38TH ANNUAL REPORT
2017-2018

AEGIS

SEA LORD CONTAINERS LIMITED

38TH ANNUAL REPORT
2017-18

Board of Directors	:	Mr. Raj K. Chandaria (Chairman) Mr. Anish K. Chandaria Mr. Kanwaljit S. Nagpal Mr. Jaideep D. Khimasia
Registered Office	:	502, Skylon, G.I.D.C., Char Rasta, Vapi-396 195, Dist. Valsad, Gujarat
Corporate Office	:	1202, Tower B, Peninsula Business Park, G.K. Marg, Lower Parel (W), Mumbai - 400 013
Works	:	Ambapada, Mahul Village, Nr. BPCL Refinery Main Gate, Chembur, Mumbai - 400 074.
Auditors	:	M/s. P. D. Kunte & Co. Chartered Accountants Mumbai
Bankers	:	Bank of Baroda Axis Bank Ltd.
Registrar & Share Transfer Agents	:	M/s. Link Intime India Pvt. Ltd., C-101, 247 Park, L.B.S Marg, Vikhroli (West), Mumbai 400 083 Tel : 022-4918 6270 Toll Free No : 1800220878 Fax : 022-4918 6060 Email : rnt.helpdesk@linkintime.co.in

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NOTICE

NOTICE is hereby given that the 38th Annual General Meeting of the Members of SEA LORD CONTAINERS LIMITED will be held on Thursday, 9th August, 2018 at 9.30 a.m. at Fortune Park Galaxy, National Highway No. 8, G.I.D.C., Vapi - 396 195, Gujarat to transact the following business :

ORDINARY BUSINESS

1. To consider and adopt the Audited Financial Statement of the Company for the financial year ended 31st March, 2018 together with the report of the Board of Directors and Auditors thereon.
2. To declare Final Dividend on Equity shares @ 5% i.e. Re. 0.50 per share (face value of Rs. 10/- each).
3. To appoint a Director in place of Mr. Anish K. Chandaria (DIN-00296538), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

4. Change in appointment of Mr. Kanwaljit S. Nagpal (DIN-00012201) from Independent to Non-Executive Director w.e.f 1st April, 2019.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of section 152 and other applicable provisions, if any, of the Companies Act, 2013 read with the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), consent be and is hereby accorded to appoint Mr. Kanwaljit S. Nagpal (DIN-00012201) (who was appointed as an Independent Director and who holds office of Independent Director from 1st April, 2014 up to the date of 31st March, 2019) as a Non- Executive Director of the Company with effect from 1st April, 2019, liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby severally authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.**"**

5. Change in appointment of Mr. Jaideep D. Khimasia (DIN-07744224) from Independent to Non-Executive Director w.e.f. 1st April, 2019.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of section 152 and other applicable provisions, if any, of the Companies Act, 2013 read with the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), consent be and is hereby accorded to appoint Mr. Jaideep D. Khimasia (DIN-07744224) (who was appointed as an Independent Director and who holds office of Independent Director from 11th May, 2017 up to the date of 10th May, 2022) as a Non- Executive Director of the Company, with effect from 1st April, 2019, liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby severally authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

For and on behalf of the Board

Raj K. Chandaria
Chairman

Place : Mumbai
Date : 30th May, 2018

NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("The Act") relating to the Special Business as set out in the Notice and Secretarial Standard on General Meetings (SS-2), wherever applicable, are annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT A PROXY AND VOTE ON POLL INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. The proxies to be valid and effective should be duly stamped, signed and deposited at the Registered Office of the Company not later than 48 hours before the commencement of the AGM. A Proxy shall not have a right to speak at the AGM and shall not be entitled to vote except on a poll.

   A person can act as proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent, of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
3. Corporate Members intending to send their authorised representatives to attend the meeting are requested to send a duly certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Annual General Meeting.
4. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a Member would be entitled to inspect the proxies lodged with the Company, at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
5. The register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the AGM.
6. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the AGM.

7. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 3rd August, 2018 to Thursday, 9th August, 2018 (both days inclusive).

8. Subject to the provisions of the Act, dividend as recommended by the Board @ 5% i.e. Re. 0.50 per share (face value of Rs. 10/- each), if declared at the Annual General Meeting, will be paid within a period of 30 days from the date of declaration, to those members whose name appear on the Registrar of Members as on 2nd August, 2018.

   Those Members who have not encashed their dividend warrants for the financial year 2016-17 are requested to return the time barred dividend warrants or forward their claims to the Company or the Registrar & Share Transfer Agents (RTA) of the Company.

   Shareholders are requested to note that pursuant to the provisions of Section 124 and 125 of the Companies Act, 2013 and the rules made thereunder, dividends which remain unclaimed/unpaid for a period of 7 years are due for transfer to the Investor Education and Protection Fund ("IEPF") constituted by the Central Government.

   The Ministry of Corporate Affairs has notified Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") wherein it laids down inter alia the detailed procedure to transfer the shares to the Investor Education and Protection Fund Authority ("IEPF Authority"). Pursuant to the IEPF Rules, Members whose dividends remain unpaid/ unclaimed for a consecutive period of seven years, their equity shares would also be transferred to the IEPF Authority.

   Kindly note that you can claim the said equity shares/ unclaimed dividend from IEPF Authority by filing E-form IEPF-5, once in a financial year, available on the website www.iepf.gov.in.

9. Members holding shares in demat mode may kindly note that any request for change of address or change of Email ID or change in bank particulars/mandates or registration of nomination are to be instructed to their Depository Participant only, as the Company or its Registrars and Share Transfer Agents cannot act on any such request received directly from the Members holding shares in demat mode.

10. Members holding shares in physical form are requested to lodge share transfer, transmission and intimate changes, if any, in their registered address, bank account and mandate details, residential address, E-mail ID's etc. quoting their folio number(s) to Company's Registrar and Share Transfer Agents. Members are requested to note that for transfer of shares in physical form, it shall be mandatory for the transferee(s) as well as transferor(s) to furnish a copy of PAN card to the Company/Registrar and Share Transfer Agent for registration of such transfer of shares.

11. Members may avail the facility of nomination by nominating a person to whom their shares in the Company shall vest in the event of their death. The prescribed form can be obtained from the Company's Registrar & Share Transfer Agents or the Company, which will be made available on request.

12. The Members are requested to furnish/update their bank account name & branch, bank account number and account type along with other core banking details such as MICR (Magnetic Ink Character Recognition), IFSC (Indian Financial System Code) etc. with:

    i) The respective Depository Participants (DP) (in case of the shares held in Electronic Mode) or;

    ii) The Registrar & Share Transfer Agents of the Company (in case of the shares held in Physical form).

13. Members who hold shares in physical form in multiple folios in identical names or joint names in the same order of names are requested to send the share certificates to the Company's Registrar and Share Transfer Agent for consolidation into single folio.

14. **In view of the Ministry of Corporate Affairs' Green Initiative measures, the Company hereby requests members who have not registered their email addresses so far, to register their email addresses with the Registrar and Share Transfer Agent in case the shares are held in physical mode and with Depository Participants in case the shares are held in demat mode for receiving all communication including annual report, notices, circulars etc. from the Company electronically.**

15. Members are requested to:

    a. Bring their copies of the Annual Report at the time of attending the Annual General Meeting.

    b. Complete the attendance slip and deposit the same at the entrance of the meeting hall.

    c. Send their questions atleast 10 days in advance before the Annual General Meeting for any further information on accounts to enable the Company to answer their question satisfactorily.

16. Physical copy of the Notice of the Meeting along with Attendance Slip and Proxy Form and the Annual Report 2017-18 is being sent to all the Members (except those who have requested for a physical copy of the same) whose email addresses are registered with the Company's Registrar and Share Transfer Agent/ Depository Participants(s). Physical copies of the Notice of the Meeting, along with Attendance Slip and Proxy Form and the Annual Report 2017-18 is being sent (through a permitted mode) to all those members of the Company who have not registered their email addresses or have requested for a physical copy. However, any Member may request for a physical copy of the Notice of the Meeting, Attendance Slip, Proxy Form and the Annual Report 2017-18 which will be sent by the Company to the said Member free of cost.

17. The brief details of the Directors seeking appointment/re-appointment at the ensuing Annual General Meeting are as under:

Name of the Director	Mr. Anish K. Chandaria
DIN	00296538
Date of Birth	17/09/1967
Date of Appointment as Director	19/06/2006
Qualification	B.A. (Economics) from Cambridge University, MBA from Wharton School, USA
Brief resume & Expertise in specific functional areas	Mr. Anish K. Chandaria, 51 years of age, is associated with the Company since the last 12 years. Mr. Anish K. Chandaria has been spearheading the Aegis Group for last many years and has rich experience in the areas of Oil & Gas and financial management. Through his leadership, the Aegis Group widened its horizons including overseas operations and has made significant growth in business.
*Directorships in other Public Limited Companies	➢ Aegis Logistics Ltd. ➢ Aegis Gas (LPG) Pvt. Ltd. ➢ Hindustan Aegis LPG Ltd. ➢ Konkan Storage Systems (Kochi) Pvt. Ltd. ➢ Eastern India LPG Co. Pvt. Ltd. ➢ Aegis LPG Logistics (Pipavav) Ltd. ➢ Aegis Terminal (Pipavav) Ltd.
**Committee Positions held in Companies C - Chairman M - Member	Audit Committee ➢ Aegis Logistics Ltd. (M) Stakeholders Relationship Committee ➢ Nil
No. of shares held in the Company	Nil

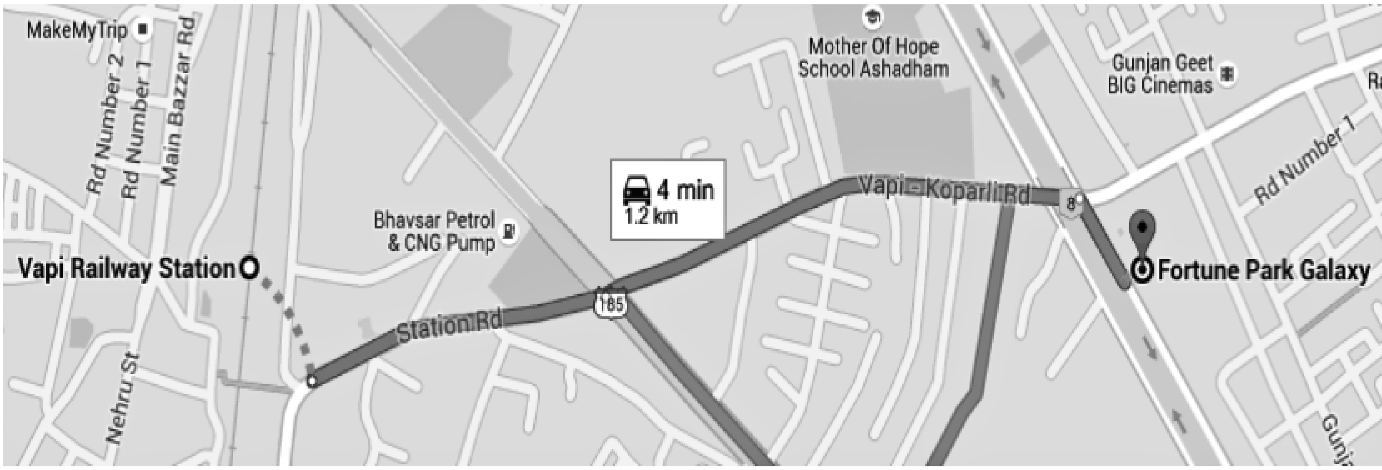
Name of the Director	Mr. Kanwaljit S. Nagpal
DIN	00012201
Date of Birth	21/11/1969
Date of Appointment as Director	27/03/2008
Qualification	B.Com
Brief resume & Expertise in specific functional areas	Mr. Kanwaljit S. Nagpal has been associated with the Company as Director since 2008. He is a Commerce Graduate from Mumbai. He has experience of over a decade in the business of Chemicals, Bulk Drugs, Solvents, different types of Oils etc. and is also into the business of plastic moulding.
*Directorships in other Public Limited Companies	➢ Aegis Logistics Ltd. ➢ Aegis Gas (LPG) Pvt. Ltd. ➢ Hindustan Aegis LPG Ltd. ➢ Konkan Storage Systems (Kochi) Pvt. Ltd. ➢ Eastern India LPG Co. Pvt. Ltd. ➢ Aegis LPG Logistics (Pipavav) Ltd. ➢ Aegis Terminal (Pipavav) Ltd.
**Committee Positions held in Companies (including Sea Lord Containers Limited) C - Chairman M - Member	Audit Committee ➢ Aegis Logistics Ltd. (C) Shareholder Grievance Committee ➢ Aegis Logistics Ltd. (C)
No. of shares held in the Company	Nil

Name of the Director	Mr. Jaideep D. Khimasia
DIN	07744224
Date of Birth	30/09/1971
Date of Appointment as Director	11/05/2017
Qualification	B. E Production from Bharati Vidyapeeth, University of Poona
Brief resume & Expertise in specific functional areas	Mr. Jaideep Dinesh Khimasia has over 25 years of management experience in fields related to Project Management with contributions in various quality assurance and process improvement initiatives of various Multi-National Corporations.
*Directorships in other Public Limited Companies	➢ Aegis Logistics Ltd. ➢ Aegis Gas (LPG) Pvt. Ltd. ➢ Hindustan Aegis LPG Ltd. ➢ Konkan Storage Systems (Kochi) Pvt. Ltd.
**Committee Positions held in Companies (including Sea Lord Containers Limited) C - Chairman M - Member	Audit Committee ➢ Aegis Logistics Ltd. (M) Shareholders Grievance Committee ➢ Aegis Logistics Ltd. (M)
No. of shares held in the Company	Nil

* Excludes Alternate Directorships and Directorships in private companies, foreign companies and section 8 companies.

** Represents Memberships/Chairmanships of Audit Committee and Stakeholders' Relationship Committee of Public Companies.

18. Route map from Vapi Railway Station (Via Station Road & Vapi - Koparli Road) to Fortune Park Galaxy, National Highway NO. 8, G.I.D.C, Vapi, Gujarat 396195 (1.2 k.m.) from Vapi (East) Railway Station.



↑ Head North-East on Station Road toward Vapi – Daman Road

↑ At N. M. Retails, continue onto Vapi – Koparli Road

↱ Turn right at Hotel Sarvoday to Fortune Park Galaxy

For and on behalf of the Board

Raj K. Chandaria
Chairman

Place : Mumbai
Dated : 30th May, 2018

Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013 and Secretarial Standard on General Meetings (SS-2)

Item No. 4 & 5

Mr. Kanwaljit S. Nagpal (DIN-00012201) and Mr. Jaideep D. Khimasia (DIN-07744224) were appointed as Independent Directors on the Board of the Company from 1st April, 2014 to 31st March, 2019 and from 11th May, 2017 to 10th May, 2022 respectively pursuant to the provisions of Section 149 of the Act read with the rules made thereunder.

Section 149 of the Companies Act, 2013 read with the Companies (Appointment of Directors) Rules, 2014 lays down the criteria for appointment of Independent Directors in a Company. If a Company ceases to fulfill any of the three conditions as mentioned in the said rule for a period of three consecutive years, it shall not be required to comply with the provisions of Independent Director until such time as it meets any of such conditions. One such criteria for applicability of Independent Directors is of Public Companies having Paid-up share Capital of Rupees Ten Crores or more.

