

36TH ANNUAL REPORT
2015-2016



SEA LORD CONTAINERS LIMITED

36TH ANNUAL REPORT 2015-16

Board of Directors	:	Mr. Raj K. Chandaria (Chairman) Mr. Anish K. Chandaria (Managing Director) Mr. Dineshchandra J. Khimasia Mr. Kanwaljit S. Nagpal
Chief Financial Officer	:	Mr. Rohitkumar P. Kotak
Company Secretary	:	Ms. Monica T. Gandhi
Registered Office	:	502, Skylon, G.I.D.C., Char Rasta, Vapi-396 195, Dist. Valsad, Gujarat
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. Commonwealth Bank of Australia
Registrar & Share Transfer Agents	:	Sharepro Services (I) Pvt. Ltd. 416-420, Devnandan Mall, Opp. Sanyas Ashram, Ellisbridge, Ahmedabad – 380 006. Tel.: 079-26582381-84 Fax : 079-26582385 Email: sharepro.ahmedabad@shareproservices.com

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NOTICE

NOTICE is hereby given that the 36th Annual General Meeting of the Members of SEA LORD CONTAINERS LIMITED will be held on Friday, 5th August, 2016 at 10.45 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 Statements of the Company for the financial year ended 31st March, 2016 including the Audited Balance Sheet as at 31st March, 2016 and Statement of Profit & Loss and Cash Flow Statement for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Raj K. Chandaria (DIN – 00037518), who retires by rotation and being eligible, offers himself for re-appointment.
3. To ratify the appointment of M/s. P. D. Kunte & Co., Chartered Accountants (ICAI Firm Registration No. 105479W) as Statutory Auditors of the Company from the conclusion of this meeting until the conclusion of the next Annual General Meeting on such remuneration as may be determined by the Audit Committee and finalised by the Board of Directors of the Company in accordance with Sections 139, 141, 142 of Companies Act, 2013.

SPECIAL BUSINESS**4. Service of Documents to the members of the Company.**

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

“RESOLVED THAT pursuant to provisions of Section 20 of the Companies Act, 2013 (“Act”) and rules made there under or any other applicable law, the consent of the members be and is hereby accorded to authorize the Directors and Key Managerial Personnel of the Company to determine and charge from the members such amount as may be deemed fit as an advance amount being equivalent to the estimated actual expenses for delivery of the documents to the members in a mode specified by the member.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, Directors and Key Managerial Personnel of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things as they may in their absolute discretion as may deem necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in respect of the matter aforesaid and further to do all such acts, deeds and things as may be necessary, proper or desirable or expedient to give effect to the above resolution.”

5. Adoption of new set of Articles of Association of the Company incorporating the provisions of Companies Act, 2013 and the Rules made thereunder.

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

“RESOLVED THAT pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Incorporation) Rules, 2014,

including any statutory modification(s) or reenactment(s) thereof, for the time being in force, the consent of the members be and is hereby accorded for approval and adoption of the draft regulations contained in the Articles of Association of the Company in substitution and to the entire exclusion of the regulations contained in the existing Articles of Association of the Company;

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, Directors and Key Managerial Personnel of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things as they may in their absolute discretion as may deem necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in respect of the matter aforesaid and further to do all such acts, deeds and things as may be necessary, proper or desirable or expedient to give effect to the above resolution.”

For and on behalf of the Board

Monica T. Gandhi
Company Secretary

Place : Mumbai

Dated : 30th May, 2016

NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (the Act), relating to the Business as set out in Item nos. 4 & 5 of the Notice are annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY AND VOTE ON POLL INSTEAD OF HIMSELF AND PROXY NEED NOT BE A MEMBER OF THE COMPANY. The proxies to be effective should be deposited at the Registered Office of the Company not later than 48 hours before the commencement of the meeting.

A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten (10%) percent of the total share capital of the company carrying voting rights. A member holding more than ten (10%) 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 are requested to send a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting.
4. 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.
5. The Register of Contracts or Arrangements maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the AGM.
6. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 30th July, 2016 to Friday, 5th August, 2016 (both days inclusive).

7. 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.
8. 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.
9. 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 and Share Transfer Agent.
10. 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:
- The respective Depository Participants (DP) (in case of the shares held in Electronic Mode) or;
 - The Registrar & Share Transfer Agents of the Company (R&T) (in case of the shares held in Physical form).
11. 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.
12. 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.
13. Members are requested to:
- Bring their copies of the Annual Report at the time of attending the Annual General Meeting.
 - Complete the attendance slip and deposit the same at the entrance of the meeting hall.
 - 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.
14. All the documents referred to in the Notice will be made available for inspection at the Company's registered office

and Corporate Office during normal Business hours on working days up to the date of AGM.

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

Name of the Director	Mr. Raj K. Chandaria
DIN	00037518
Date of Birth	10/09/1959
Date of Appointment as Director	27/03/2008
Qualification	B.Sc. (Economics) from the London School of Economics MBA from Boston University
Brief resume & Expertise in specific functional areas	Mr. Raj K. Chandaria, 56 years of age, has over two decades of experience in the International Business Arena
*Directorships in other Public Limited Companies	<ul style="list-style-type: none"> ➤ Aegis Logistics Ltd. ➤ Hindustan Aegis LPG Ltd. ➤ Konkan Storage Systems (Kochi) Pvt. Ltd ➤ Eastern India LPG Co. Pvt. Ltd. ➤ Aegis Gas (LPG) Pvt. Ltd. ➤ Aegis LPG Logistics (Pipavav) Ltd. ➤ Aegis Terminal (Pipavav) Limited
**Committee Positions held in Companies (including Sea Lord Containers Limited)	<u>Audit Committee</u> <ul style="list-style-type: none"> ➤ Hindustan Aegis LPG Ltd. (M) <u>Stakeholders Relationship Committee</u> <ul style="list-style-type: none"> ➤ Sea Lord Containers Ltd. (M)
C - Chairman	
M - Member	
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.

