ensuing Annual General Meeting.”

49 Shri P.K. Agnihotri seconded the resolution.

50 The Chairman put the resolution to vote and declared the same as carried unanimously.

ITEM NO. 13 OF THE NOTICE

APPOINTMENT OF REAR ADMIRAL(RETD.) T.S. GANESHAN AS A DIRECTOR

51 Shri A. Mascarenhas proposed the following resolution.

“RESOLVED THAT Rear Admiral (Retd.) T.S. Ganeshan who was appointed a Director by the Board of Directors under Article 125 of the Company’s Articles of Association and who holds office upto the date of this Annual General Meeting pursuant to the said Article and Section 260 of the Companies Act, 1956, be and is hereby appointed as a Director of the Company and from whom the Company had received a notice dated 11th August 2010 pursuant to Section 257 of the Companies Act, 1956, signifying his candidature to the office of Director at the ensuing Annual General Meeting.”

52 Shri R.W. Patange seconded the resolution.

53 The Chairman put the resolution to vote and declared the same as carried unanimously.

SPECIAL RESOLUTION

ITEM NO. 14 OF THE NOTICE

SECTION 81(1A) RESOLUTION FOR FOLLOW ON PUBLIC OFFER AND OFFER FOR SALE.

54 Shri G.K. Tiwari proposed the following resolution.

“RESOLVED THAT in accordance with the provisions of the Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 as amended (“Companies Act”) (including any statutory modification(s) or re-enactment thereof, for the time being in force), any other applicable laws including the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the “ICDR Regulations”) and other applicable SEBI regulations and guidelines, the provisions of the Listing Agreements entered into by the Company with the Bombay Stock Exchange Limited, the National Stock Exchange of India Limited, The Calcutta Stock Exchange Association of India Limited, Delhi Stock Exchange Limited and Madras Stock Exchange Limited (“Stock Exchanges”) on which its Equity Shares are listed, the provisions of the Memorandum and Articles of Association of the Company, and subject to receipt of approval of the Securities and Exchange Board of India (“SEBI”), Reserve Bank of India (“RBI”) and all other appropriate statutory and governmental authorities, and such other

approvals, permissions and sanctions, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions and sanctions which may be agreed to by the Board of Directors of the Company (the "Board") or any duly constituted Committee of the Board and in accordance with the approval of the Cabinet Committee on Economic Affairs, Government of India ("CCEA") for the Follow-on Public Offer with regard to the number and percentage of Equity Shares to be issued and allotted by the Company (the "Fresh Issue") and the number and percentage of Equity Shares to be offered and sold therein by the President of India, acting through the Ministry of Shipping, Government of India, and such other conditions as may be prescribed by the Government of India, approval be and is hereby accorded to offer, issue and allot new Equity Shares under the fresh issue and to include such number and percentage of equity shares as the Offer for Sale as may be requested to be undertaken by the President of India on behalf of the Government of India and the Fresh Issue together with the Offer for Sale in the aggregate shall not exceed 20% of the pre-issue paid-up capital of the Company (the 'issue'), to such person or persons, who may or may not be the shareholders of the Company, as the Board (or any duly constituted Committee thereof) may at its sole discretion decide, including eligible investors (whether residents and/or non-residents and/or institutions/incorporated bodies and/or individuals and/or trustees and/or banks or otherwise, in domestic and/or one or more international markets) including Non-resident Indians, Foreign Institutional Investors (FIIs), Venture Capital Funds, Foreign Venture Capital Investors, Multilateral and Bilateral Financial Institutions, State Industrial Development Corporations, Insurance Companies, Provident Funds, Pension Funds, Development Financial Institutions, and such other entities who constitute Qualified Institutional Buyer in terms of Regulation 2(zd) of the ICDR Regulations and bodies corporate, companies, private or public or other entities, authorities and eligible employees by way of an employee reservation and to such other persons in one or more combinations thereof through a public issue in one or more tranches and including a green-shoe option, if any, at such price as may be determined through the book-building process or any other process under the ICDR Regulations in consultation with advisors or such persons and on such terms and conditions as may be finalised by the Board or a duly constituted Committee thereof.

RESOLVED FURTHER that the Equity Shares to be so allotted shall be subject to the Memorandum of Association and Articles of Association of the Company and shall rank *pari passu* in all respects with the existing Equity Shares of the Company including rights in respect of dividend.

RESOLVED FURTHER THAT for the purpose of giving effect to any offer, issue, transfer or allotment of Equity Shares, the Board be and is hereby authorised to determine the terms of the issue, including the class of investors to whom the Equity Shares are to be allotted, the number of Equity Shares to be allotted in each tranche, issue price, premium/discount to the then prevailing market price, amount of issue, discount to issue price to a class of investors (such as retail, employees and existing shareholders), including accepting applications through Application Supported by Blocked Amount ("ASBA") method, and exercise of a green-shoe option, if any, listing on one or more stock exchanges in India or abroad as the Board in its absolute discretion deems fit and to do all such acts,

deeds, matters and things and execute such deeds, documents and agreements, as it may, in its absolute discretion, deem necessary, proper or desirable, and to settle or give instructions or directions for settling any questions, difficulties or doubts that may arise in regard to a public issue, and the transfer, allotment and utilisation of the issue proceeds, and to accept and to give effect to such modifications, changes, variations, alterations, deletions, additions as regards the terms and conditions, as it may, in its absolute discretion, deem fit and proper in the best interests of the Company, without requiring any further approval of the members and that all or any of the powers conferred on the Company and the Board vide this resolution may be exercised by the Board or by any Committee of the Board thereof or by the Chairman & Managing Director of the Company, as the Board may constitute/ authorise in this behalf.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred, to any Committee or any one or more Directors of the Company.”

55 Shri Bharat Shah seconded the resolution.

56 The Chairman put the resolution to vote and declared the same as carried unanimously.

VOTE OF THANKS

57 Shri S.K. Sahoo thanked the Chairman for having presided over the 60th Annual General Meeting and for conducting the business in a proper and orderly manner.

58 The Chairman thanked all present at the meeting and declared the 60th Annual General Meeting of the Company as concluded.

Mumbai

Chairman

THE SHIPPING CORPORATION OF INDIA LTD.
Board Secretariat

**Draft Minutes of the 60th Annual General Meeting
held on 29th September 2010**

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Enclosed are the draft Minutes of the 60th AGM held on 29th September 2010 for your kind approval before sending to Stock Exchanges.

Submitted for kind approval.

(Dipankar Haldar)
SVP (LA) & Company Secretary
1.10.2010

CMD pl.