The Company's Share Capital has been reduced to below Rupees Ten Crores from the financial year 2016-2017 and continues to do in the current year 2017-2018. If the Company continues to maintain its share Capital below Rupees Ten Crores for the next financial year 2018-2019; the Company is not required to appoint Independent Directors therefrom.

In view of the above and after considering the background, experience and contributions made by Mr. Kanwaljit S. Nagpal and Mr. Jaideep D. Khimasia during their tenure as Independent Directors, the Board proposes to appoint Mr. Kanwaljit S. Nagpal and Mr. Jaideep D. Khimasia as Non-Executive Directors of the Company, liable to retire by rotation hereinafter in accordance with the provisions of the Companies Act, 2013 and to hold office as Non-Executive Directors w.e.f. 1st April, 2019. The Board recommends the continued association of Mr. Kanwaljit S. Nagpal & Mr. Jaideep D. Khimasia as it would be beneficial to the Company.

Brief resume of Directors appointed under item no: 4 and 5 and the nature of their expertise in specific functional areas and names of Companies in which they hold Directorships and memberships are provided in the notes of the notice.

Except the appointees, none of the other Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board commends the Ordinary Resolutions set out at Item Nos. 4 and 5 of the Notice for approval by the members.

For and on behalf of the Board

Raj K. Chandaria
Chairman

Place : Mumbai
Date : 30th May, 2018

DIRECTOR'S REPORT

To the Members of the Company

The Directors hereby have pleasure in presenting the 38th Annual Report and Audited Statement of Accounts of the Company for the year ended 31st March, 2018.

FINANCIAL PERFORMANCE

(Rs. in Lakhs)

	2017-18	2016-17
Revenue from Operation	**5323.37**	4883.06
Profit before Finance cost (as mentioned below), Depreciation and Tax	**4651.11**	3911.44
Finance Cost	**0.70**	0.89
Depreciation and amortisation expense	**451.01**	445.75
Profit before tax	**4199.40**	3464.80
Income Tax Expense		
Current Tax – For the year	896.07	726.80
– For earlier years	12.28	(13.76)
– MAT Credit for the earlier year	(1.79)	(208.98)
– MAT Credit	(896.07)	(726.80)
Deferred Tax	61.84	95.45
Total Tax Expense	**72.33**	(127.29)
Profit for the year	**4127.07**	3592.09
Retained Earnings at the beginning of the year	**9805.72**	10105.13
Payment of Dividend on Equity/ Preference shares	**(6.25)**	(76.00)
Payment of distribution tax on Equity/ Preference shares	**(1.27)**	(15.47)
Transfer to General Reserves	**–**	–
Transfer to Capital Redemption Reserves	**–**	(3800.00)
Retained Earnings at the end of the year	**13925.27**	9805.72

OPERATIONS

During the year under review, the Company's Bulk Liquid Terminal continued operations at full capacity.

The Company recorded a Turnover of Rs. 5323.37 Lakhs (Previous year Rs. 4883.06 Lakhs), increase of 9.01 % on YoY basis on account of product mix. Net Profit after Tax was recorded at Rs. 4127.07 Lakhs (Previous year Rs. 3592.09 Lakhs), an increase of 14.89 %.

OUTLOOK FOR THE COMPANY

The oil, gas and chemical logistics business continues to show good potential as India's import and exports of oil products and chemicals increase in line with the growth of the Indian economy. In this context, the outlook for the Company remains positive.

The Company continues to be a significant contributor in providing logistics services at Mumbai Port.

DIVIDEND

During the previous year 2016-2017 the Board had recommended Final Dividend on equity shares @ 5% i.e. Re. 0.50 per share (face value of Rs. 10/- each) which was approved by the Members at the 37th Annual General Meeting.

The Board of Directors of the Company at its meeting held on 30th May, 2018 has recommended Final Dividend on equity shares @ 5 % i.e. Re. 0.50 per share (face value of Rs. 10/- each) which is subject to the approval of members at the ensuing Annual General Meeting.

FIXED DEPOSITS

The Company has not accepted any deposits pursuant to Section 73 of the Companies Act, 2013 and the Rules made thereunder.

EQUITY SHARES

Aegis Logistics Limited (ALL) being the Promoter Company of the Company had made an Exit Offer to the shareholders of the Company on the basis of fair valuation of the Equity Shares of the Company at the rate of Rs. 576.10 per share, pursuant to the SEBI Circular No. SEBI/HO/MRD/DSA/CIR/P/2016/110 dated October 10, 2016 and section 236 of the Companies Act, 2013.

Post the completion of the Exit offer in accordance with the aforesaid circular, the Company has been removed from Dissemination Board of National Stock Exchange of India Limited with effect from October 25, 2017.

Aegis Logistics Limited as on 31st March, 2018 holds 92.46% of Equity Shares of the Company.

DIRECTORS & KEY MANAGEMENT PERSONNEL

During the year under review, the provisions of the Companies Act, 2013 relating to the appointment of Key Managerial Personnel became inapplicable to the Company. In view of the same, Mr. RohitKumar P. Kotak and Ms. Monica Gandhi resigned as the Chief Financial Officer and the Company Secretary respectively with effect from 5th September, 2017.

Further, Mr. Anish K. Chandaria stepped down as the Managing Director of the Company with effect from 8th December, 2017. The board placed on record their sincere appreciation for Mr. Anish K. Chandaria's significant contributions made to the Company during his tenure as Managing Director. However, he continues to be Non-Executive Director with the Company.

DISCLOSURE FROM INDEPENDENT DIRECTORS

Pursuant to the provisions of Section 134 of the Companies Act, 2013 with respect to the declaration given by an Independent Director of the Company under Section 149(6) of the Companies Act, 2013, the Board hereby confirms that all the Independent Directors have given declarations and further confirms that they meet the criteria of Independence as per the provisions of Section 149(6). However, in view of inapplicability of the provisions of the Companies Act, 2013 for appointment of Independent Directors w.e.f. 1st April, 2019, the resolutions for change in appointment of Mr. Kanwaljit S. Nagpal (DIN-00012201) and Mr. Jaideep D. Khimasia (DIN-07744224) from Independent Directors to Non-Executive Directors liable to retire by rotation is being placed before the members at the ensuing Annual General Meeting of the Company.

AUDITORS

As per the provisions of Sections 139, 141 of the Companies Act, 2013 and rules made thereunder (hereinafter referred to as "The Act"), the Company at its Annual General Meeting ("AGM") held on 10th August, 2017 ("37th AGM") approved the appointment of M/s. P. D. Kunte & Co., Chartered Accountants, (Firm Registration No.: 105479W) as statutory auditors for a period of 5 years commencing from the conclusion of 37th AGM till the conclusion of the 42nd AGM.

Kindly note that in accordance with the Companies (Amendment) Act, 2017, Ministry of Corporate as per the notification dated 7th May, 2018 have done away with the provision relating to ratification of statutory auditors by members at every annual general meeting.

OCCUPATIONAL HEALTH, SAFETY AND ENVIRONMENT

The Company is holding ISO-9001 (2008), ISO-14001 (2004) and OHSAS-18001 (2007) certifications and thereby meets all quality, environmental and safety standards specified under these Certifications. The Company carries out a monthly review of health, safety and environment compliance for all sites and carries out regular mock drills and emergency preparedness tests. The Company carried out various competitions like slogans, posters, 'spotting the hazards' to create awareness of safety amongst all levels of employees, contract workmen and also transporters. Time to time, the Company also carry out internal audits to implement & strengthen gaps thus identified. To control VOC Emission the Company has installed Internal Floating Roof on closed roof tanks and installed vapour absorption chillers on loading points.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, EXPORTS & FOREIGN EXCHANGE EARNINGS AND OUTGO

Details of energy conservation and research and development activities undertaken by the Company along with the information in accordance with the provisions of Section 134 of Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules, 2014, the extent as are applicable to the Company, are given in **Annexure 'A'** to the Directors' Report.

PARTICULARS OF EMPLOYEES

The particulars of Employees as required under the provisions of Section 197(12) of the Companies Act, 2013 read with the Companies (Appointment and Remuneration) Rules, 2014 as amended is not given as no employee is in receipt of remuneration as required by Section 197(12) of the Companies Act, 2013.

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors would like to inform the Members that the Audited Accounts for the financial year ended 31st March, 2018 are in full conformity with the requirement of the Companies Act, 2013. The Financial Accounts are audited by the Statutory Auditors, M/s. P. D. Kunte & Co.

The Directors further confirm that:

a. In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

b. The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

c. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. The Directors had prepared the annual accounts on a going concern basis;

e. The Directors, had laid down adequate internal financial controls to be followed by the Company and that such internal financial controls including with reference to Financial Statements are adequate and were operating effectively; and

f. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an effective internal control and risk-mitigation system, which is constantly assessed and strengthened. The Company's internal control system is commensurate with its size, scale and complexities of its operations. The internal and operational audit is entrusted to Messrs Natvarlal Vyapari and Company, a reputed firm of Chartered Accountants. The main thrust of internal audit is to test and review controls, appraisal of risks and business processes, besides benchmarking controls with best practices in the industry.

The Board of Directors actively reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen the same. The Company has a robust Management Information System, which is an integral part of the control mechanism.

The Board of Directors, Statutory Auditors and the Business Heads are periodically apprised of the internal audit findings and corrective actions taken.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS

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

AUDIT COMMITTEE

Due to decrease in the Company's paid-up share capital below Rs. 10 Crores during the financial year 2016-2017, the Company is not required to constitute/continue an Audit Committee and hence, the Audit Committee was dissolved during the year.

For the part of the year, the Company's Audit Committee comprised of the following two Non-Executive Independent Directors and one Executive Director.

1. Mr. Kanwaljit S. Nagpal (Chairman)
2. Mr. Anish K. Chandaria
3. Mr. Jaideep D. Khimasia

The Board of Directors of the Company had always accepted the recommendations, if any of the Audit Committee.

EXTRACT OF THE ANNUAL RETURN AS PROVIDED UNDER SUB-SECTION (3) OF SECTION 92

Extract of the annual return as provided under section 92(3) as prescribed in Form MGT-9 is given in **Annexure 'B'** to the Directors' Report.

POLICY RELATING TO REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

Pursuant to decrease in the Company's paid-up share capital below Rs.10 Crores during the financial year 2016-2017, the Company is not required to constitute/ continue the Nomination and Remuneration Committee and hence, the said Committee was dissolved during the year.

DISCLOSURE OF COMPOSITION OF THE CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Disclosure of composition of the Corporate Social Responsibility Committee, contents of the CSR Policy and the format as provided under Section 135 of Companies Act, 2013 read along with Companies (Corporate Social Responsibility Policy) Rules, 2014 is given in **Annexure 'C'** to the Directors' Report.

Composition, Meetings & Attendance

The terms of reference of the Corporate Social Responsibility Committee (CSR) broadly comprises:

- formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;
- To provide guidance on various CSR activities to be undertaken by the Company and to monitor its progress.

The composition of the Corporate Social Responsibility Committee and the details of Members' participation at the Meetings of the Committee are as under:

Members	Category	No. of Meetings Attended
Mr. Anish K. Chandaria (Chairman)	NED – NI	1
Mr. Jaideep D. Khimasia	NED – I	1
Mr. Kanwaljit S. Nagpal	NED – I	1

NED–NI: Non-Executive Director – Non-Independent
NED–I: Non-Executive Director – Independent

The Corporate Social Responsibility Committee Meeting was held on 30th May, 2017.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company is engaged in the business of providing infrastructural facilities as specified under section 186(11)(a) of the Companies Act, 2013. The details of Loans, Guarantees and Investments are given in the notes to the Financial Statements.

DISCLOSURE OF PARTICULARS OF CONTRACTS/ ARRANGEMENTS WITH RELATED PARTIES

All transactions entered into with the related parties are in the ordinary course of business and are on arm's length basis.

There are no material related party transactions made by the Company with Promoters, Directors or other related parties which may have a potential conflict with the interest of the Company at large.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There were no material changes and commitments, which affected the financial position of the Company between the end of the financial year of the Company to which the financial statements relate and the date of the report.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

During the year ended 31st March, 2018, 5 Board Meetings were held on the following dates:

1. 30/05/2017
2. 05/09/2017
3. 08/12/2017
4. 02/02/2018
5. 26/03/2018

The Company has complied with applicable Secretarial Standards (as amended from time to time) on meetings of the Board of Directors issued by The Institute of the Company Secretaries of India and approved the Central Government under section 118(10) of the Companies Act, 2013.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company has always believed in providing a safe and harassment free workplace for every individual working in the Company's premises through various interventions and practices. The Company always endeavours to create and provide an environment that is free from discrimination and harassment including sexual harassment.

The policy on Prevention of Sexual Harassment at Workplace aims at prevention of harassment of employees and lays down the guidelines for identification, reporting and prevention of undesired behaviour.

During the year ended 31st March, 2018 there were nil complaints recorded pertaining to sexual harassment.

APPRECIATION

Your Directors place on the record their appreciation of the contribution made by the employees at all levels who, through their competence, diligence, solidarity, co-operation and support, have enabled the Company to achieve the desired results during the year.

The Board of Directors gratefully acknowledge the assistance and co-operation received from the authorities of Port Trust, Bankers, Central and State Government Departments, Shareholders, Suppliers and Customers.

For and on behalf of the Board

Raj K. Chandaria
Place : Mumbai **Chairman**
Dated : 30th May, 2018 **DIN: 00037518**

ANNEXURE ‘A’ TO THE DIRECTORS’ REPORT

(Information under Section 134 of Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules, 2014 and forming part of the Directors’ Report for the year ended 31st March, 2018)

(A) CONSERVATION OF ENERGY

(i) The steps taken or impact on conservation of energy;

The Company has taken following measures for energy conservation at the factories:

(a) The Company has placed Brine Chiller Plant for Vapour absorption (Hydrocarbons).

(b) The Company has converted fixed roof tank T 204 into floating roof tank.

(c) The Company has replaced conventional bulbs to compact fluorescent lamps (CFL’s).

(d) Replacement of old air conditioners (without star ratings) to newer energy efficient models has been done.

(ii) The steps taken by the Company for utilising alternate sources of energy;

The Company is studying feasibility of alternate power source through Solar energy / Wind power.

(iii) The capital investment on energy conservation equipment’s;

The Company has incurred cost of Rs. 12 Lakhs for converting fixed roof tank into floating roof tank.

The Cost for Brine Chiller plant with associate piping was about Rs. 5 Lakhs

(B) TECHNOLOGY ABSORPTION

(i) The efforts made towards technology absorption:

The Company is taking various measures towards technology up-gradation and innovation from time to time, viz. Installation of Internal floating roof provided for Tank T204., Mass Flow meter etc.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution:

Is not applicable as the nature of business is terminal operations.

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year).

No technology was imported during the period.

(iv) The expenditure incurred on Research and Development

The Company is not engaged in manufacturing activities and as such there is no specific R&D Project undertaken.

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows:

Foreign Exchange Earnings & Outgo are provided in the Notes forming part of the Accounts.