16. 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 Sarvodaya to Fortune Park Galaxy

For and on behalf of the Board

Monica T. Gandhi
Company Secretary

Place : Mumbai

Dated : 30th May, 2016

Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013

Item No. 4

Pursuant to the provisions of Section 20 of the Companies Act, 2013 read with the rules made thereunder, a member may request for delivery of any documents through any particular mode as stated by the member of the Company for which he shall pay fees as may be determined by the company with the consent of its members at Annual General Meeting.

In view of the same, it is considered proper to authorize its Directors and Key Managerial Personnel severally to determine and charge such amount as may be deemed fit from time to time as an advance amount being equivalent to the actual or estimated expenses for the delivery of the documents to the members in a mode specified by them.

None of the Directors and Key Managerial Personnel (KMP) or relatives of directors and KMPs are concerned or interested in the Resolution at Item No. 4 of the accompanying Notice.

The Board recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the shareholders.

Item No. 5

The existing Articles of Association ("AOA") of the Company are based on the Companies Act, 1956 and several regulations in the existing AOA contain references to specific Sections of the Companies Act, 1956 and some of the regulations in the extant AOA are no longer in conformity with the Companies Act, 2013 ("the Act"). With the Act coming into force (Excluding/barring a few provisions which are yet to be notified with time), several regulations of the extant AOA of the Company require alterations/ modifications or deletions. Hence, it is considered prudent to replace the extant AOA completely with a new set of regulations.

Following are the salient features of the changes made in the new draft of AOA of the Company:

- i. Existing AOA have been streamlined and aligned with the Act;
- ii. The statutory provisions of the Act which permits a Company to do some acts "if so authorized by its Articles" or provisions which require a company to do acts in a prescribed manner "unless the Articles otherwise provide" have been specifically included; and
- iii. The entire set of extant regulations of AOA are replaced making the new AOA clear, crisp and concise for the ease of reading and understanding.

Pursuant to the provisions of Section 14 of the Companies Act, 2013, an amendment of the AOA requires the approval of the Members by way of a Special Resolution. Accordingly, consent of the Members is sought for approving the Special Resolution set out at Item No. 5 of the Notice.

Copies of the existing and new AOA of the Company are available for inspection at the Registered Office of the Company during business hours on any working day up to the date of the Annual General Meeting.

None of the Directors and Key Managerial Personnel (KMP) or relatives of directors and KMPs are concerned or interested in the Resolution at Item No. 5 of the accompanying Notice.

The Board recommends the Special Resolution set out at Item No. 5 of the Notice for approval by Members.

For and on behalf of the Board

Monica T. Gandhi
Company Secretary

Place : Mumbai

Dated : 30th May, 2016

DIRECTORS' REPORT**To the Members of the Company**

The Directors have pleasure in presenting the 36th Annual Report and Audited Statement of Accounts of the Company for the year ended 31st March, 2016.

FINANCIAL PERFORMANCE

(Rs. in Lacs)

	2015-16	2014-15
Operating Revenue	4857.52	3938.39
Profit before interest, depreciation & Tax (PBIDT)	3898.44	2992.09
Finance Cost	21.91	182.56
Depreciation	447.07	410.55
Profit before tax	3429.46	2398.97
Total tax expenses	100.79	7.74
Net Profit after tax	3328.66	2391.23
Balance in P & L A/c.	5901.17	4905.82
Less : Appropriations		
– Arrears of Dividend on cumulative preference shares	0	166.59
– Tax on Dividend	0	29.29
– Transfer to Capital Redemption Reserve	0	1200.00
Balance at the end of the year	9229.83	5901.17

OPERATIONS

During the year under review, the Company's Bulk Liquid Terminal continued operations at full capacity. The Company recorded a Turnover of Rs. 4857.52 lacs (Previous year Rs. 3938.39 lacs), increase of 23.34% on YoY basis on account of product mix. Net Profit after Tax was recorded at Rs. 3328.66 lacs (Previous year Rs. 2391.23 lacs), an increase of 39.20%.

OUTLOOK FOR THE COMPANY

During FY15-16, the Indian economy grew at a respectable rate, despite the challenges of a subdued monsoon. The revival of economic growth and a return to market pricing of fuels resulted in an improvement in business sentiment in the oil sector. However, the rapid decline in international oil prices brought about some uncertainty in the fourth quarter in all petroleum and petrochemical products resulting in lower imports during that period. With a more stable oil price, both imports and exports of bulk liquids have subsequently stabilized.

The Company benefitted from the commissioning of the second chemical berth at Pir Pau with faster turnaround of vessels.

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

DIVIDEND

The Directors do not recommend any dividend on the equity or preference shares of the Company for the financial year 2015-16.

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

The Company has been informed by Ahmedabad Stock Exchange Limited vide its letter dated 25th June, 2015 stating that the Company has been moved to the Dissemination Board of National Stock Exchange of India Limited. Further, it is also mentioned in the aforesaid letter that the Company shall now be treated as unlisted from Ahmedabad Stock Exchange Limited. This is in view of Ahmedabad Stock Exchange Limited being derecognized.

DIRECTORS & KEY MANAGEMENT PERSONNEL

Pursuant to Section 152 of the Companies Act, 2013, Mr. Raj K. Chandaria, Director of the Company retires by rotation and being eligible, offers himself for re-appointment.

During the year, the Board of Directors on the recommendation of Nomination & Remuneration have appointed Mr. Anish K. Chandaria as the Managing Director of the Company w.e.f. 11th August, 2015 (subject to the Central Government approval), Mr. R. P. Kotak as the Chief Financial Officer w.e.f. 11th August, 2015 and Ms. Monica T. Gandhi as the Company Secretary w.e.f. 10th March, 2016.

During the year Mr. Rajesh Solanki resigned as Company Secretary w.e.f. 29th February, 2016.

DISCLOSURE FROM INDEPENDENT DIRECTORS

Pursuant to the provisions of Section 134 of the Companies Act, 2013 with respect to the declaration given by the 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).