For and on behalf of the Board

Raj K. Chandaria
Chairman
DIN: 00037518

Place : Mumbai
Date : 30th May, 2018

ANNEXURE 'B' TO THE DIRECTORS' REPORT

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

AS ON THE FINANCIAL YEAR ENDED ON 31/03/2018

[Pursuant to section 92(3) *of the Companies Act, 2013* and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

1	CIN	U21029GJ1979PLC034027
2	Name of the Company	SEA LORD CONTAINERS LIMITED
3	Registration Date	19/05/1979
4	Category/Sub-Category of the Company	Company limited by shares
5	Address of the Registered office	502, 5th floor, Skylon, GIDC, Char Rasta, Vapi-396195, Dist. Valsad, Gujarat State, India
6	Corporate & Administrative Office	1202, 12th Floor, Tower B, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel (West), Mumbai-400 013 Tel : 022-6666 3666 Fax : 022-6666 3777 Email : secretarial@sealordindia.net Website : www.aegisindia.com
7	Whether listed Company	Unlisted
8	Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s. Link Intime India Pvt. Ltd., C-101, 247 Park, L.B.S Marg, Vikhroli (West), Mumbai 400 083 Tel : 022-4918 6270 Fax : 022-4918 6060 Email : rnt.helpdesk@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the Company
1	Storage and warehousing n.e.c. [Includes general merchandise warehouses and warehousing of furniture, automobiles, gas and oil, chemicals, textiles etc. Also included is storage of goods in foreign trade zones]	52109 - Storage and warehousing n.e.c. [Includes general merchandise warehouses and warehousing of furniture, automobiles, gas and oil, chemicals, textiles etc. Also included is storage of goods in foreign trade zones]	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Aegis Logistics Limited 502, 5th Floor, Skylon, GIDC, Char Rasta, Vapi – 396 195, Dist Valsad, Gujarat, India	L63090GJ1956PLC001032	Holding Company	92.46%	2(87)(ii)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Sr. No.	Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
A.	**Promoter**									
1.	**Indian**									
	Individual/HUF	0	0	0	0.00	0	0	0	0.00	0.00
	Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
	State Govt	0	0	0	0.00	0	0	0	0.00	0.00
	Bodies Corp.	1146501	6710	1153211	92.26	1154706	1100	1155806	92.46	0.21
	Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
	Any Other	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-total A(1)	**1146501**	**6710**	**1153211**	**92.26**	**1154706**	**1100**	**1155806**	**92.46**	**0.21**
2.	**Foreign**									
	NRIs-Individuals	0	0	0	0.00	0	0	0	0.00	0.00
	Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
	Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
	Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
	Any other	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-total A(2)	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
	Total shareholding of Promoter= (A)=(A)(1)+(A)(2)	**1146501**	**6710**	**1153211**	**92.26**	**1154706**	**1100**	**1155806**	**92.46**	**0.21**
B.	**Public Shareholding**									
1.	**Institutions**									
	a Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
	b Banks/Financial Institutions	0	0	0	0.00	0	0	0	0.00	0.00
	c Central/State Government	0	0	0	0.00	0	0	0	0.00	0.00
	d Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
	e Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
	f Foreign Institutional Investors	0	0	0	0.00	0	0	0	0.00	0.00
	g Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
	h Foreign Portfolio Corp.	0	0	0	0.00	0	0	0	0.00	0.00
	i Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
	Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-total (B)(1)	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) (Contd.)

(i) Category-wise Share Holding

		No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				
Sr. No.	**Category of Shareholders**	**Demat**	**Physical**	**Total**	**% of Total shares**	**Demat**	**Physical**	**Total**	**% of Total shares**	**% Change during the year**
2	**Non-Institutions**									
	a Bodies Corp.									
	i Indian	390	0	390	0.03	540	0	540	0.04	0.01
	ii Overseas	0	0	0	0.00	0	0	0	0.00	0.00
	b Individuals									
	i Individual shareholders holding nominal share capital upto Rs. 1 lakh	9612	86387	95999	7.68	12513	80741	93254	7.46	-0.22
	ii Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	0	0	0	0.00	0	0	0	0.00	0.00
	c Others									
	OCB/Non Domestic Company	0	0	0	0.00	0	0	0	0.00	0.00
	Non-Resident Individuals	0	400	400	0.03	0	400	400	0.03	0.00
	Any Other - Trust	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-total (B)(2)	**10002**	**86787**	**96789**	**7.74**	**13053**	**81141**	**94194**	**7.54**	**-0.21**
	Total Public Shareholding (B)=(B)(1) + (B)(2)	**10002**	**86787**	**96789**	**7.74**	**13053**	**81141**	**94194**	**7.54**	**-0.21**
C.	**Shares held by Custodian for GDRs & ADRs**	0	0	0	0.00	0	0	0	0.00	0.00
	Grand Total (A+B+C)	**1156503**	**93497**	**1250000**	**100.00**	**1167759**	**82241**	**1250000**	**100.00**	**0.00**

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) (Contd.)

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	% change in shareholding during the year
1	Aegis Logistics Limited	1153211	92.26	0	1155806	92.46	0	0.21
	Total	**1153211**	**92.26**	**0**	**1155806**	**92.46**	**0**	**0.21**

* 2 folios

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.		Date of Transaction	Shareholding at the beginning of the year Aegis Logistics Limited No. of Shares	 % of total Shares of the Company	Cumulative shareholding during the year Aegis Logistics Limited No. of Shares	 % of total Shares of the Company
	At the beginning of the year	01/04/2017	1153211	92.26	1153211	92.26
1.	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons (*) for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc.)	30/06/2017	150	0.01	1153361	92.27
2.		04/08/2017	300	0.02	1153661	92.29
3.		01/09/2017	100	0.01	1153761	92.30
4.		08/09/2017	50	0.00	1153811	92.30
5.		06/10/2017	550	0.04	1154361	92.35
6.		20/10/2017	350	0.03	1154711	92.38
7.		30/12/2017	250	0.02	1154961	92.40
8.		23/02/2018	445	0.04	1155406	92.43
9.		31/03/2018	400	0.03	1155806	92.46
	At the end of the year	31/03/2018	1155806	92.46	1155806	92.46

* Purchase

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) as on 31/03/2018:

			MAHENDRA GIRDHARILAL		NIRALI JIGNESH GOHEL		JOGESH KIDARNATH SAWHNEY		KIDARNATH SAWHNEY		MOTILAL RUPCHAND WADNERKAR		MENINO JOE MASCARENHAS	
Sl. No.	For Each of the Top 10 Shareholders	Date of Transaction	No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	At the beginning of the year	31/03/2017	1800	0.14	1350	0.11	1000	0.08	1000	0.08	1000	0.08	1000	0.08
1.	Date wise Increase/Decrease in Share holding during the year specifying the reasons (*) for increase/decrease	07/07/2017	0	0.00	150	0.01	0	0.00	0	0.00	0	0.00	0	0.00
2.		19/01/2018	0	0.00	50	0.00	0	0.00	0	0.00	0	0.00	0	0.00
3.		16/02/2018	0	0.00	-50	0.00	0	0.00	0	0.00	0	0.00	0	0.00
4.		23/02/2018	0	0.00	50	0.00	0	0.00	0	0.00	0	0.00	0	0.00
	At the end of the year (or on the date of separation, if separated during the year)	31/03/2018	1800	0.14	1550	0.12	1000	0.08	1000	0.08	1000	0.08	1000	0.08

			RAMANANDA PAI		SHIVARAM RAO K		SUNITA TIPIRNENI		BHAJANDAS S BAJAJ		Cumulative shareholding during the year	
Sl. No.	For Each of the Top 10 Shareholders	Date of Transaction	No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	At the beginning of the year	31/03/2017	1000	0.08	1000	0.08	1000	0.08	900	0.07	11050	0.88
1.	Date wise Increase/Decrease in Share holding during the year specifying the reasons (*) for increase/decrease	07/07/2017	0	0.00	0	0.00	0	0.00	0	0.00	150	0.01
2.		19/01/2018	0	0.00	0	0.00	0	0.00	0	0.00	50	0.00
3.		16/02/2018	0	0.00	0	0.00	0	0.00	0	0.00	-50	0.00
4.		23/02/2018	0	0.00	0	0.00	0	0.00	0	0.00	50	0.00
	At the end of the year (or on the date of separation, if separated during the year)	31/03/2018	1000	0.08	1000	0.08	1000	0.08	900	0.07	11250	0.90

* Transfer

(v) Shareholding of Directors and Key Managerial Personnel:

			Shareholding at the beginning of the year		Cumulative shareholding during the year	
Sl. No.	For Each of the Directors and KMP	Date	No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	At the beginning of the year	01/04/2017	0	0.00	0	0.00
	Date wise Increase / Decrease in Promoters shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)		0	0.00	0	0.00
	At the end of the year	31/03/2018	0	0.00	0	0.00

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Rs. in Lakhs)

Sr. No.		Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
	Indebtedness at the beginning of the financial year				
i	Principal Amount	0	0	0	0
ii	Interest due but not paid	0	0	0	0
iii	Interest accrued but not due	0	0	0	0
	Total (i+ii+iii)	**0**	**0**	**0**	**0**
	Change in Indebtedness during the financial year				
	– Addition	0	0	0	0
	– Reduction	0	0	0	0
	Net Change	**0**	**0**	**0**	**0**
	Indebtedness at the end of the financial year				
i	Principal Amount	0	0	0	0
ii	Interest due but not paid	0	0	0	0
iii	Interest accrued but not due	0	0	0	0
	Total (i+ii+iii)	**0**	**0**	**0**	**0**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

(Rs. in Lakhs)

		Name of MD/WTD/ Manager	
Sr. No.	Particulars of Remuneration	–	Total Amount
1.	**Gross salary**	Nil	Nil
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil	Nil
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil
2.	**Stock Option**	Nil	Nil
3.	**Sweat Equity**	Nil	Nil
4.	**Commission**		
	– as % of profit	Nil	Nil
	– Others, specify	Nil	Nil
5.	**Others, please specify**	Nil	Nil
	Total (A)	Nil	Nil
	Ceiling as per the Act (Being 5% of net profits of the Company calculated as per section 198 of the Companies Act, 2013 for each Managing Director)	Nil	Nil

B. Remuneration to other Directors:

Sl. No.	Particulars of Remuneration	Name of Directors				
		Raj K. Chandaria NED-NI-C	Anish K. Chandaria NED-NI	Jaideep D. Khimasia NED-I	Kanwaljit S. Nagpal NED-I	Total Amount
1	**Independent Directors**					
	Fee for attending board/committee meetings	0	0	0	280,000	280000
	Commission	0	0	0	0	0
	Others, please specify	0	0	0	0	0
	Total (1)	**0**	**0**	**0**	**280,000**	**280000**
2	**Other Non-Executive Directors**					
	Fee for attending board/committee meetings	0	0	0	0	0
	Commission	0	0	0	0	0
	Others, please specify	0	0	0	0	0
	Total (2)	**0**	**0**	**0**	**0**	**0**
	Total Managerial Remuneration - Total (B) = (1) + (2)	**0**	**0**	**0**	**280,000**	**280000**
	Overall Ceiling as per section 197(5) of Companies Act, 2013 & Rule 4 of Companies (Appointment & Remuneration) Rules, 2014	Sitting fees upto Rs.1,00,000 as per the Act.				

NED–NI-C: Non-Executive Director - Non Independent - Chairman
NED–NI: Non-Executive Director - Non Independent
NED–I: Non-Executive Director - Independent

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Sr. No.	Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/ NCLT/ COURT]	Appeal made, if any (give Details)
A.	**COMPANY**					
	Penalty					
	Punishment					
	Compounding					
B.	**DIRECTORS**					
	Penalty	There have been no penalties levied on the Company. The Company is generally in compliance of provisions of all applicable laws.				
	Punishment					
	Compounding					
C.	**OTHER OFFICERS IN DEFAULT**					
	Penalty					
	Punishment					
	Compounding					

For and on behalf of the Board

Raj K. Chandaria
Chairman
DIN: 00037518

Place : Mumbai
Date : 30th May, 2018

ANNEXURE 'C' TO THE DIRECTORS' REPORT

Disclosure of composition of the Corporate Social Responsibility Committee and contents of the CSR Policy in the form of an annual report on CSR as per annexure attached to the Companies (Corporate Social Responsibility Policy) Rules, 2014

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:

   The Company's CSR activities pre-date the coinage of the phrase "Corporate Social Responsibility". The Company is committed to make a sustainable positive impact on the communities it operates by actively contributing to their social and economic development. In so doing build a better, sustainable way of life for the weaker sections of society and raise the country's Human Development Index.

   The Company's aim is to be one of the most respected Companies in India, delivering superior and sustainable value to all its customers, business partners, shareholders, employees. The Company's CSR initiatives focus on holistic development of communities and create social, environmental and economic value to the society.

   The CSR Committee's Vision is "changing lives in pursuit of collective development and environmental sustainability". This vision should encompass all CSR activities of the Company.

   The Company's holding company AEGIS LOGISTICS LIMITED (Aegis) is a proud sponsor of ANARDE Foundation, which was established in 1979 and currently works in Gujarat and Maharashtra.

   It has evolved over the years, implementing sustainable projects in the following areas:

   1) Low-Cost Infrastructure - Sanitation/Housing/Cattle Shed
   2) Clean Drinking Water
   3) Financial Inclusion of Rural People
   4) Water Resource Management.
   5) Skill Development – Women, Youth & Farmer

   In the FY 2017-18, they've impacted over 54000 lives across Gujarat and Maharashtra.

   Their focus is not just to ensure the sanitation unit reaches out to the marginalized communities but also in conducting **Behaviour Change Communication** by **IEC** activity (Information Education & Counselling). We intend to continue our support to Anarde Foundation's endeavour towards rural development.

2. The CSR Committee of the Company comprises of the following Members:
   1. Mr. Anish Chandaria (Chairman)
   2. Mr. Kanwaljit S. Nagpal
   3. Mr. Jaideep D. Khimasia
3. The Average net profit of the Company for last three financial years: **Rs. 3097.22 Lakhs**
4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above):
   Prescribed CSR expenditurefor FY 2017-18: **Rs. 62 Lakhs**
5. Details of CSR spent during the financial year:
   (a) Total amount spent for the financial year 2017-18: **Rs. 8.00 Lakhs**
   (b) Amount unspent, if any: **Rs. 54 Lakhs**
   (c) Manner in which the amount spent during the financial year is detailed below:

(Rs. in Lakhs)

(1) Sr. No	(2) CSR project or activity identified	(3) Sector in which the Project is covered	(4) Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	(5) Amount outlay (budget) project or programs wise	(6) Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads	(7) Cumulative expenditure upto to the reporting period	(8) Amount spent: Direct or through Implementing agency
1	Water Management Development Prog.	Conservation of Natural Resources	Villages of Gujarat & Maharashtra	1	0.90	42.27	Amount spent through Anarde Foundation
2	Rural Housing & Sanitation Prog.	Rural Development		7	6.68	30.52	
3	Training of Rural Youth/Women/ farmers	Skill development &Livelihood		–	–	21.75	
4	Salary	Project Management		0.50	0.42	6.08	
5	Insurance	Rural Development Projects		–	–	9.38	
6	Contribution towards Health Impact Environment Assessment Study	Promoting HealthCare	Local area operations (Trombay)	39	–	38.87	Direct expenditure
7	Promoting Education by teaching the underprivileged members of the society residing in the nearby locality.	Promoting Education		–	–	3.37	
			Total	**47.5**	**8.00**	**152.24**	

6. In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report –

   During the year under review, in addition to Rs. 8 lakhs spent as mentioned above, the Company had committed to spend about Rs.39 Lakhs towards contribution for Health Impact Environment Assessment Study. However the said demand for the year was not raised and hence the said amount was unspent. Company will pay this amount as and when the demand for it has been raised.