AUDITORS

As per the provisions of Sections 139, 141 of the Companies Act, 2013 and rules made thereunder, the Company had, in its Annual General Meeting held on 31st July, 2014, approved the appointment of M/s. P. D. Kunte & Co., Chartered Accountants, Mumbai, to hold office till the conclusion of the third consecutive Annual General Meeting, subject to ratification by the members at every Annual General Meeting. In compliance with the same, the Directors do hereby place for ratification, the re-appointment of M/s. P. D. Kunte & Co., Chartered Accountants, Mumbai, until the conclusion of the next Annual General Meeting.

OCCUPATIONAL HEALTH, SAFETY AND ENVIRONMENT

The Company is holding coveted certifications, viz. ISO-9001 (2008), ISO-14001 (2004) and OHSAS-18001 (2007) and

thereby meet all Quality, Environmental Safety Standards specified under these Certifications.

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

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of the Annual Report.

However, having regard to the provisions of the first proviso to Section 136(1) of the Act and as advised, the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said information is available for inspection at the registered office of the Company during working hours and any member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request.

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors would like to inform the Members that the Audited Accounts for the financial year ended 31st March 2016 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 and loss 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 Audit Committee of 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 Audit Committee of 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.

COMPOSITION OF AUDIT COMMITTEE

The Company has an Audit Committee comprising of the following two Non-executive Independent Directors and one Executive Director.

1. Mr. Dineshchandra J. Khimasia (Chairman)
2. Mr. Kanwaljit S. Nagpal
3. Mr. Anish K. Chandaria

During the year, the Board of Directors of the Company had always accepted the recommendations of the Audit Committee.

VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES

The Company, pursuant to Section 177 of Companies Act, 2013 read along with the rules made thereunder has established vigil mechanism for Directors and Employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The scope of the policy is that it covers any Alleged Wrongful Conduct and other matters or activity on account of which the interest of the Company is affected and is formally reported by Whistle Blower(s). The Whistle Blower's role is that of a reporting party with reliable information. They are not required or expected to act as investigators or finders of facts, nor would they determine the appropriate corrective or remedial action that may be warranted in a given case.

The Company has a vigil mechanism to deal with instance of fraud and mismanagement, if any.

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

In terms of the provisions of Section 178 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014, the Company duly constituted a Nomination and Remuneration (N&R) Committee comprising of the following members:

1. Mr. Dineshchandra J. Khimasia (Chairman)
2. Mr. Kanwaljit S. Nagpal
3. Mr. Raj K. Chandaria

The N&R Committee identified persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the laid down criteria, recommend to the Board their appointment and renewal and shall carry out evaluation of every Director's performance. The Committee formulates criteria for determining qualifications, positive attributes and independence of a Director and recommends to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

The Remuneration policy reflects the Company's objectives for good corporate governance as well as sustained and long-term value creation for stakeholders'. The Policy will also help the Company to attain optimal Board diversity and create a basis for succession planning. In addition, it is intended to ensure that –

- a) the Company is able to attract, develop and retain high-performing and motivated Executives in a competitive international market;
- b) the Executives are offered a competitive and market aligned remuneration package, with fixed salaries being a significant remuneration component, as permissible under the Applicable Law;
- c) remuneration of the Executives is aligned with the Company's business strategies, values, key priorities and goals.

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 as on 31st March, 2016 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)	ED – NI	1
Mr. Dineshchandra J. Khimasia	NED - I	1
Mr. Kanwaljit S. Nagpal	NED - I	1

ED–NI: Executive Director – Non-Independent

NED-I: Non-Executive Director – Independent

The Corporate Social Responsibility Committee Meeting was held on 22nd September, 2015.

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 read with Schedule VI to the Companies Act, 2013. However, 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.

All Related Party Transactions are placed before the Audit Committee for approval. Prior omnibus approval of the Audit Committee is obtained on a yearly basis for the transactions which are of a foreseen and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted are audited and a statement giving details of all related party transactions is placed before the Audit Committee on a quarterly basis. The policy on Related Party Transactions as approved by the Board and was revised by the Board on 28th January, 2016. The same is uploaded on the Company's website at http://www.aegisindia.com/sealord_containers_limited.aspx

DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY

The Company has constituted a non mandatory committee for risk management consisting comprising of the following members and its terms of reference are as under:

1. Mr. Raj K. Chandaria (Chairman)
2. Mr. Dineshchandra J. Khimasia
3. Mr. Kanwaljit S. Nagpal
4. Mr. Rajiv M. Chohan

The Committee lays down procedures to inform Board members about the risk assessment and minimization procedures, monitor and review risk management plan and for carrying out such other functions as may be directed by the Board.

The Company adopted a risk management policy including identification therein of elements of risk, and action taken by the Company to mitigate those risks.

The specific objectives of the Risk Management Policy are to ensure that all the current and future material risk exposures of the company are identified, assessed, quantified, appropriately mitigated and managed, to establish a framework for the company's risk management process and to ensure companywide implementation, to ensure systematic and uniform assessment of risks related with Oil, Gas & Chemicals Logistics business, to enable compliance with appropriate regulations, wherever applicable, through the adoption of best practices and to assure business growth with financial stability.

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, 2016, 5 Board Meetings were held on the following dates:

1. 28th May, 2015
2. 11th August, 2015
3. 3rd November, 2015
4. 28th January, 2016
5. 10th March, 2016

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, 2016 there were nil complaints recorded pertaining to sexual harassment.

SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 134(3) and Section 204 of Companies Act, 2013 read along with the rules made thereunder, the Board of Directors of the Company appointed Mr. Prasen Naithani of P. Naithani & Associates, Company Secretaries in Practice, to conduct the Secretarial Audit. The Secretarial Audit Report for the financial year ended 31st March, 2016 forms part of this Report and is annexed herewith as 'Annexure D'.