   Further, each project is implemented phase wise and funds are released post monitoring the completion of each phase. Since the introduction of the CSR law in the year 2014, the Company has consciously scaled up its support to organizations based on their demonstrated capabilities over time. The Company proposes to gradually increase commitments overtime and will make concerted efforts to spend the prescribed CSR amount in the subsequent years.

7. CSR Committee, in its Responsibility Statement has mentioned that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

For and on behalf of the Board

Raj K. Chandaria
(Chairman)
DIN: 00037518

Anish K. Chandaria
(Chairman of the Corporate Social Responsibility Committee)
DIN: 00296538

Place : Mumbai
Date : 30th May, 2018

Independent Auditors' Report

To The Members of Sea Lord Containers Limited

Report on the Indian Accounting Standards (Ind AS) Financial Statements

We have audited the accompanying Financial Statements of **Sea Lord Containers Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income) and the Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "Ind AS Financial Statements").

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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

Auditors' Responsibility

Our responsibility is to express an opinion on these Ind AS Financial Statements based on our audit.

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

We conducted our audit of the Ind AS Financial Statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS Financial Statements are free from material misstatement.

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

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

Opinion

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order) issued by the Central Government of India in terms of Section 143 (11) of the Act (hereinafter referred to as the "Order") and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the "**Annexure A**", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
   - (a) We have sought and obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit;
   - (b) In our opinion, proper books of account, as required by law, have been kept by the Company so far as it appears from our examination of those books;
   - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
   - (d) In our opinion, the aforesaid Ind AS Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
   - (e) On the basis of the written representations received from the Directors as on March 31, 2018 taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2018 from being appointed as a Director in terms of Section 164(2) of the Act.
   - (f) With respect to the adequacy of the internal financial controls with reference to financial statements over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
   - (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
     - i. The Company has disclosed the impact of pending litigation on its financial position in its Ind AS Financial Statements – Refer Note 32 to the Ind AS Financial Statements;
     - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
     - iii. There were no amounts which were required to be transferred to the Investor Education and Protection.

For **P. D. Kunte & Co. (Regd.)**
Chartered Accountants
Firm Registration No.: 105479W

Diwakar Sapre
Partner
Membership No. 040740

Place : Mumbai
Date : 30th May, 2018

Annexure - A to the Independent Auditors' Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our Report of even date)

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation, of fixed assets.

(b) As explained to us, all the fixed assets have been physically verified by the management during the year as per regular program of verification, which in our opinion is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies between book records and physical inventory were noticed on such verification. In our opinion, the frequency of verification is reasonable.

(c) The title deeds of immovable property are in the name of the Company.

(ii) According to the information and explanations provided to us, the inventory has been physically verified by the Management during / at the end of the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on physical verification of inventory.

(iii) According to the information and explanations provided to us, during the year the Company has not granted any loans, secured or unsecured to companies, firms, Limited liability partnerships or other parties covered in register maintained under section 189 of the Act. Accordingly, the provisions of sub clauses (a), (b) and (c) are not applicable to the Company.

(iv) According to the information and explanations given to us, the Company has not made any investment, given any security, neither accepted deposit nor provided guarantee. Therefore, the provisions of sec 185 and 186 are not applicable to the Company.

(v) According to the information and explanations given to us, the Company has not accepted any deposit from the public. Therefore, the provision of clause (v) of paragraph 3 of the Order is not applicable to the Company.

(vi) According to the information and explanations given to us, the Company is not required to maintain cost records pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.

(vii) (a) According to the information and explanation given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' State Insurance, Income-Tax, Sales-Tax, Service Tax, duty of customs, duty of excise, value added tax, GST, cess and any other statutory dues as applicable with appropriate authorities. There were no undisputed statutory dues as on the date of the balance sheet outstanding for a period exceeding six months from the date they were due.

(b) There were no dues pending to be deposited on account of any dispute in respect of income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added added tax, GST or cess as on March 31, 2018.

(viii) According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to a Financial institution, bank, government or dues to debenture holders.

(ix) Based upon the audit procedures performed and the information and explanation given by the management, the Company has not raised money by way of initial public offer or further public offer (including debt instruments) and term loans during the period. Accordingly, provisions of clause (ix) of the order are not applicable to the Company for the year under audit.

(x) Based upon the audit procedures performed and the information and explanation given by the management, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) No managerial remuneration has been paid/provided. Hence clause (xi) of the said order is not applicable for the year under audit.

(xii) The Company is not a Nidhi company and therefore the provisions of clause 3 (xii) of the Order are not applicable to the Company for the year under audit.

(xiii) In our opinion, provision of section 177 relating to Audit Committee are not applicable to the Company for the year under audit. The transactions with the related parties are in compliance with sec 188 of Companies Act, 2013 and the details of the said transactions have been disclosed in the Financial Statements, as required by the applicable accounting standards.

(xiv) Based upon the audit procedures performed and the information and explanation given by the management, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under audit. Accordingly, provisions of clause (xiv) of the order are not applicable to the Company for the year under audit.

(xv) According to the information and explanations given to us and based on our examination of the records,, the Company has not entered into non-cash transactions with Directors or persons connected with him. Accordingly, clause 3(xv) of the Order is not applicable to the Company for the year under audit.

(xvi) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934; Accordingly, provisions of clause (xvi) of the order are not applicable to the Company for the year under audit.

For **P. D. Kunte & Co. (Regd.)**
Chartered Accountants
Firm Registration No.: 105479W

Diwakar Sapre
Partner
Membership No. 040740

Place: Mumbai
Date: 30th May,2018

"Annexure B" to the Independent Auditor's Report of even date on the Ind AS financial statements of Sea Lord Containers Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements over financial reporting of **Sea Lord Containers Limited** ("the Company") as of March 31, 2018 in conjunction with our audit of the Ind AS Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI).

These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with refrence to financial statements over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

According to the information and explanation given to us and based on our test of controls, in our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **P. D. Kunte & Co. (Regd.)**
Chartered Accountants
Firm Registration No.: 105479W

Diwakar Sapre
Partner
Membership No. 040740

Place : Mumbai
Date : 30th May, 2018

BALANCE SHEET AS AT MARCH 31, 2018

(All amounts are in INR lakhs, unless stated otherwise)

	Note	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Assets				
Non current assets				
Property, plant and equipment	8A	**9,341.34**	9,771.38	10,163.03
Capital work-in-progress		**44.30**	–	–
Other intangible assets	9	**0.50**	1.14	0.91
Financial assets				
i. Investments				
a) Investments in fellow subsidiary	10	**2,538.59**	690.52	–
b) Other investments		**–**	–	–
ii. Other financial assets	11	**10.19**	10.19	9.14
Deferred Tax Asset	38	**3,429.10**	2,593.08	1,752.78
Current tax assets (net)		**64.50**	98.23	82.95
Other non current assets	12	**1,060.56**	407.16	156.25
Total non current assets		**16,489.08**	13,571.70	12,165.06
Current assets				
Inventories	13	**87.78**	99.41	104.87
Financial assets				
i. Trade receivables	14	**1,193.88**	1,037.37	1,053.53
ii. Cash and cash equivalents	15	**1,377.37**	208.53	194.54
iii. Bank balances other than (ii) above	16	**–**	–	1,680.84
iv. Other financial assets	17	**–**	–	26.72
Other current assets	18	**320.49**	333.29	391.00
Total current assets		**2,979.52**	1,678.60	3,451.50
Total assets		**19,468.60**	15,250.30	15,616.56
Equity and liabilities				
Equity				
Equity share capital	19	**125.00**	125.00	125.00
Other equity	20	**18,930.73**	14,815.56	11,316.12
Total equity		**19,055.73**	14,940.56	11,441.12
Liabilities				
Non-current liabilities				
Provisions	21	**28.04**	30.92	24.64
Total non-current liabilities		**28.04**	30.92	24.64
Current liabilities				
Financial liabilities				
i. Borrowings	22	**–**	–	3,800.00
ii. Trade payables				
Total outstanding dues of creditors other than micro enterprises and small enterprises	23	**105.57**	40.25	132.34
iii. Other financial liabilities	24	**12.68**	8.81	8.81
Provisions	21	**14.39**	2.83	6.83
Other current liabilities	25	**252.19**	226.93	202.82
Total current liabilities		**384.83**	278.82	4,150.80
Total liabilities		**412.87**	309.74	4,175.44
Total equity and liabilities		**19,468.60**	15,250.30	15,616.56

See accompanying notes to the financial statements

For P. D. Kunte & Co. (Regd.)
Chartered Accountants
Firm Registration Number: 105479W

D. P. Sapre
Partner
Membership No.: 40740
Mumbai, 30th May, 2018

For and on behalf of the Board of Director

Raj K. Chandaria
Chairman
DIN: 00037518

Kanwaljit S. Nagpal
Director
DIN: 00012201

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts are in INR lakhs, unless stated otherwise)

		Note	For the year ended March 31, 2018	For the year ended March 31, 2017
I	Revenue from operations	26	5,323.37	4,883.06
II	Other income	27	227.18	67.56
III	**Total income (I + II)**		5,550.55	4,950.62
IV	**Expenses**			
	Employee benefits expenses	28	126.29	118.27
	Depreciation and amortisation expense	8B	451.01	445.75
	Finance costs	29	0.70	0.89
	Other expenses	30	773.15	920.91
	Total expenses		1,351.15	1,485.82
V	**Profit before tax (III- IV)**		4,199.40	3,464.80
VI	**Income tax expense**	38		
	Current tax - For the year		896.07	726.80
	– For the earlier year		12.28	(13.76)
	– MAT credit for the earlier year		(1.79)	(208.98)
	– MAT credit		(896.07)	(726.80)
	Deferred tax		61.84	95.45
	Total tax expense		72.33	(127.29)
VII	**Profit for the year (V-VI)**		4,127.07	3,592.09
VIII	**Other comprehensive income/(loss)**			
	(i) Items that will not be reclassified to profit or loss			
	Remeasurement of defined benefit obligations		4.38	1.15
	Other comprehensive (loss) (Net of tax)		(4.38)	(1.15)
IX	**Total comprehensive income (VII+VIII) (Comprising profit and other comprehensive income for the year)**		4,122.69	3,590.94
X	**Earnings per equity share for profit from continuing operation attributable to owners of ALL**	31		
	Basic earnings per share (Rs.)		330.17	287.37
	Diluted earnings per share (Rs.)		330.17	287.37

See accompanying notes to the financial statements

For P. D. Kunte & Co. (Regd.)
Chartered Accountants
Firm Registration Number: 105479W

D. P. Sapre
Partner
Membership No.: 40740
Mumbai, 30th May, 2018

For and on behalf of the Board of Director

Raj K. Chandaria
Chairman
DIN: 00037518

Kanwaljit S. Nagpal
Director
DIN: 00012201

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

(All amounts are in INR lakhs, unless stated otherwise)

	For the year ended March 31, 2018	For the year ended March 31, 2017
Cash flow from operating activities		
Profit before tax	**4,199.40**	3,464.83
Adjustments for:		
Depreciation and amortisation	**451.01**	445.75
Fair Valuation of Investment	**(206.65)**	–
Amortisation of Non Current Assets	**29.36**	–
Finance costs	**0.70**	0.89
Interest income	**(6.71)**	(1.38)
Dividend Income - Current	**(10.72)**	(58.39)
Sundry Debit / (Credit) Balances written back	**0.93**	(1.04)
Loss on sale of non-current investments	**–**	0.13
Actuarial loss recognised in other comprehensive income	**(4.38)**	(1.15)
Operating profit before working capital changes	**4,452.94**	3,849.64
Adjustments for changes in working capital:		
(Increase) in inventories	**11.63**	5.46
Decrease/(Increase) in trade receivables	**(157.44)**	16.16
(Increase) in short term provisions	**11.56**	2.28
(Increase)/decrease in non-current assets	**0.83**	7.52
Decrease/(Increase) in current assets	**12.80**	84.30
(Decrease)/Increase in trade payables	**65.32**	(91.06)
(Decrease)/Increase in long term provisions	**(2.88)**	–
(Decrease)/Increase in other current liabilities	**29.13**	24.11
Cash generated from operations	**4,423.88**	3,898.41
Income tax paid	**(874.62)**	(728.35)
Net cash from operating activities	**3,549.26**	3,170.06

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

(All amounts are in INR lakhs, unless stated otherwise)

	For the year ended March 31, 2018	For the year ended March 31, 2017
Cash flow from investing activities		
Purchase of property, plant and equipment including capital advances	**(64.69)**	(53.60)
Purchase of intangible assets	**0.06**	(0.73)
Purchase of investment in Fellow subsidiary company	**(2,325.00)**	(950.00)
Sale of investment	**4,127.72**	6,438.27
Purchase of investment	**(4,127.72)**	(6,438.39)
Dividend Received-Current Investments	**10.72**	58.39
Interest received	**6.71**	1.38
Net cash flow from/(used in) investing activities	**(2,372.20)**	(944.69)
Cash flow from financing activities		
Repayment of preference shares	**–**	(3,800.00)
Dividend paid	**(7.52)**	(91.47)
Interest paid	**(0.70)**	(0.89)
Net cash generated from/(used in) financing activities	**(8.22)**	(3,892.36)
Net increase/(decrease) in cash and cash equivalents	**1,168.84**	(1,666.99)
Cash and cash equivalents as at the beginning of the year	**208.16**	1,875.14
Cash and cash equivalents as at the end of the year	**1,377.00**	208.16
Cash and cash equivalents includes:		
Cash and cash equivalents (refer note 15)		
Bank balances		
In current accounts	**1,377.37**	208.53
In margin accounts	**(0.37)**	(0.37)
	1,377.00	208.16

1. Figures in bracket indicate cash outflow

See accompanying notes to the financial statements

For P. D. Kunte & Co. (Regd.)
Chartered Accountants
Firm Registration Number: 105479W

D. P. Sapre
Partner
Membership No.: 40740
Mumbai, 30th May, 2018

For and on behalf of the Board of Director

Raj K. Chandaria
Chairman
DIN: 00037518

Kanwaljit S. Nagpal
Director
DIN: 00012201

STATEMENT OF CHANGES IN EQUITY

A. Equity share capital

(All amounts are in INR lakhs, unless stated otherwise)

Particulars	Balance as at April 1, 2016	Issue of share	Balance as at March 31, 2017	Issue of share	Balance as at March 31, 2018
Equity share capital	125.00	–	125.00	–	**125.00**

B. Other equity

Particulars	Reserves and surplus						Other comprehensive income	Total equity
	Securities premium	Capital reserves	Capital redemption reserves	General Reserves	Debenture Redemption Reserves	Retained earnings/ (accumulated deficit)	Remeasurement of defined benefit obligations	
Balance as at April 1, 2016	–	1.21	1,200.00	9.78	–	10,105.13	–	11,316.12
Profit for the year	–	–	–	–	–	3,592.06	–	3,592.06
Addition/ reduction during the year	–	–	3,800.00	–	–	(3,891.47)	–	(91.47)
Other comprehensive income	–	–	–	–	–	–	(1.15)	(1.15)
Balance at March 31, 2017	–	1.21	5,000.00	9.78	–	9,805.72	(1.15)	14,815.56
Profit for the year	–	–	–	–	–	4,127.07	–	4,127.07
Addition/ reduction during the year	–	–	–	–	–	(7.52)	–	(7.52)
Other comprehensive income	–	–	–	–	–	–	(4.38)	(4.38)
Balance at March 31, 2018	**–**	**1.21**	**5,000.00**	**9.78**	**–**	**13,925.27**	**(5.53)**	**18,930.73**

See accompanying notes to the financial statements

For P. D. Kunte & Co. (Regd.)
Chartered Accountants
Firm Registration Number: 105479W

D. P. Sapre
Partner
Membership No.: 40740
Mumbai, 30th May, 2018

For and on behalf of the Board of Director

Raj K. Chandaria
Chairman
DIN: 00037518

Kanwaljit S. Nagpal
Director
DIN: 00012201

Notes to Financial Statements

1 General information

Sea Lord Containers Limited ('the Company') having its registered office at 502, Skylon, G.I.D.C., Char Rasta, Vapi, Gujarat 396195, District Valsad was incorporated on 19th May,1979 vide Corporate Identity Number (CIN) U21029GJ1979PLC034027 issued by the Registrar of Companies, Gujarat.