The Secretarial Audit Report confirms that the Company has complied with all the applicable provisions of the Companies

Act, 2013, Securities Contracts (Regulation) Act, 1956, Depositories Act, 1996, the Foreign Exchange Management Act, 1999 to the extent applicable to Overseas Direct Investment (ODI) and Foreign Direct Investment (FDI), all the Regulations and Guidelines of Securities and Exchange Board of India as applicable to the Company from time to time.

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

A detailed discussion was done considering the inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

For the performance evaluation of the board and committees, the process seems usually to involve questionnaires devised in house. The process is led by the chairman or the senior independent director who will analyse the completed questionnaires. The results are then reported to the chairman of the Board.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board (excluding the director being evaluated). The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

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
Chairman

Place : Mumbai
Dated : 30th May, 2016

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, 2016)

(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:

1. The energy consultant completed the audit of energy conservation project. The recommendations with savings potential is being worked out.
2. Replacement of old air conditioners (without star ratings) to newer energy efficient models.
3. The Leakages in service air lines are being identified and plugged so that the compressors do not run unnecessary.

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

The company is preparing a study report on the use of alternate green energy wherever possible in its operation.

- (iii) The capital investment on energy conservation equipments;

At the Company's terminal, efficacy of recommendations given by the Energy Consultants are being evaluated and planning is in process for implementation of the same.

(B) TECHNOLOGY ABSORPTION

- (i) The efforts made towards technology absorption:

The Company is taking various measures towards technology upgradation and innovation from time to time, viz. Installation of Automatic Power Factor Correction Panel, Mass Flow Meters and PLC System 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

Dated : 30th May, 2016

ANNEXURE 'B' TO THE DIRECTORS' REPORT

Form No. MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31/03/2016

[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	L21029GJ1979PLC034027
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	No (Cessed to be listed Company)
8	Name, Address and Contact details of Registrar and Transfer Agent, if any	Sharepro Services (I) Pvt. Ltd. 416-420, Devnandan Mall, Opp. Sanyas Ashram, Ellisbridge, Ahmedabad – 380 006. Tel.: 079-26582381-84 Fax : 079-26582385 Email: sharepro.ahmedabad@shareproservices.com

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 State, Gujarat, India	L63090GJ1956PLC001032	Holding Company	75%	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			% of Total shares	% of Total shares	% Change during the year
		Demat	Physical	Total	Demat	Physical	Total			
A. Promoter										
1. Indian										
	Individual/ HUF	0	0	0	0	0	0	0.00	0	0.00
	Central Govt	0	0	0	0	0	0	0.00	0	0.00
	State Govt	0	0	0	0	0	0	0.00	0	0.00
	Bodies Corp.	937500	0	937500	937500	0	937500	75.00	937500	75.00
	Banks/FI	0	0	0	0	0	0	0.00	0	0.00
	Any Other	0	0	0	0	0	0	0.00	0	0.00
	Sub-total A(1)	937500	0	937500	937500	0	937500	75.00	937500	75.00
2. Foreign										
	NRIs-Individuals	0	0	0	0	0	0	0.00	0	0.00
	Other Individuals	0	0	0	0	0	0	0.00	0	0.00
	Bodies Corp.	0	0	0	0	0	0	0.00	0	0.00
	Banks/FI	0	0	0	0	0	0	0.00	0	0.00
	Any other	0	0	0	0	0	0	0.00	0	0.00
	Sub-total A(2)	0	0	0	0	0	0	0.00	0	0.00
Total shareholding of Promoter = (A)=(A)(1)+(A)(2)										
		937500	0	937500	937500	0	937500	75.00	937500	75.00
B. Public Shareholding										
1. Institutions										
	a Mutual Funds	0	0	0	0	0	0	0.00	0	0.00
	b Banks/Financial Institutions	0	0	0	0	0	0	0.00	0	0.00
	c Central/State Government	0	0	0	0	0	0	0.00	0	0.00
	d Venture Capital Funds	0	0	0	0	0	0	0.00	0	0.00
	e Insurance Companies	0	0	0	0	0	0	0.00	0	0.00
	f Foreign Institutional Investors	0	0	0	0	0	0	0.00	0	0.00
	g Foreign Venture Capital Funds	0	0	0	0	0	0	0.00	0	0.00
	h Foreign Portfolio Corp.	0	0	0	0	0	0	0.00	0	0.00
	i Qualified Foreign Investor	0	0	0	0	0	0	0.00	0	0.00
	Others (specify)	0	0	0	0	0	0	0.00	0	0.00
	Sub-total (B)(1)	0	0	0	0	0	0	0.00	0	0.00

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

(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			% of Total shares during the year
		Demat	Physical	Total	Demat	Physical	Total	
2	Non-Institutions							
	a Bodies Corp.							
	i Indian	174551	23300	197851	199101	0	199101	15.93
	ii Overseas	0	0	0	0	0	0	0.00
	b Individuals							
	i Individual shareholders holding nominal share capital upto Rs. 1 lakh/ 2 lakh	5200	109049	114249	6801	106198	112999	9.04
	ii Individual shareholders holding nominal share capital in excess of Rs. 1 lakh / 2 lakh	0	0	0	0	0	0	0.00
	c Others							
	OCB/Non Domestic Company	0	0	0	0	0	0	0.00
	Non-Resident Individuals	0	400	400	0	400	400	0.03
	Any Other - Trust	0	0	0	0	0	0	0.00
	Sub-total (B)(2)	179751	132749	312500	205902	106598	312500	25.00
	Total Public Shareholding (B)=(B)(1) + (B)(2)	179751	132749	312500	205902	106598	312500	25.00
C.	Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0.00
	Grand Total (A+B+C)	1117251	132749	1250000	1143402	106598	1250000	100.00

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			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	
1	Aegis Logistics Limited	937500	75.00	0	937500	75.00	0	0.00
	Total	937500	75.00	0	937500	75.00	0	0.00

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

Sl. No.	Date	Shareholding at the beginning of the year		Cumulative shareholding during the year		
		Aegis Logistics Limited		Aegis Logistics Limited		
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company	
	At the beginning of the year	01/04/2015	937500	75.00	937500	75.00
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons (*) for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)		There is no change in the shareholding during the year			
	At the end of the year	31/03/2016	937500	75.00	937500	75.00