The Company is in the business of Storage and Warehousing.

2 Statement of Compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015.

Upto the year ended March 31, 2017 the Company prepared its financial statements in accordance with requirements of previous GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006. These are the Company's first Ind AS financial statements. The date for transition to Ind AS is April 1, 2016. Refer note 6 for the details of first time adoption exemptions availed by the Company.

3 Basis of preparation and presentation

The Financial Statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between the market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement or disclosure purposes in these standalone financial statements is determined on such a basis, except for share based payment transactions that are within scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 inputs are unobservable inputs for the asset or liability.

4 Functional and presentation currency

These standalone financial statements are presented in Indian rupees, which is the Company's functional currency. All amounts have been rounded to the nearest lakhs, unless otherwise indicated.

5 Statement of significant accounting policies

I) Foreign currencies

i) Foreign currency transactions

Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Subsequent measurement

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at the fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

ii) Embedded derivatives

Embedded derivatives are carried at fair value and the resultant gains and losses are recorded in the Statement of Profit and Loss.

II) Property, plant and equipment

i) Items of property, plant and equipment are stated at cost, less accumulated depreciation and impairment losses, if any. Cost comprises

a) the purchase price including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates,

Notes to Financial Statements

b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and

c) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Income and expenses related to the incidental operations, not necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by management, are recognised in Statement of Profit and Loss.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in Statement of Profit and Loss."

Capital work-in-progress in respect of assets which are not ready for their intended use are carried at cost, comprising of direct costs, related incidental expenses and attributable interest if any.

ii) Transition to IND AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April1, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

iii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the reporting period in which they are incurred."

iv) Depreciation/amortization

Depreciation is recognised so as to write off the cost of assets (other than freehold land) less their residual values over their estimated useful lives, using the written down value method. Useful life of the asset is taken, as specified in Schedule II of the Companies Act, 2013, as under:

Assets	Useful life
Buildings (Other than factory building)	60 years
Factory building	30 years
Servers and computer networks	6 years
Office equipment	5 years
Furniture and fixtures	10 years
Plant and machinery	15 ears
Vehicles	8 years
Computers	3 years

Leasehold assets are amortized over the primary period of lease or its useful life, whichever is shorter.

III) Intangible assets

Intangible assets are recognized, only if it is probable that the future economic benefits that are attributable to the assets will flow to the enterprise and the cost of the assets can be measured reliably. The intangible assets are recorded at cost and are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Intangible assets are amortised so as to reflect the pattern in which the asset's economic benefits are consumed over a period of 5 to 7 years.

Company capitalises the cost incurred to develop computer software for internal use during the application development stage of the software whereas cost incurred during the preliminary project stage along with post-implementation stages of internal use computer software are expensed as incurred.

Transition to IND AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as at April 1, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

Notes to Financial Statements

IV) Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Intangible assets with indefinite useful life and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in statement of profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss has been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in Statement of Profit and Loss.

V) Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and liabilities are initially measured at fair value. Transactions costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in Statement of Profit and Loss.

Financial Assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

i) Classification of financial assets

Debt Instruments at Amortised Cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

Debt Instruments at FVOCI

A 'debt instrument' is measured at the fair value through other comprehensive income (FVOCI) if both the following conditions are met:

a) The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

For assets classified as subsequently measured at FVOCI, interest revenue, expected credit losses, and foreign exchange gains or losses are recognised in Statement of Profit and Loss. Other gains and losses on remeasurement to fair value are recognised in OCI. On derecognition, the cumulative gain or loss previously recognised in OCI is reclassified from equity to Statement of Profit and Loss.

Notes to Financial Statements

Debt instrument at fair value through profit and loss (FVTPL)

Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL. In addition, the Company may elect to classify a debt instrument, which otherwise meets amortized cost or FVOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

ii) Equity investments

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Further, Company has elected to apply the exemption available under Ind AS 101 to continue the carrying value for its investments in subsidiaries and associates as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP as at the date of transition (April 1, 2016). Also, in accordance with Ind AS 27 Company has elected the policy to account investments in subsidiaries and associates at cost.

iii) Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain of loss that had been recognised in other comprehensive income and accumulated in equity is recognised in the Statement of Profit and Loss if such gain or loss would have otherwise been recognised in Statement of Profit and Loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of the transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in Statement of Profit and Loss if such gain or loss would have otherwise been recognised in Statement of Profit and Loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

iv) Impairment of financial assets

Financial assets of the Company comprise of trade receivable and other receivables consisting of debt instruments e.g., loans, debt securities, deposits, and bank balance. An impairment loss for trade and other receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. Impairment losses if any, are recognised in Statement of Profit and Loss for the year.

Financial liabilities and equity instruments

Financial instruments with a contractual obligation to deliver cash or another financial assets is recognised as financial liability by the Company.

i) Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Notes to Financial Statements

ii) Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

iii) Financial liabilities

All financial liabilities are subsequently measured at amoritsed cost using the effective interest method or at FVTPL.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

– it has been incurred principally for the purpose of repurchasing it in the near term; or

– on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short term profit taking; or

– it is derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies, may be designated as at FVTPL upon initial recognition if:

– such designation eliminated or significantly reduces a measurement or recognition inconsistency that would otherwise arise;

– the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping in provided internally on that basis; or

– it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in Statement of Profit and Loss. The net gain or loss recognised in Statement of Profit and Loss incorporates any interest paid on the financial liability and in included in the 'Other income' line item."

Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held for trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

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

Financial liabilities of the Company also include gold loans where Company buys gold from authorised bank with deferred payment. Interest rate on such loan is dependent on gold lease market and other market specific factors (Linked to international gold interest rate). Gold loan is repaid considering the gold spot rate on the day of repayment. Since repayment of loan and interest payment is linked to the movement in gold price, this makes the arrangement a hybrid contract which will be fair valued at each reporting date.

Notes to Financial Statements

iv) Derecognition

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

v) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

VI) Borrowing cost

Borrowing costs are interest and other costs that the Company incurs in connection with the borrowing of funds and is measured with reference to the effective interest rate applicable to the respective borrowing. Borrowing costs include interest costs measured at EIR and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs that are attributable to acquisition or construction of qualifying assets are capitalized as a part of cost of such assets till the time the asset is ready for its intended use. A qualifying assets is the one that necessarily takes substantial period of time to get ready for intended use. Other borrowing costs are recorded as an expense in the Profit and loss account in the year in which they are incurred.

VII) Leases

Assets taken on lease under which all risks and rewards of ownership are effectively retained by the lessor are classified as operating lease. Rental expenses from operating leases is generally recognised on a straight line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increase, such increase are recognised in the year in which such benefit accrue. Contingent rentals arising under operating lease are recognised as an expenses in the period in which they are incurred.

Assets held by the Company under leases that transfer to the Company substantially all of the risks and rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to that asset.

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

VIII) Inventories

Inventories are carried at lower of cost and net realizable value. Cost of raw materials, finished goods, stock in trade and packing materials is determined on weighted average basis.

Costs comprise all cost of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.

Cost of finished goods include costs of raw material, direct labour and other directly attributable expenses incurred in bringing such goods to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

IX) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

Notes to Financial Statements

X) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for rebates.

Sale of goods

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

– the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;

– the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;

– the amount of revenue can be measured reliably;

– it is probable that the economic benefits associated with the transaction will flow to the Company; and

– the cost incurred or to be incurred in respect of the transaction can be measured reliably.

Consignment sales

The Company has consignment sales agreements with certain parties. The Company does not record revenue on consignment merchandise until the merchandise is reported to be sold by these parties to customers.

XI) Other income

Dividend and Interest income

Dividend income is recognised in statement of profit and loss on the date on which the Company's right to receive payment is established.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Rental Income

Rental income arising from operating leases on investment properties is accounted for on an accrual basis as per the terms of the lease contract and is included in other income in the Statement of Profit and Loss.

XII) Retirement and other employee benefits

i) Short term employee benefits

Short-term employee benefits are expensed as the related service is provided at the undiscounted amount of the benefits expected to be paid in exchange for that service. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

ii) Post Employment Employee Benefits

Retirement benefits to employees comprise payments to government provident funds, gratuity fund, leave encashment and superannuation fund.

Defined contribution plans

Retirement benefits in the form of provident fund and superannuation fund are a defined contribution scheme and the contributions are charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective trusts.

Defined benefit plans

Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan.

Notes to Financial Statements

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in OCI. Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in Statement of Profit and Loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Short term compensated absences are provided for based on estimates.

Other long term benefits

Long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method. Actuarial gains/losses are recognized in the other comprehensive income.

XIII) Taxation

Income tax expenses represents the sum of the tax currently payable and deferred tax.

i) Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

ii) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amount of assets and liabilities in the standalone financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Company is able to control the reversal of temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflect the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

iii) Current and deferred tax for the year

Current and deferred tax are recognised in Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

iv) Minimum alternate tax credit

Minimum alternate tax credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each balance sheet date and the carrying amount of the MAT credit is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

Notes to Financial Statements

XIV) Provisions, contingent liabilities and contingent assets

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the notes to the financial statements. Contingent assets are not recognized in the financial statements

Further, long term provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost. A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

6 First-time adoption of Ind AS

The Company has prepared the opening balance sheet as per Ind AS as of April 1, 2016 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to the certain exceptions and certain optional exemptions availed by the Company as detailed below:

i. **Deemed cost:** The Company has elected to continue with the carrying value of all of its property, plant and equipment and intangible assets recognised as on transition date measured as per the previous GAAP and use that carrying value as deemed cost.

ii. **Derecognition of financial assets and financial liabilities:** The Company has opted to apply the exemption available under Ind AS 101 to apply the derecognition criteria of Ind AS 109 prospectively for the transactions occurring on or after the date of transition to Ind AS.

iii. **Classification and measurement of financial assets:** The Company has classified the financial assets in accordance with Ind AS 109 on the basis of facts and circumstances that exist on the date of transition to Ind AS.

7 Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements in accordance with Ind AS requires use of estimates and assumptions for some items, which might have an effect on their recognition and measurement in the balance sheet and statement of profit and loss. The actual amounts realised may differ from these estimates.

Key source of estimation uncertainty

The following are the key assumption concerning the future and other key sources of estimations uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

a) Property, plant and equipment:

Determination of the estimated useful lives of tangible assets and the assessment as to which components of the cost may be capitalized. Useful lives of tangible assets are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support. Assumptions also need to be made, when the Company assesses, whether an asset may be capitalised and which components of the cost of the asset may be capitalised.

b) Inventories:

The measurement of inventory including the determination of its net realizable value, involves the use of estimates. The significant sources of estimation uncertainty include diamond prices, production grade and expenditure and determining the remaining costs of completion to bring inventory into its saleable form. The Company uses historical data on prices achieved, grade and expenditure in forming its assessment.

c) Recognition and measurement of defined benefit obligations:

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation and vested future benefits and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations.

d) Recognition of deferred tax assets:

A deferred tax asset is recognised for all the deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. The management assesses that there will be sufficient taxable profits against which to utilise the benefits of temporary differences and they are expected to reverse in the foreseeable future.

Notes to Financial Statements

Note 8A

Property, plant and equipment - As at March 31, 2018

	Gross block				Accumulated depreciation				Net block
	As at April 1, 2017	Additions/ adjustments	Deductions / adjustments	As at March 31, 2018	As at April 1, 2017	Charge for the year	Deductions/ adjustments	As at March 31, 2018	As at March 31, 2018
Freehold	1,138.37	–		1,138.37	–	–	–	–	1,138.37
Leasehold improvements	1.53	–	–	1.53	–	–	–	–	1.53
Building	328.53	–	–	328.53	27.89	27.89	–	55.78	272.75
Plant and machinery	8,669.32	19.41	–	8,688.73	404.22	410.91	–	815.13	7,873.60
Office equipment	12.77	0.98	–	13.75	4.18	2.69	–	6.87	6.88
Furniture and fixtures	66.10	–	–	66.10	8.95	8.95	–	17.90	48.20
Vehicles	–	–	–	–	–	–	–	–	–
Total	**10,216.62**	**20.40**	**–**	**10,237.02**	**445.24**	**450.43**	**–**	**895.67**	**9,341.34**

Property, plant and equipment - As at March 31, 2017

	Gross block				Accumulated depreciation				Net block
	As at April 1, 2016	Additions/ adjustments	Deductions/ adjustments	As at March 31, 2017	As at April 1, 2016	Charge for the year	Deductions/ adjustments	As at March 31, 2017	As at March 31, 2017
Freehold	1,138.37	–	–	1,138.37	–	–	–	–	1,138.37
Leasehold improvements	1.53	–	–	1.53	–	–	–	–	1.53
Building	328.53	–	–	328.53	–	27.89	–	27.89	300.64
Plant and machinery	8,618.11	51.22	–	8,669.32	–	404.22	–	404.22	8,265.10
Office equipment	10.39	2.38	–	12.77	–	4.18	–	4.18	8.59
Furniture and fixtures	66.10	–	–	66.10	–	8.95	–	8.95	57.15
Vehicles	–	–	–	–	–	–	–	–	–
Total	**10,163.03**	**53.60**	**–**	**10,216.62**	**–**	**445.24**	**–**	**445.24**	**9,771.38**

Notes to Financial Statements

Property, plant and equipment - As at March 31, 2016

	Gross block				Accumulated depreciation				Net block
	As at April 1, 2015	Additions/ adjustments	Deductions/ adjustments	As at April 1, 2016	As at April 1, 2015	Charge for the year	Deductions/ adjustments	As at April 1, 2016	As at April 1, 2016
Freehold	1.66	1,136.7		1,138.37	–	–	–	–	1,138.37
Leasehold improvements	1.53	–	–	1.53	–	–	–	–	1.53
Building	328.53	–	–	328.53	–	–	–	–	328.53
Plant and machinery	8,618.11	–	–	8,618.11	–	–	–	–	8,618.11
Office equipments	10.39	–	–	10.39	–	–	–	–	10.39
Furniture and fixtures	66.10	–	–	66.10	–	–	–	–	66.10
Vehicles	–	–	–	–	–	–	–	–	–
Total	**9,026.32**	**1,136.71**	**–**	**10,163.03**	**–**	**–**	**–**	**–**	**10,163.03**

The Company has availed the deemed cost exemption in relation to the property, plant and equipment and other intangible assets on the date of transition and hence the net block carrying amount has been considered as the gross block carrying amount on that date. Refer note below for the gross block value and the accumulated depreciation on April 1, 2016 under the previous GAAP.