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) as on 31/03/2016 :

Sl. No.	For Each of the Top 10 Shareholders	Date	METOCHEM INTERNATIONAL PVT LTD		RAMANANDA PAI		MAHENDRA GIRDHARILAL		JOGESH KIDARNATH SAWHNEY		KIDARNATH SAWHNEY		MOTILAL RUPCHAND WADNERKAR		MENINO JOE MASCARENHAS		
			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	No. of Shares	% of total Shares of the company	No. of Shares
	At the beginning of the year	31/03/2015	197601	15.81	1000	0.08	1100	0.09	1000	0.08	1000	0.08	1000	0.08	1000	0.08	0.08
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	23/10/2015	400	0.03	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0.00
	At the end of the year (or on the date of separation, if separated during the year)	31/03/2016	198001	15.84	1000	0.08	1100	0.09	1000	0.08	1000	0.08	1000	0.08	1000	0.08	0.08

Sl. No.	For Each of the Top 10 Shareholders	Date	MAHENDRA KUMAR ZAVERI		NAVINCHANDRA ZAVERI		PRAFUL MEHTA		SUNITA TPIRNIENI		RAMILA ZAVERI		SHIVARAM RAO K		Cumulative shareholding during the year	
			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	No. of Shares	% of total Shares of the company
	At the beginning of the year	31/03/2015	1000	0.08	1000	0.08	1000	0.08	1000	0.08	1000.00	0.08	1000.00	0.08	209701	16.78
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	23/10/2015	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	210101	16.81
	At the end of the year (or on the date of separation, if separated during the year)	31/03/2016	1000	0.08	1000	0.08	1000	0.08	1000	0.08	1000	0.08	1000	0.08	210101	16.81

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Date	Shareholding at the beginning of the year		Cumulative shareholding during the year	
			No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
	At the beginning of the year	01/04/2015	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	31/03/2016	0	0.00	0	0.00

V. INDEBTEDNESS

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

(Rs. in Lacs)

Sr. No.		Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year					
i	Principal Amount	1089	0	0	1089
ii	Interest due but not paid	0	0	0	0
iii	Interest accrued but not due	0	0	0	0
	Total (i+ii+iii)	1089	0	0	1089
Change in Indebtedness during the financial year					
	– Addition	0	0	0	0
	– Reduction	-1089	0	0	-1089
	Net Change	-1089	0	0	-1089
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 Lacs)

Sl. No.	Particulars of Remuneration	Name of MD/ WTD/ Manager	Total Amount
		Anish K. Chandaria	
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	Nil	Nil
	– 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			Total Amount
		Raj K. Chandaria NED-NI-C	Dinesh-chandra J. Khimsia NED-I	Kanwaljit S. Nagpal NED-I	
1	Independent Directors				
	Fee for attending board/committee meetings	0	0	280,000	280000
	Commission	0	0	0	0
	Others, please specify	0	0	0	0
	Total (1)	0	0	280,000	280000
2	Other Non-Executive Directors				
	Fee for attending board/committee meetings	0	0	0	0
	Commission	0	0	0	0
	Others, please specify	0	0	0	0
	Total (2)	0	0	0	0
	Total Managerial Remuneration - Total (B) = (1) + (2)	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

ED-NI-MD: Executive Director - Non Independent - Managing Director

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					
	Punishment					
	Compounding					
C.	OTHER OFFICERS IN DEFAULT					
	Penalty					
	Punishment					
	Compounding					

There have been no penalties levied on the Company. The Company is generally in compliance of provisions of all applicable laws.

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 is committed to make a sustainable positive impact on the communities it operates by actively contributing to their social and economic development. In doing so, the company is committed to 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 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), has been associated with the CSR activities since past 37 years, even before the CSR term was coined. The Aegis's earliest initiatives date back in the year 1979 with 5 villages and with the mission to eradicate poverty through an integrated rural development approach addressing the multifaceted complexity of rural development. Aegis is a proud sponsor of ANARDE, a government accredited NGO which was established in 1979. ANARDE now operates exclusively in Gujarat & Maharashtra states of India, where through its network of regional centres and field workers, it is involved in several initiatives such as the management of village water resources, skills training, self-help groups, empowerment of women, and entrepreneurship development. ANARDE also works closely with banks to promote the financial inclusion of the rural population in the formal financial sector. In association with Habitat for humanity, the foundation is actively engaged in the provision of low cost housing and has so far assisted rural families in its initiative and also participated in Sanitation project and assisted 1390 rural families. ANARDE has been Empanelled by Ministry of Drinking Water and Sanitation, Government of India for undertaking CSR project in the field of Rural Drinking Water and Sanitation. Acting through this foundation, Aegis has continued to work actively in area of rural development and poverty alleviation. The foundation has also focused on three key areas: provision of clean drinking water, ANARDE has also installed 36 units of Drinking Water Ultra Filtration Plants, low cost housing and assistance to tribal areas. In association with various government bodies, ANARDE has procured and distributed agricultural tools and implements, seeds and fertilizers and arranged various training programs and seminars in rural areas to update farmers for better yield. The Company has since this year focused to contribute to ANARDE towards CSR activities.

The CSR Policy of the Company is also available on http://www.aegisindia.com/sealord_containers_limited.aspx

2. The CSR Committee of the company comprises of the following Members:

1. Mr. Anish Chandaria (Chairman)
2. Mr. Dineshchandra J. Khimasia
3. Mr. Kanwaljit S. Nagpal

3. The Average net profit of the Company for last three financial years: **Rs. 2246.32 lacs**

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above):

Prescribed CSR expenditure for FY 2015-16: **Rs. 44.93 Lacs**

5. Details of CSR spent during the financial year:

(a) Total amount spent for the financial year 2015-16: **Rs. 45 Lacs***

(b) Amount unspent, if any – Not Applicable

(c) Manner in which the amount spent during the financial year is detailed below:

(Rs. in Lacs)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No	CSR project or activity identified	Sector in which the Project is covered	Projects or programs		Amount spent on the projects or programs		Amount spent: Direct or through Implementing agency*
			(1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto to the reporting period	
1	Water Management Development Prog.	Tribal/Rural Area of Gujarat & Maharashtra	We have implemented project in all Districts of Gujarat & Maharashtra	26.00	25.51	38.31	Amount spent through Anarde Foundation
2	Rural Housing & Sanitation Prog.			6.00	5.57	14.19	
3	Training of Rural Youth/ Women/farmers			6.00	5.85	18.48	
4	Rural Insurance Project			5.00	4.87	6.36	
5	Salary			2.00	2.20	4.66	
Total				45.00	44.00	82.00	

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 – Not Applicable

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.

* The Company has during the year contributed Rs. 1 Lac for the festival/ Mahotsav organized annually for the socially and economically backward groups near the local area of Company's operations over and above the amounts spent under clause 5(c), which contribution the Company believes qualifies under CSR

Raj K. Chandaria

(Chairman)
DIN: 00037518

Anish K. Chandaria

(Chairman of the Corporate Social
Responsibility Committee)
DIN: 00296538

Place: Mumbai
Date: 30th May, 2016

ANNEXURE 'D' TO THE DIRECTORS' REPORT Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016

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

To,
The Members,

SEA LORD CONTAINERS LIMITED

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Sea Lord Containers Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the **Sea Lord Containers Limited** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2016, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company ("the Company") for the financial year ended on 31st March, 2016, according to the Provisions of:

- 1) The Companies Act, 2013 (the Act) and the rules made there under;
- 2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- 3) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- 4) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings are not applicable.
- 5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - b) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - c) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulation 2011.
- 6) The Factories Act, 1948
- 7) The Petroleum Act, 1934
- 8) Explosives Act, 1884
- 9) The Indian Wireless Telegraphy Act, 1933
- 10) The Essential Commodities Act, 1955
- 11) Legal Metrology Act, 2009
- 12) Bombay Shops & Establishment Act, 1948
- 13) Development Control Regulations for Greater Mumbai, 1991
- 14) The Environment (Protection) Rules, 1986
- 15) The Electricity Act, 2003
- 16) Major Port Trusts Act, 1963
- 17) Standards of Weights and Measures (Enforcement) Rules, 1992
- 18) The Mumbai Municipal Corporation Act, 1888
- 19) The Contract Labour (Regulation and Abolition) Act, 1970

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with The Ahmedabad Stock Exchange (ASE).

The Company has been informed by ASE vide its letter dated 25th June, 2015 that the Company has been moved to the Dissemination Board of National Stock Exchange of India Limited. Further, it has also mentioned in the aforesaid letter that the Company shall now be treated as unlisted from Ahmedabad Stock Exchange Limited.

The provisions of the listing agreement with Ahmedabad Stock Exchange Limited were therefore no longer applicable to the Company with effect from 25th June, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive directors and Independent Directors, during the period under review. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, Agenda and detailed notes on Agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the Agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' (if any) views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period there were no instances of:

- (i) Public/Right/Preferential Issue of Shares /Sweat Equity, etc.
- (ii) Redemption/Buy-Back of Securities
- (iii) Major decisions taken by the members in pursuance to Section 180 of the Companies Act, 2013
- (iv) Merger/Amalgamation/Reconstruction, etc.
- (v) Foreign technical collaborations

For P. Naithani & Associates
Company Secretaries

Place: Mumbai
Date: 30th May, 2016

Prasen Naithani
FCS No.: 3830
C P No.: 3389

Independent Auditors' Report

The Members of Sea Lord Containers Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **Sea Lord Containers Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the 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 and presentation of these 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 the Accounting Standards specified 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 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 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 in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the 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 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 financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 31st March, 2016 and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Audit Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub Section (11) of Section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of 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 financial statements comply with the 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 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations, if any, which would impact its financial position – refer note no. 24 to the financial statements;
 - ii. The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. The Company does not have any amounts which were liable to be transferred to the Investor Education and Protection Fund during the year.

For **P. D. Kunte & Co. (Regd.)**

Chartered Accountants
Firm Registration No.: 105479W

D. P. Sapre

Partner

Membership No.: 40740

Place: Mumbai

Date: 30th May, 2016

Annexure A to Independent Auditors' Report

Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory requirements" of our report of even date:

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
(b) 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 the nature of its assets. No material discrepancies were noticed on such verification.
(c) The title deeds of immovable properties are held in name of the Company.
2. We have been informed that the inventories have been physically verified by the management during the year. In our opinion the frequency of verification is reasonable. No material discrepancies were noticed on physical verification of stocks as compared to the book records.
3. The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Hence, sub clauses (a), (b) and (c) of clause (iii) of the Order are not applicable to the Company for the year under audit.
4. In respect of loans, investments, guarantees and security, the Company has complied with the provision of Section 185 and 186 of Companies Act, 2013.
5. As informed to us, the Central Government has not prescribed maintenance of cost records under Section 148 of the Companies Act, 2013 for any of the products / activities of the Company.
6. In respect of statutory dues;
 - (a) Except for delays in payment of ESIC, in some cases, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory with appropriate authorities. There are no arrears of undisputed statutory dues as at the 31st March, 2016 outstanding for a period for more than six months from the date they became payable.
 - (b) As at 31st March 2016, there are no disputed statutory dues in respect of Income Tax, Sales Tax, Service Tax, duty of customs or duty of excise or value added tax or cess which have not been deposited with the appropriate authorities.
7. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans and borrowings to a financial institution, bank, government or dues to debenture holders.
8. According to the information and explanations given to us, the term loans have been applied for the purpose for which these were raised.
9. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud by or on the Company by its officers or employees has been noticed or reported during the course of our audit.
10. To the best of our knowledge and belief and according to the information and explanations given to us, all transactions with the related parties are in compliance with Sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
11. Considering the nature of activities undertaken by the Company during the year under audit, matters specified in clauses (v), (xi), (xii), (xiv), (xv) and (xvi) of paragraph 3 of the Order do not apply to the Company for the year under audit.