Property, plant and equipment	Gross block	Accumulated depreciation	Net block
Freehold	1.66	–	1.66
Leasehold improvements	3.01	1.48	1.53
Building	414.31	85.78	328.53
Plant and machinery	11,758.74	3,140.63	8,618.11
Office equipments	37.28	26.89	10.39
Furniture and fixtures	95.26	29.16	66.10
Vehicles	–	–	–
Total	**12,310.26**	**3,283.94**	**9,026.32**

Note 8B
Property, plant and equipment

0.1 Depreciation and amortisation for the year

Particulars	For the year ending March 31, 2018	For the year ended March 31, 2017
Depreciation on property, plant and equipment	**450.43**	445.24
Amortisation (Refer note 9)	**0.58**	0.51
Total	**451.01**	445.75

Notes to Financial Statements

Note 9
Intangible assets - March 31, 2018

	Gross block				Accumulated amortisation/impairment				Net block
	As at April 1, 2017	Additions/ adjustment	Deductions/ adjustment	As at March 31, 2018	As at April 1, 2017	Charge for the year	Deductions/ adjustment	As at March 31, 2018	As at March 31, 2018
Computer software	1.65	(0.06)	–	1.59	0.51	0.58	–	1.09	0.50
Total	**1.65**	**(0.06)**	**–**	**1.59**	**0.51**	**0.58**	**–**	**1.09**	**0.50**

Intangible assets - As at March 31, 2017

	Gross block				Accumulated amortisation/impairment				Net block
	As at April 1, 2016	Additions/ adjustment	Deductions/ adjustment	As at March 31, 2017	As at April 1, 2016	Charge for the year	Deductions/ adjustment	As at March 31, 2017	As at March 31, 2017
Computer software	0.91	0.73	–	1.65	–	0.51	–	0.51	1.14
Total	**0.91**	**0.73**	**–**	**1.65**	**–**	**0.51**	**–**	**0.51**	**1.14**

Intangible assets - As at April 1, 2016

	Gross block				Accumulated amortisation/ impairment				Net block
	As at April 1, 2015	Additions/ adjustment	Deductions/ adjustment	As at April 1, 2016	As at April 1, 2015	Charge for the year	Deductions/ adjustment	As at April 1, 2016	As at April 1, 2016
Computer software	0.91	–	–	0.91	–	–	–	–	0.91
Total	**0.91**	**–**	**–**	**0.91**	**–**	**–**	**–**	**–**	**0.91**

The Company has availed the deemed cost exemption in relation to the property, plant and equipment and other intangible assets on the date of transition and hence the net block carrying amount has been considered as the gross block carrying amount on that date. Refer note below for the gross block value and the accumulated depreciation on April 1, 2016 under the previous GAAP.

Property, plant and equipment	Gross block	Accumulated depreciation	Net block
Computer Software	10.73	9.82	0.91
Total	**10.73**	**9.82**	**0.91**

Notes to Financial Statements

Note 10
Non-current investments

Rupees in lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1,2016
Non-current trade investments (Unquoted at cost)			
Pref Shares			
In fellow subsidiary company (KCPL) (Refer note 10.1)	**2,538.59**	690.52	–
Total	**2,538.59**	690.52	–

Note 10.1
Details of non-current investments - Preference shares as at March 31, 2018

Name of the subsidiaries	Number of shares	Face value	Total	Proportion of ownership interest held	Principal activities
32,75,000 7% Non-Cumulative Redeemable shares of Rs.100 each of Konkan Storage Systems (Kochi) Pvt. Ltd.	3275000	100	**2,538.59**	–	–
			2,538.59		

Details of non-current investments - Preference shares as at March 31, 2017

Name of the subsidiaries	Number of shares	Face value	Total	Proportion of ownership interest held	Principal activities
9,50,000 7% Non-Cumulative Redeemable shares of Rs.100 each of Konkan Storage Systems (Kochi) Pvt. Ltd.	950000	100	690.52	–	–
			690.52		

Note 11
Non-current financial assets - Others
(Unsecured, considered good unless otherwise stated)

Rupees in lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Balance with statutory authorities	**10.19**	10.19	9.14
Total	**10.19**	10.19	9.14

Notes to Financial Statements

Note 12
Other non-current assets
(Unsecured, considered good unless otherwise stated)

Rupees in lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Prepaid expenses	**0.63**	1.46	2.29
Capital Advances	**5.33**	5.33	13.07
Balance with statutory authorities	**140.89**	140.89	140.89
Others	**913.71**	259.48	–
Total	**1,060.56**	407.16	156.25

Note 13
Inventories
(At lower of cost and net realisable value)

Rupees in lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Consumables, stores & spares and others	**87.78**	99.41	104.87
	87.78	99.41	104.87

Note 14
Trade receivables
(Unsecured)

Rupees in lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Outstanding for more than six months from the date they are due:			
Considered Good	**411.82**	386.78	508.15
Considered Doubtful	**0.52**	0.52	0.52
	412.34	387.30	508.67
Less: Provision for doubtful debts	**0.52**	0.52	0.52
	411.82	386.78	508.15
Others:			
Considered Good	**782.06**	650.59	545.38
Total	**1,193.88**	1,037.37	1,053.53

Note 14.1

The carrying amounts of trade receivables as at the reporting date approximate fair value. Trade receivables are non-interest bearing.

Notes to Financial Statements

Note 15
Cash and cash equivalents

Rupees in lakhs

Particulars	**As at March 31, 2018**	As at March 31, 2017	As at April 1,2016
Bank balances			
– Unpaid Dividend account	**0.37**	0.37	0.24
– Current accounts	**1,377.00**	208.16	121.31
Cheques on hand	**–**	–	72.99
Cash and cash equivalents as presented in the balance sheet	**1,377.37**	208.53	194.54

Note 16
Other bank balances (under lien - refer note 25.1)

Rupees in lakhs

Particulars	**As at March 31, 2018**	As at March 31, 2017	As at April 1, 2016
Bank deposits with maturity from 3-12 months	**–**	–	1,680.84
	–	–	1,680.84

Note 17
Other Current Financial Assets
(Unsecured, considered good unless otherwise stated)

Rupees in lakhs

Particulars	**As at March 31, 2018**	As at March 31, 2017	As at April 1,2016
Receivable from related parties:			
– Aegis Logistics Limited	**–**	–	26.72
	–	–	26.72

Note 18
Other current assets
(Unsecured, considered good unless otherwise stated)

Rupees in lakhs

Particulars	**As at March 31, 2018**	As at March 31, 2017	As at April 1,2016
Advance to suppliers	**0.39**	1.24	69.93
Prepaid expenses	**1.26**	3.83	2.23
Cenvat Credit and Service tax set-off (net)	**–**	9.38	–
Balance with government authorities	**318.84**	318.84	318.84
	320.49	333.29	391.00

Notes to Financial Statements

Note 19
Equity share capital

Particulars	**As at March 31, 2018**		As at March 31, 2017		As at April 1, 2016	
	Number of Shares	**Amount**	Number of Shares	Amount	Number of Shares	Amount
[a] Authorised share capital						
Equity shares of the par value of Rs. 10 each	**1,70,00,000**	**1,700.00**	1,70,00,000	1,700.00	1,70,00,000	1,700.00
6% Cumulative Redeemable Preference shares of the par value of Rs. 100 each	**12,00,000**	**1,200.00**	12,00,000	1,200.00	12,00,000	1,200.00
8% Non Cumulative Redeemable Preference shares of the par value of Rs. 100 each	**38,00,000**	**3,800.00**	38,00,000	3,800.00	38,00,000	3,800.00
Total	**2,20,00,000**	**6,700.00**	2,20,00,000	6,700.00	2,20,00,000	6,700.00
[b] Issued, subscribed and paid up						
Equity shares of Rs.10 each	**12,50,000**	**125.00**	12,50,000	125.00	12,50,000	125.00
32,00,000 - 8% Non Cumulative Redeemable Preference shares of Rs.100 each	**–**	**–**	–	–	32,00,000	3,200.00
600000 - 8% Non Cumulative Redeemable Preference shares of Rs.100 each	**–**	**–**	–	–	6,00,000	600.00
Regrouped to Current Borrowings	**–**	**–**	–	–	(38,00,000)	(3,800)
Total	**12,50,000**	**125.00**	12,50,000	125.00	12,50,000	125.00

[c] Reconciliation of number of shares outstanding at the beginning and end of the year:

Equity :	**As at March 31, 2018**		As at March 31, 2017	
	Number of Shares	**Amount**	Number of Shares	Amount
At the beginning of the year	**12,50,000**	**125.00**	**12,50,000**	**125.00**
Issued during the year	**–**	**–**	–	–
At the end of the year	**12,50,000**	**125.00**	12,50,000	125.00

[d] Rights, preferences and restrictions attached to equity shares :

The Company has one class of equity shares having a par value of Rs 1 per share. Each shareholder is eligible for one vote per share held and to dividend, if declared and paid by the Company. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all liabilities, in proportion to their shareholding.

Name of the shareholder	**As at March 31, 2018**		As at March 31, 2017		As at April 1, 2016	
	Number of Shares	**Percentage**	**Number of Shares**	**Percentage**	**Number of Shares**	**Percentage**
Equity shares of Rs. 10/- each fully paid						
Aegis Logistics Limited	**11,55,806**	**92.46%**	11,53,211	92.26%	9,37,500	75%
Metochem International Private Limited	**–**	**–**	–	–	1,98,001	15.84%

Notes to Financial Statements

Note 20
Capital reserve

Rupees in lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Balance as at the beginning of the year	**1.21**	1.21	1.21
Addition during the year	**–**	–	–
Balance as at the end of the year	**1.21**	1.21	1.21

Capital redemption reserve

Rupees in lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Balance as at the beginning of the year	**5,000.00**	1,200.00	1,200.00
Addition during the year	**–**	3,800.00	–
Balance as at the end of the year	**5,000.00**	5,000.00	1,200.00

The Company is required to create a capital redemption reserve out of the profits when any capital is redeemed. Capital Redemption Reserve can be utilized only for issuing fully paid bonus shares. No dividend can be distributed out of this fund.

General Reserve

Rupees in lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Balance as at the beginning of the year	**9.78**	9.78	9.78
Addition during the year	**–**	–	–
Balance as at the end of the year	**9.78**	9.78	9.78

Retained earnings

Rupees in lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Balance as at the beginning of the year	**9,805.72**	10,105.13	5,901.17
Profit for the year	**4,127.07**	3,592.06	3,328.68
Transferred to Capital Redemption Reserve	**–**	(3,800.00)	–
Dividend on cumulative preference shares including arrears	**–**	(76.00)	–
Corporate Dividend Tax thereon	**–**	(15.47)	–
Dividend on Equity Shares	**(6.25)**	–	–
Corporate Dividend Tax thereon	**(1.27)**	–	–
Revaluation of Freehold Land	**–**	–	1,136.71
Deferred Tax on Revaluation of Deferred Tax	**–**	–	(261.43)
Balance as at the end of the year	**13,925.27**	9,805.72	10,105.13

Other comprehensive income

Rupees in lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Balance as at the beginning of the year	**(1.15)**	—	—
(Reduction) during the year	**(4.38)**	(1.15)	—
Balance as at the end of the year	**(5.53)**	(1.15)	—

Notes to Financial Statements

Note 21
Provisions

Rupees in lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Non-current			
Employee benefits			
Gratuity (Refer note 35)	**19.76**	21.27	17.25
Compensated absences	**8.28**	9.65	7.39
(A)	**28.04**	30.92	24.64
Current			
Employee benefits			
Gratuity (Refer note 35)	**10.84**	1.02	5.07
Compensated absences	**3.55**	1.81	1.76
(B)	**14.39**	2.83	6.83
Total (A)+(B)	**42.43**	33.75	31.47

Note 22
Current financial liability - Borrowings (Refer Note 19)

Rupees in lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Current			
Unsecured Loans			
From related parties	**–**	–	3,800.00
Total	**–**	–	3,800.00

Note 22.1
Terms of borrowings

a. Rate of interest

Lender	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unsecured loan			Interest free

b. Date of maturity

Lender	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Intercorporate loan from others			Repayable on demand

Notes to Financial Statements

Note 23
Current Financial Liability-Trade payables

Rupees in lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Trade payables			
Total outstanding dues of creditors other than micro enterprises and small enterprises	**105.57**	40.25	132.34
Total	**105.57**	40.25	132.34

The carrying amount of trade payables as at reporting date approximates fair value.

Note 23.1 Disclosure for Micro, Small and Medium Enterprises

On the basis of the information and records available with the management there are no dues payable to Micro, Small and Medium Enterprises. Further, disclosures under the Micro, Small and Medium Enterprises Development Act, 2006 are not applicable.

Note 24
Current Financial Liability-Others

Rupees in lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Amount payable under Capital contracts	**10.68**	6.81	6.81
Other	**2.00**	2.00	2.00
Total	**12.68**	8.81	8.81

Note 25
Other current liabilities

Rupees in lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Advance Storage Rentals	**93.96**	56.00	100.36
Advance from customers	**103.55**	165.09	91.84
Statutory dues	**54.68**	5.84	10.62
Total	**252.19**	226.93	202.82

Notes to Financial Statements

Note 26
Revenue from operations

Rupees in lakhs

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Service Revenue:		
– Liquid Terminal Division	**5,323.37**	4,883.06
Total	**5,323.37**	4,883.06

Note 27
Other Income

Rupees in lakhs

Particulars	Nature	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest income from fixed deposits		**6.71**	1.38
Fair value gain/loss on Investment		**177.30**	–
Dividend on Investments		**10.72**	58.39
Sundry Credit Balances Written Back		**–**	1.03
Other non-operating income		**32.45**	6.76
Total		**227.18**	67.56

Note 28
Employee benefits expense

Rupees in lakhs

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Salaries and wages	**102.68**	96.07
Contribution to provident and other funds	**10.15**	9.75
Staff welfare expenses	**13.46**	12.45
Total	**126.29**	118.27

Note 29
Finance costs

Rupees in lakhs

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest on borrowings	**0.58**	0.37
Other borrowing costs	**0.12**	0.52
Total	**0.70**	0.89

Notes to Financial Statements

Note 30
Other expenses

Rupees in lakhs

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Rent	**0.06**	**0.06**
Lease Rentals	**218.11**	212.47
Rates and taxes	**(40.47)**	48.88
Professional fees (Refer note 30.1)	**74.74**	73.74
Printing and Stationery	**4.03**	4.85
Traveling expenses	**3.82**	6.30
Communication Expenses	**2.91**	1.33
Loss on sale of investment(non-current, non trade)	**–**	0.13
Advertising / sales promotion	**0.04**	2.16
Labour and Other Charges	**40.60**	42.81
Way Leave Fees	**102.66**	99.08
Tankage Charges	**96.12**	96.48
Commission on Sales	**46.56**	53.01
Directors' Sitting Fees	**2.80**	2.80
Electricity expenses	**65.54**	68.51
Consumables	**32.75**	33.82
Repair- Buildings	**3.30**	0.01
Repair- Machinery	**17.98**	26.52
Repair- Others	**10.31**	9.96
Insurance	**57.25**	55.04
Donation	**13.67**	62.24
Sundry Debit Balances written off	**0.93**	–
Miscellaneous operating expenses	**19.44**	20.71
Total	**773.15**	920.91

Note 30.1
Payment to auditors

As auditor	**1.31**	1.32
For certifications	**0.60**	0.60
	1.91	1.92

Note 30.2
Donation represents amount spent by the Company towards Corporate Social Responsibility as per Section 135 of the Companies Act,2013.