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

D. P. Sapre

Partner

Membership No.: 40740

Place: Mumbai
Date: 30th May, 2016

Annexure B to the Auditors' Report

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

1. We have audited the internal financial controls over financial reporting of **Sea Lord Containers Limited** ("the Company") as of 31 March 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

2. 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.

3. Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit

opinion on the Company's internal financial controls system over financial reporting.

4. Meaning of Internal Financial Controls over Financial Reporting

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

5. Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

6. Opinion

According to the information and explanations given to us and on the basis of such checks as we considered appropriate, in our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, 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

D. P. Sapre

Partner

Membership No.: 40740

Place: Mumbai

Date: 30th May, 2016

BALANCE SHEET AS AT 31ST MARCH, 2016

	Note	March 31, 2016 Rupees	March 31, 2015 Rupees
EQUITY AND LIABILITIES:			
Shareholders' Funds			
Share Capital	2	392,500,000	392,500,000
Reserves & Surplus	3	1,044,083,290	711,216,544
		1,436,583,290	1,103,716,544
Non - Current Liabilities			
Long Term Borrowings	4	—	48,889,646
Deferred tax liabilities (Net)	5	16,452,000	—
Long Term Provisions	6	2,463,956	2,083,728
		18,915,956	50,973,374
Current Liabilities			
Short Term Borrowings	7	—	60,000,000
Trade Payables	8	13,234,809	10,898,264
Other Current Liabilities	9	21,162,467	15,848,374
Short Term Provisions	10	682,976	800,145
		35,080,252	87,546,783
TOTAL		1,490,579,498	1,242,236,701
Non - Current Assets			
Fixed Assets			
- Tangible Assets	11	902,631,296	947,093,367
- Intangible Assets	11	90,952	144,425
- Capital Work-in-Progress		—	—
Long Term Loans & Advances	12	242,707,049	164,242,867
		1,145,429,297	1,111,480,659
Current Assets			
Inventories	13	10,487,136	10,635,658
Trade Receivables	14	105,352,599	79,061,719
Cash and Cash Equivalents	15	187,538,475	3,374,037
Short-Term Loans and Advances	16	39,100,253	35,012,890
Other Current Assets	17	2,671,738	2,671,738
		345,150,201	130,756,042
TOTAL		1,490,579,498	1,242,236,701

Notes 1 to 33 form an integral part of the Financial Statements.

As per our Report dated 30th May, 2016 attached.

For P.D. Kunte & Co. (Regd.)

Chartered Accountants

Firm Registration Number: 105479W

D.P. Sapre

Partner

Membership No.: 40740

Mumbai, 30th May, 2016

For and on behalf of the Board**Raj K. Chandaria**

Chairman

DIN: 00037518

Kanwaljit S. Nagpal

Director

DIN: 00012201

Rohitkumar P. Kotak

Chief Financial Officer

Monica T. Gandhi

Company Secretary

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

	Note	March 31, 2016 Rupees	March 31, 2015 Rupees
INCOME:			
Revenue from Operations	18	485,752,543	393,838,921
Other Income	19	3,657,011	2,146,579
Total Revenue		489,409,554	395,985,500
EXPENDITURE:			
Employee Benefit Expense	20	12,221,782	12,800,987
Operating Expenses	21	56,204,434	54,211,068
Other Expenses	22	31,138,942	29,764,017
Total Expenses		99,565,158	96,776,072
Profit Before Interest, Tax, Depreciation & Amortisation		389,844,396	299,209,428
Finance costs	23	2,190,687	18,256,751
Profit Before Tax, Depreciation & Amortisation		387,653,709	280,952,677
Depreciation and amortization expense	11	44,707,511	41,054,689
Profit Before Tax		342,946,198	239,897,988
Tax Expenses			
- Current tax		74,044,000	50,300,000
- Deferred tax		16,452,000	—
- MAT Credit Entitlement (Refer note 30)		(74,044,000)	(50,300,000)
- Prior Year Tax Adjustments		(6,372,548)	774,539
Total Tax Expenses		10,079,452	774,539
Profit for the year from Continuing Operations		332,866,746	239,123,449
Earnings per Equity Share of Rs. 10 each			
	27		
- Basic		237.02	162.00
- Diluted		237.02	162.00

Notes 1 to 33 form an integral part of the Financial Statements.

As per our Report dated 30th May, 2016 attached.

For P.D. Kunte & Co. (Regd.)

Chartered Accountants

Firm Registration Number: 105479W

D.P. Sapre

Partner

Membership No.: 40740

Mumbai, 30th May, 2016

For and on behalf of the Board**Raj K. Chandaria**

Chairman

DIN: 00037518

Kanwaljit S. Nagpal

Director

DIN: 00012201

Rohitkumar P. Kotak

Chief Financial Officer

Monica T. Gandhi

Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

	March 31, 2016 Rupees	March 31, 2015 Rupees
A. Cash Flow from Operating Activities:		
Profit Before Tax	342,946,198	239,897,988
Adjustments for:		
Depreciation	44,707,511	41,054,689
Finance Costs	2,190,687	18,256,751
Interest Income	(445,095)	(38,434)
Dividend Income	(2,619,622)	(312,063)
	<u>43,833,481</u>	<u>58,960,943</u>
Operating Profit Before Working Capital Changes	386,779,679	298,858,931
(Increase)/Decrease in Long-term loans and advances	(324,769)	749,084
(Decrease)/Increase in Inventories	148,521	(4,824,894)
(Increase)/Decrease in Trade receivables	(26,290,880)	33,228,426
(Increase) in Short-term loans and advances	(4,087,363)	(33,770,760)
Decrease/(Increase) in Other Current assets	—	(2,671,738)
(Decrease)/Increase in Long-term provisions	380,228	(84,114)
Increase in Trade payables	2,336,545	4,709,912
Increase/(Decrease) in Other Current Liabilities	5,314,094	(14,393,155)
(Decrease)/Increase in Short-term provisions	(117,169)	481,335
	<u>(22,640,793)</u>	<u>(16,575,904)</u>
Cash Generated from Operations	364,138,886	282,283,027
Direct Taxes Paid	(71,766,865)	(58,510,095)
Net Cash Flow from Operating Activities	A <u>292,372,021</u>	<u>223,772,932</u>
B. Cash Flow from Investing Activities:		
Purchase of Fixed Assets	(191,967)	(2,593,141)
Purchase of Current Investments	(352,519,622)	(238,112,063)
Sale of Current Investments	352,519,622	238,112,063
Dividend Received	2,619,622	312,063
Interest Received	445,095	38,434
Net Cash used in Investing Activities	B <u>2,872,750</u>	<u>(2,242,644)</u>