(a) Gross amount required to be spent by the Company during the year	**61.94**	59.07
(b) Amount spent during the year on:		
(i) Construction/acquisition of any asset	**–**	–
(ii) On purpose other than (i) above	**13.67**	58.87
(iii) The Company had committed the balance amount towards contribution for health impact Environment assessment study. However the said demand for the year was not raised. Hence we will pay this amount in the next year or as and when the demand for it has been raised.	**–**	–

Notes to Financial Statements

Note 31
Earnings per share

Basic and diluted earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average of equity shares outstanding during the year.

Rupees in lakhs

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Profit for basic and diluted earnings per share	**4,127.07**	3,592.09
Weighted average number of equity shares	**12.50**	12.50
Basic and diluted /earnings per share (Rs.)	**330.17**	287.37

Reconciliation of weighted average number of equity shares:

Rupees in lakhs

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Equity shares outstanding at the beginning of the year	**12,50,000**	12,50,000
Equity shares issued during the year	**–**	–
Equity shares outstanding at the end of the year	**12,50,000**	12,50,000
Total weighted average number of shares	**12,50,000**	12,50,000

Note: There is no dilution to the basic EPS as there are no outstanding potentially dilutive equity shares.

Note 32
Contingent Liabilities and Commitments.

Rupees in lakhs

Sr. No.	Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1,2016
	Claim not acknowledged as debts:			
1	Estimated amount of contracts remaining to be executed on Capital Account and not provided for (Net of Advances)	**8.42**	**13.00**	52.69

Note 33
Related party transactions

a) Names of related parties and nature of relationship

Name of the Related Party	Relationship
Aegis Logistics Limited	Holding Company
Konkan Storage Systems (Kochi) Pvt. Ltd.	Fellow Subsidiary

Notes to Financial Statements

b) Details of transactions with related parties:

Rupees in lakhs

		Transactions		Balances		
Sr.	**Name of the related party**	**March 31, 2018**	**March 31, 2017**	**March 31, 2018**	**March 31, 2017**	**April 01, 2016**
a)	**Lease Rent Paid/Expenses recovered**					
	Aegis Logistics Limited	**50.67**	50.85	**–**	–	–
b)	**Storage Revenue/Tankage Charges Received**					
	Aegis Logistics Limited	**130.06**	130.55	**–**	–	–
c)	**Storage Revenue/Tankage Charges paid**					
	Aegis Logistics Limited	**96.12**	96.48	**–**	–	–
d)	**Dividend paid**					
	Aegis Logistics Limited	**5.77**	76.00	**–**	–	–
e)	**Trade Receivable**					
	Aegis Logistics Limited	**–**	–	**149.71**	321.45	176.05
f)	**Other Receivable**					
	Aegis Logistics Limited	**–**	–	**–**	–	26.72
g)	**Investments made/purchased**					
	Fellow Subsidiary company					
	Konkan Storage Systems (Kochi) Pvt. Ltd.	**2,325.00**	950.00	**3,275.00**	950.00	–
h)	**Amount paid on our behalf**					
	Aegis Logistics Limited	**14.84**	14.03	**–**	–	–

Note 34
Segment reporting

a) **Segment information for primary reporting (by Business segment)**

The Company has only one reportable business segment i.e Storage and Warehousing service.

Hence information for primary business segment is not given. Since the Company does not have more than one business segment, no separate disclosure for segment information is required to be made.

b) **Segment information for secondary segment reporting (by geographical segment)**

There is no reportable secondary segment.

c) Segment revenue reported represents revenue generated from external Customers.

d) Customers who contributed 10% or more of the revenue for the year are:

1	Customer A	23.81% *(P.Y. 19.58%)*
2	Customer B	12.91% *(P.Y. 12.31%)*

Notes to Financial Statements

Note 35
Employee Benefits

Defined contribution plan

The Company makes provident fund and superannuation fund contributions to defined contribution retirement benefit plans for eligible employees. Under the schemes, the Company is required to contribute a specified percentage/fixed amount of the payroll costs to fund the benefits. The contributions as specified under the law are paid to the provident fund set up by the government authority.

Defined benefit plan - Gratuity

The Company has non-funded defined benefit plan for eligible employees. The scheme provides payment to vested employees at retirement, death or on resignation/termination of employment of an amount equivalent to 15 days salary for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service.

Leave plan

This scheme provides payment to all eligible employees can carry forward and avail/encash leave as per Company's rules subject to a maximum accumulation of 90 days in case of privileged leave as per Company's rules.

The present value of the defined benefit plans and the related current service cost were measured using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date.

The following table sets out unfunded status of the gratuity plan and the amounts recognised in the statement of profit and loss.

Rupees in lakhs

Particulars	**For the year ended March 31, 2018**	For the year ended March 31, 2017	For the year ended March 31, 2016
Present value of unfunded defined benefit obligation	**30.60**	22.60	22.32
Net deficit/ (assets) are analysed as:			
Net defined benefit liability/(assets) recognized in balance sheet	**30.60**	22.60	22.32
Net defined benefit liability/(assets) is bifurcated as follows:			
Current	**10.84**	1.06	5.07
Non-current	**19.76**	21.54	17.25

Fair value of the plan assets and present value of the defined benefit liabilities

The amount included in the Balance sheet arising from the Company's obligations and plan assets in respect of its defined benefit schemes is as follows:

Rupees in lakhs

Particulars	**For the year ended March 31, 2018**	For the year ended March 31, 2017	For the year ended March 31, 2016
Movement in defined benefit obligations:			
At the beginning of the year	**22.60**	22.32	19.88
Current service cost	**2.03**	1.78	1.52
Interest cost	**1.59**	1.53	1.47
Remeasurements :			
(Gain)/loss from change in financial assumptions	**0.67**	0.85	–
(Gain)/loss from change in demographic assumptions	**1.19**	–	–
Experience (gains)/losses	**2.52**	0.30	2.77
Benefits paid	**–**	(4.18)	(3.32)
At the end of the year	**30.60**	22.60	22.32

Notes to Financial Statements

The components of defined benefit plan cost are as follows:

Rupees in lakhs

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016
Recognised in Income Statement			
Current service cost	**2.03**	1.78	1.52
Interest cost/(income) (net)	**1.59**	1.53	1.47
Total	**3.62**	3.31	2.99
Recognised in Other Comprehensive Income			
Remeasurement of net defined benefit liability/(asset)	**4.38**	1.15	2.77
Cumulative post employment (gains) recognised in the SOCI	**8.00**	4.46	5.76

The principal actuarial assumptions used for estimating the Company's benefit obligations are set out below (on a weighted average basis):

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Rate of increase in salaries	**6.00%**	5.00%	5.00%
Discount rate	**7.75%**	7.20%	7.75%
Attrition rates	**15% at younger ages reducing to 2% at older ages**	15% at younger ages reducing to 2% at older ages	15% at younger ages reducing to 2% at older ages

Notes:

1. **Discount rate**

   The discount rate is based on the prevailing market yields of Indian government securities for the estimated term of the obligations.

2. **Salary escalation rate**

   The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

3. Assumptions regarding future mortality experience are set in accordance with the statistics published by the Life Insurance Corporation of India.

Sensitivity of the defined benefit obligation:

Particulars	Change in Assumption	Effect of Gratuity Obligation As at March 31, 2018	Effect of Gratuity Obligation As at March 31, 2017
Discount rate	Minus 50 basis points	**31,34,669.00**	23,42,666.00
Rate of increase in salaries	Plus 50 basis points	**31,35,568.00**	23,44,044.00

The above sensitivity analyses have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the reporting date. In practice, generally it does not occur. When we change one variable, it affects to others. In calculating the sensitivity, project unit credit method at the end of the reporting period has been applied.

The weighted average duration of the defined benefit obligation is 4.72 years.

The Company makes payment of liabilities from its cash balances whenever liability arises.

Notes to Financial Statements

Note 36
Capital Management

The Company manages its capital to ensure that entities in the Company will be able to continue as going concerns while maximizing the return to stakeholders through the optimization of the debt and equity balance.

For the purpose of the Company's capital management, capital includes issued capital and other equity reserves. The primary objective of the Company's Capital Management is to maximize shareholders value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Company monitors capital using Adjusted net debt to equity ratio. For this purpose, adjusted net debt is defined as total debt less cash and bank balances.

Rupees in lakhs

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Current borrowings	**–**	–	3,800.00
Gross debt	**–**	–	3,800.00
Less - Cash and cash equivalents	**(1,377.37)**	(208.53)	(194.54)
Less - Other bank deposits	**–**	–	(1,680.84)
Adjusted net debt	**(1,377.37)**	(208.53)	1,924.62
Total equity	**19,055.73**	14,940.56	11,441.12
Adjusted net debt to equity ratio	**(0.07)**	(0.01)	0.17

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest bearing loans and borrowings that define capital structure requirements. Breaches in financial covenants would permit the bank to immediately call loans and borrowings.

Note 37
Financial instruments – Fair values and risk management

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

A. Accounting classification and fair values

Rupees in lakhs

	Carrying amount			**Fair value**			
As at March 31, 2018	**FVTPL**	**Amortised Cost**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets							
Cash and cash equivalents	**–**	**1,377.37**	**1,377.37**	**–**	**–**	**–**	**–**
Non-current investments	**3,275.00**	**(736.41)**	**2,538.59**	**–**	**3,275.00**	**–**	**3,275.00**
Trade receivables	**–**	**1,193.88**	**1,193.88**	**–**	**–**	**–**	**–**
Other Non-current financial asset	**–**	**10.19**	**10.19**	**–**	**–**	**–**	**–**
	3,275.00	**1,845.03**	**5,120.03**	**–**	**3,275.00**	**–**	**3,275.00**
Financial liabilities							
Trade payables	**–**	**105.57**	**105.57**	**–**	**–**	**–**	**–**
Other Current financial liabilities	**–**	**12.68**	**12.68**	**–**	**–**	**–**	**–**
	–	**118.25**	**118.25**	**–**	**–**	**–**	**–**

Notes to Financial Statements

Rupees in lakhs

	Carrying amount			Fair value			
As at March 31, 2017	FVTPL	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets							
Cash and cash equivalents	–	208.53	208.53	–	–	–	–
Non-current investments	950.00	(259.48)	690.52	–	950.00	–	950.00
Trade receivables	–	1,037.37	1,037.37	–	–	–	–
Other Non-current financial asset	–	10.19	10.19	–	–	–	–
	950.00	996.61	1,946.61	–	950.00	–	950.00
Financial liabilities							
Trade payables	–	40.25	40.25	–	–	–	–
Other Current financial liabilities	–	8.81	8.81	–	–	–	–
	–	49.06	49.06	–	–	–	–

Rupees in lakhs

	Carrying amount			Fair value			
As at April 1, 2016	FVTPL	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets							
Cash and cash equivalents	–	194.54	194.54	–	–	–	–
Trade receivables	–	1,053.53	1,053.53	–	–	–	–
Other Non-current financial asset	–	9.14	9.14	–	–	–	–
Other Bank balances	–	1,680.84	1,680.84	–	–	–	–
Other Current financial asset	–	26.72	26.72	–	–	–	–
	–	2,964.77	2,964.77	–	–	–	–
Financial liabilities							
Short term borrowings	–	3,800.00	3,800.00	–	–	–	–
Trade payables	–	132.34	132.34	–	–	–	–
Other Current financial liabilities	–	8.81	8.81	–	–	–	–
	–	3,941.15	3,941.15	–	–	–	–

B. Measurement of fair values

The following tables show the valuation techniques used in measuring Level 2 fair values, as well as the significant unobservable inputs used.

Financial instruments measured at fair value

Type	Valuation technique and key inputs
Non-current investments - preference shares	Discounted cash flow at a discount rate that reflects the issuer's current borrowing rate at the end of the reporting period

Notes to Financial Statements

C. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk (including currency risk and interest rate risk)

Risk management framework

The Company has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports to the board of directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

The carrying amount of following financial assets represents the maximum credit exposure.

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

The average credit period on sale of goods ranges from 1 to 60 days. No interest is charged on trade receivables which are overdue. The Company has a credit management policy for customer onboarding, evaluation, credit assessment and setting up of credit limits.

Credit risk on its receivables is recognised on the statement of financial position at the carrying amount of those receivable assets, net of any provisions for doubtful debts. Receivable balances and deposit balances are monitored on a monthly basis with the result that the Company's exposure to bad debts is not considered to be material. The Company reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts.

Impairment

The ageing of trade and other receivables that were not impaired was as follows:

Rupees in lakhs

	March 31, 2018	March 31, 2017	April 1, 2016
Not past due	**657.40**	606.17	419.48
Past due 1–180 days	**42.37**	44.43	125.90
More than 180 days	**494.10**	386.78	508.15
Carrying amount of receivables	**1,193.88**	1,037.37	1,053.53

Management believes that the unimpaired amounts that are past due by more than 180 days are collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk, including underlying customers' credit ratings wherever available.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Ultimate responsibility for liquidity risk rest with the management, which has established an appropriate liquidity risk framework for the management of the Company's short term, medium-term and long term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Notes to Financial Statements

Exposure to liquidity risk

The following table details the Company's remaining contractual maturity for its financial liabilities. The table has been drawn up to reflect the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

Rupees in lakhs

		Contractual cash flows				
March 31, 2018	**Carrying amount**	**Total**	**0-1 year**	**1-2 years**	**2-5 years**	**More than 5 years**
Non-derivative financial liabilities						
Non interest bearing						
Trade payables	**105.57**	**105.57**	**105.57**	**–**	**–**	**–**
Other current financial liabilities	**12.68**	**12.68**	**12.68**	**–**	**–**	**–**
Sub total	**118.25**	**118.25**	**118.25**	**–**	**–**	**–**
Total	**118.25**	**118.25**	**118.25**	**–**	**–**	**–**

Rupees in lakhs

		Contractual cash flows				
March 31, 2017	Carrying amount	Total	0-1 year	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Non interest bearing						
Trade payables	40.25	40.25	40.25	–	–	–
Other current financial liabilities	8.81	8.81	8.81	–	–	–
Sub total	49.06	49.06	49.06	–	–	–
Total	49.06	49.06	49.06	–	–	–

Rupees in lakhs

		Contractual cash flows				
April 1, 2016	Carrying amount	Total	0-1 year	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Non interest bearing						
Trade payables	132.34	132.34	132.34	–	–	–
Intercorporate deposits	3,800.00	3,800.00	3,800.00	–	–	–
Other current financial liabilities	8.81	8.81	8.81	–	–	–
Sub total	3,941.15	3,941.15	3,941.15	–	–	–
Total	3,941.15	3,941.15	3,941.15	–	–	–

The gross inflows/(outflows) disclosed in the above table represent the contractual undiscounted cash flows relating to financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity.

Market risk

The Company does not have significant market risk.

Currency risk

The Company has no transactions denominated in foreign currencies.

Interest rate risk

The Company has no borrowings and so is not exposed to interest risk.

Notes to Financial Statements

Note: 38
Taxation:

Rupees in lakhs

Income tax recognised in Statement of Profit and Loss	Year ended 31.03.2018	Year ended 31.03.2017
Current tax - For the year	**896.07**	726.80
- For the earlier year	**12.28**	(13.76)
- MAT credit	**(896.07)**	(726.80)
Deferred tax	**61.84**	95.45
Total income tax expenses recognised in the current year	**74.12**	81.69
Income tax expense for the year reconciled to the accounting profit:		
Profit before tax	**4,199.40**	3,464.80
MAT rate	**21.3416%**	21.3416%
Income tax expense	**896.22**	739.44
Tax Effect of:		
Tax on transition provisions of MAT for Ind AS opening adjustments	**–**	–
Effect of income that is exempt from tax in MAT	**(2.29)**	(12.63)
Effect of expenses that are not deductible in determining taxable profits	**2.13**	–
MAT Credit	**(896.07)**	(726.80)
Adjustment in respect of earlier years (net)	**10.49**	(222.74)
Deferred tax impact mainly in respect of Depreciation, provision of gratuity & leave encashment	**61.84**	95.45
Income tax expense recognised in profit and loss	**72.33**	(127.28)

For the year ended March 31, 2018

Deferred tax (asset) / liability	Opening balance	Recognised in profit or loss (Expense) / Income	Recognised in other comprehensive income	Recognised in equity	Closing balance
Deferred tax asset / (liability)					
Fiscal allowance on fixed assets	534.84	63.58	–	–	598.42
Section 43B and 40A(7) items	(13.41)	(1.74)	–	–	(15.15)
Fair valuation gain on freehold land					
Others (includes fair valuation gain / loss on investments and derivatives, finance income / cost on loans given / dealer deposit, etc.)					
Remeasurement of defined benefit obligations					
MAT Credit	(3,114.51)	(897.86)	–	–	(4,012.37)
Total	**(2,593.08)**	**(836.02)**	**–**	**–**	**(3,429.10)**

Notes to Financial Statements

For the year ended March 31, 2017

Deferred tax asset / (liability)	Opening balance	Recognised in profit or loss (Expense) / Income	Recognised in other comprehensive income	Recognised in equity	Closing balance
Fiscal allowance on fixed assets	436.84	98.00	–	–	534.84
Section 43B and 40A(7) items	(10.89)	(2.52)	–	–	(13.41)
Fair valuation gain on freehold land					
Others (includes fair valuation gain / loss on investments and derivatives, finance income / cost on loans given / dealer deposit, etc.)					
Remeasurement of defined benefit obligations					
MAT Credit	(2,178.73)	(935.78)	–	–	(3,114.51)
Total	**(1,752.78)**	**(840.30)**	**–**	**–**	**(2,593.08)**

Note 39
Other Disclosures:

39.1 Imported and indigenous consumables consumed

Description	%	Amount
Year ended March 31, 2018		
Indigenous	100%	87.78
Total	100%	87.78
Year ended March 31, 2017		
Indigenous	100%	99.41
Total	100%	99.41

Note 40
First time Ind AS adoption reconciliation

a) Balance sheet reconciliation

Rupees in lakhs

	Note	As at March 31, 2017			As at April 1, 2016		
		Previous GAAP	Effect of transition to Ind AS	Ind AS	Previous GAAP	Effect of transition to Ind AS	Ind AS
<u>**Assets**</u>							
<u>**Non current assets**</u>							
Property, plant and equipment	1	8,634.68	1,136.71	9,771.39	9,026.32	1,136.71	10,163.03
Other intangible assets		1.13	–	1.13	0.91	–	0.91
Financial assets							
i. Investments							
a) Investments in subsidiaries		950.00	–	950.00	–	–	–
ii. Other financial assets- Security deposits		10.19	–	10.19	9.14	–	9.14
Current tax assets (net)		3,212.73	–	3,212.73	2,261.68	–	2,261.68
Other non current assets		147.68	–	147.68	156.25	–	156.25
Total non current assets		**12,956.41**	**1,136.71**	**14,093.12**	**11,454.30**	**1,136.71**	**12,591.01**

Notes to Financial Statements

Rupees in lakhs

	Note	As at March 31, 2017			As at April 1, 2016		
		Previous GAAP	Effect of transition to Ind AS	Ind AS	Previous GAAP	Effect of transition to Ind AS	Ind AS
Current assets							
Inventories		99.41	–	99.41	104.87	–	104.87
Financial assets							
i. Trade receivables		1,037.37	–	1,037.37	1,053.53	–	1,053.53
ii. Cash and cash equivalents		208.53	–	208.53	194.54	–	194.54
iii. Other bank balances		–	–	–	1,680.84	–	1,680.84
iv. Other financial assets		–	–	–	26.72	–	26.72
Other current assets		333.29	–	333.29	391.00	–	391.00
Total current assets		**1,678.60**	**–**	**1,678.60**	**3,451.50**	**–**	**3,451.50**
Total assets		**14,635.01**	**1,136.71**	**15,771.72**	**14,905.80**	**1,136.71**	**16,042.51**
Equity and liabilities							
Equity							
Equity share capital		125.00	–	125.00	125.00	–	125.00
Other equity	Note c	13,940.27	875.31	14,815.58	10,440.84	875.28	11,316.12
Total equity		**14,065.27**	**875.31**	**14,940.58**	**10,565.84**	**875.28**	**11,441.12**
Liabilities							
Non-current liabilities							
Provisions		30.92	–	30.92	24.64	–	24.64
Deferred tax liabilities (net)	4	260.00	261.40	521.40	164.52	261.43	425.95
Total non-current liabilities		**290.92**	**261.40**	**552.32**	**189.16**	**261.43**	**450.59**
Current liabilities							
Financial liabilities							
i. Borrowings		–	–	–	3,800.00	–	3,800.00
ii. Trade payables							
Total outstanding dues of creditors other than micro enterprises and small enterprises		40.25	–	40.25	132.34	–	132.34
iii. Other financial liabilities		8.81	–	8.81	8.81	–	8.81
Provisions		2.83	–	2.83	6.83		6.83
Other current liabilities		226.93	–	226.93	202.82	–	202.82
Total current liabilities		**278.82**	**–**	**278.82**	**4,150.80**	**–**	**4,150.80**
Total liabilities		**569.74**	**261.40**	**831.14**	**4,339.96**	**261.43**	**4,601.39**
Total equity and liabilities		**14,635.01**	**1,136.71**	**15,771.72**	**14,905.80**	**1,136.71**	**16,042.51**

Notes to Financial Statements

b) Reconciliation of statement of profit and loss for the year ended 31st March, 2017

Rupees in lakhs

		Note	Previous GAAP	Effect of transition to Ind AS	Ind AS
I	Revenue from operations		4,883.06	–	4,883.06
II	Other income		67.46	–	67.46
III	**Total income (I + II)**		4,950.52	–	4,950.52
IV	**Expenses**				
	Employee benefits expenses	3	119.42	(1.15)	118.27
	Depreciation and amortisation expense		445.75	–	445.75
	Finance costs		0.89	–	0.89
	Other expenses		920.82	–	920.82
	Total expenses		1,486.88	(1.15)	1,485.73
V	**Profit before tax (III- IV)**		3,463.64	1.15	3,464.79
VI	**Income tax expense**				
	Current tax		(222.74)	–	(222.74)
	Deferred tax	4	95.48	(0.03)	95.45
	Total tax expense		(127.26)	(0.03)	(127.29)
VII	**Profit for the year (V- VI)**		3,590.90	1.18	3,592.08
VIII	**Other comprehensive income**				
	(i) Items that will not be reclassified to profit or loss				
	Remeasurement of defined benefit obligations		–	1.15	1.15
	Other comprehensive income (Net of tax)		–	(1.15)	(1.15)
IX	**Total comprehensive income (VII+VIII)**		3,590.90	0.03	3,590.93

c) Reconciliation of Net Profit and Equity as reported under previous GAAP and Ind AS is as under:

Rupees in lakhs

		Net profit Reconciliation	Equity Reconciliation	
Particulars	**Note (d)**	**Year ended March 31, 2017**	**As at March 31, 2017**	**As at April 1, 2016**
Net (Loss)/equity as per previous Indian GAAP		3,590.90	13,940.27	10,440.84
<u>Ind AS Adjustments:</u>				
Fair Valuation of Freehold Land	1	–	1,136.71	1,136.71
Acturial Loss on Employee Benefits	2	1.15	–	–
Impact of deferred tax on above adjustment	3	0.03	(261.40)	(261.43)
		1.18	875.31	875.28
Net profit for the period as per Ind AS		**3,592.08**	**14,815.58**	**11,316.12**
Other comprehensive income (net of tax)	5	(1.15)	–	–
Total Comprehensive income/Equity as per Ind AS		**3,590.93**	**14,815.58**	**11,316.12**

Notes to Financial Statements

d) Effect of Ind AS adoption on the Statement of Cash Flows for the year ended March 31, 2017:

Rupees in lakhs

	Note	Previous GAAP	Effect of transition to Ind AS	Ind AS
Net cash flow from operating activities		–	–	–
Net cash flow (used in) investing activities		–	–	–

e) Notes to the reconciliation:

1 The Company have considered fair value for property, viz freehold land, situated in India, with impact of Rs. 1136.71 lakhs in accordance with stipulations of Ind AS 101 with the resultant impact being accounted for in the reserves.

2 Under previous GAAP, Company recognises actuarial gains/losses on defined benefit plan in the profit and loss account. Under Ind AS, the actuarial gains and losses will be recognised in other comprehensive income as remeasurements.

3 Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind-AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. It also includes impact of deferred tax arising on account of transition to IND AS.

4 Under previous GAAP, minimum alternate tax entitlements were classified under other non-current assets. Under Ind AS, it is classified as unused tax credits under deferred tax.

Note 41

The Board of Directors of the Company has recommended a final dividend of Rs. 0.50 per equity share for the year ended March 31, 2018 (Previous Year Rs. 0.50 per equity share). The said dividend will be paid after the approval of shareholders at the Annual General Meeting.

Note 42

Approval of financial statements:

The financial statements were approved for issue by the Board of Directors on 30th May, 2018

For P. D. Kunte & Co. (Regd.)
Chartered Accountants
Firm Registration Number: 105479W

D. P. Sapre
Partner
Membership No.: 40740
Mumbai, 30th May, 2018

For and on behalf of the Board of Director

Raj K. Chandaria
Chairman
DIN: 00037518

Kanwaljit S. Nagpal
Director
DIN: 00012201

SEA LORD CONTAINERS LIMITED

CIN : U21029GJ1979PLC034027

Regd. Office : 502, Skylon, G.I.D.C., Char Rasta, Vapi - 396 195, Dist. Valsad, Gujarat
Corporate office : 1202, Tower B, Peninsula Business Park, G.K. Marg, Lower Parel (W), Mumbai - 400 013, India
E-mail : secretarial@sealordindia.net

ATTENDANCE SLIP

Client ID*	
DP ID*	

Folio No.	
No. of Shares	

I hereby record my presence at the 38th Annual General Meeting of the Company held on Thursday, 9th August, 2018 at 9.30 a.m. at Fortune Park Galaxy, National Highway No. 8, G.I.D.C., Vapi - 396 195, Gujarat.

______________________________ ______________________________

Full name of the Shareholder/Proxy Signature

Note: Shareholders attending the Meeting in person or by proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall.

*Applicable for investors holding shares in electronic form.

SEA LORD CONTAINERS LIMITED

CIN : U21029GJ1979PLC034027

Regd. Office : 502, Skylon, G.I.D.C., Char Rasta, Vapi - 396 195, Dist. Valsad, Gujarat
Corporate office : 1202, Tower B, Peninsula Business Park, G.K. Marg, Lower Parel (W), Mumbai - 400 013, India
E-mail : secretarial@sealordindia.net

MGT-11
PROXY FORM

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

Name of the Member(s)	
Registered Address	
Email Id	
Folio No./ Client Id	
DP ID	

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

1. Name: ____________________ of ____________________ ____________ Email ID: ____________ Signature____________, or failing him
2. Name: ____________________ of ____________________ ____________ Email ID: ____________ Signature____________, or failing him
3. Name: ____________________ of ____________________ ____________ Email ID: ____________ Signature____________

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 38th Annual General Meeting of the Company, to be held on the Thursday, 9th August, 2018 at 9.30 a.m. at Fortune Park Galaxy, National Highway No.8, G.I.D.C., Vapi - 396 195, Gujarat and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution Number	**Resolution**	**Vote (Optional see Note 2) (Please mention no. of shares)**		
		For	**Against**	**Abstain**
Ordinary Business				
1.	To consider and adopt Balance Sheet, Statement of Profit & Loss and Cash Flow Statement, Report of the Board of Directors and Auditors for the financial year ended 31st March, 2018.			
2.	To declare Final Dividend on Equity shares @ 5 % i.e. Re. 0.50 per share (face value of Rs.10/- each).			
3.	To appoint Mr. Anish K. Chandaria (DIN-00296538), who retires by rotation.			
Special Business				
4.	To approve change in appointment of Mr. Kanwaljit S. Nagpal (DIN-00012201) as Non-Executive Director w.e.f. 1st April, 2019.			
5.	To approve change in appointment of Mr. Jaideep D. Khimasia (DIN-07744224) from Independent to Non-Executive Director w.e.f. 1st April, 2019.			

Signed this _______________ day of ________________, 2018

Signature of Shareholder: ______________________________

Affix Re. 1/- Revenue Stamp

Signature of Proxy holder(s): ____________________________

Note: 1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

2. It is optional to indicate your preference. If you leave the For, Against or Abstain column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.

3. The Proxy-holders are requested to carry their identity proofs at the time of attending the Meeting.

BOOK POST/COURIER

If undelivered, please return to:

AEGIS

SEA LORD CONTAINERS LIMITED

CIN : U21029GJ1979PLC034027

Corporate Office : 1202, Tower B, Peninsula Business Park, G. K. Marg, Lower Parel (W), Mumbai - 400 013.

E-mail : secretarial@sealordindia.net

vakils