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

	March 31, 2016 Rupees	March 31, 2015 Rupees
C. Cash Flow from Financing Activities:		
Decrease in Term & Other Borrowings	(48,889,646)	(137,777,796)
Redemption of Preference shares	—	(120,000,000)
(Decrease)/Increase in Short term borrowings	(60,000,000)	60,000,000
Dividend Paid (including tax on Distributed Profit)	—	(19,588,855)
Finance Costs	(2,190,687)	(18,256,752)
Net Cash from Financing Activities	(111,080,333)	(235,623,403)
	C	
Net Increase/(Decrease) in Cash and Cash Equivalents	184,164,438	(14,093,115)
	A+B+C	
Cash and Cash Equivalents as at the end of the year:		
- Cash & Balances in Current Accounts with Banks	19,430,201	3,349,509
- Deposits with Banks and Interest Accrued thereon	168,108,274	24,528
	187,538,475	3,374,037
Less: Cash and Cash Equivalents as at the beginning of the year	3,374,037	17,467,152
Net Increase/(Decrease) in Cash and Cash Equivalents	184,164,438	(14,093,115)

Note:

1. Cash and Cash Equivalents do not include Fixed Deposits with Banks kept as Margin Money and as Escrow Account.
2. Figures in bracket denote outflow of cash.
3. The above Cash Flow Statement has been prepared under the "Indirect Method" set out in Accounting Standard (AS - 3) "Cash Flow Statements".

As per our Report dated 30th May, 2016 attached.

For P.D. Kunte & Co. (Regd.)

Chartered Accountants
Firm Registration Number: 105479W

D.P. Sapre

Partner
Membership No.: 40740

Mumbai, 30th May, 2016

For and on behalf of the Board

Raj K. Chandaria
Chairman
DIN: 00037518

Kanwaljit S. Nagpal
Director
DIN: 00012201

Rohitkumar P. Kotak
Chief Financial Officer

Monica T. Gandhi
Company Secretary

Notes to the Financial Statements for the year ended 31st March, 2016

1. Significant Accounting Policies:

A.1 Background and principal activities

Sea Lord Containers Limited ("SCL" or "the Company") is a Company incorporated in India, on 19 May 1979. SCL is a subsidiary of Aegis Logistics Limited ("Aegis").

SCL was incorporated with the objective to provide storage & terminalling facility for Oil, Chemical & petroleum products.

A.2 Basis of preparation of Financial Statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act")/Companies Act, 1956 ("the 1956 Act"), as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

A.3 Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/materialise.

B.1 Fixed Assets

Tangible assets are stated at cost of acquisition or construction less accumulated depreciation. Cost of assets includes all costs incidental to acquisition or construction, including taxes, duties (net of CENVAT and set-off), cost of installation & commissioning, interest on specific borrowings obtained for the purposes of acquiring the assets and other indirect expenses incurred.

Intangible Assets are stated at cost of acquisition less accumulated amortisation.

B.2 Investments

Investments that are readily realisable and are intended to be held for not more than one year are classified as current investments. All other investments are classified as non current investments. Current investments are carried at cost or fair value, whichever is lower. Non-current investments are carried at cost. However, provision for diminution in the value of these investments is made, where in the opinion of the Board of Directors, the diminution is other than temporary.

B.3 Inventories

Inventories are valued at cost or Net Realisable Value whichever is less. Cost is determined by using the First In First Out formula. Cost comprises all costs of purchase, cost of conversion and cost incurred to bring inventories to their present location and condition other than those subsequently recoverable by the Company from tax authorities.

B.4 Revenue Recognition

In appropriate circumstances, Revenue (Income) is recognised when no significant uncertainty as to measurability or collectability exists.

B.5 Operating Revenue

Service revenue is recognized on time proportion basis and excludes service tax.

B.6 Dividend & Interest Income

Dividend income is recognised when the right to receive the payment is established. Interest income is booked on time proportion basis taking in to account the amount involved and the rate of interest.

B.7 Depreciation

- (i) Depreciation, being the difference between original cost and estimated residual value, is provided over the useful lives of the asset. The useful life of assets and the estimated residual values are as specified in Schedule II to the Companies Act, 2013. Depreciation on additions/deletions during the year is provided on pro rata basis with reference to date of addition/installation/deletion. Depreciation on assets disposed, discarded or demolished has been provided on prorata basis.

B.8 Employee Benefits

Contribution to defined benefit schemes such as Provident Fund, Family Pension Fund, Superannuation Fund (in the case of eligible employees) and Employees' State Insurance Scheme are charged to the Statement of Profit and Loss as incurred.

Notes to the Financial Statements for the year ended 31st March, 2016

Company's liability towards gratuity is determined by actuarial valuation carried out by the independent actuary as at each balance sheet date and is fully provided for in the Statement of Profit and Loss on the basis of aforesaid valuation. The actuarial valuation method used for measuring the liability is the Projected Unit Credit method.

The liability for compensated absences is determined by actuarial valuation carried out by the independent actuary as at each balance sheet date and provided for in the Statement of Profit and Loss as incurred in the year in which services are rendered by employees. The actuarial valuation method used for measuring the liability is the Projected Unit Credit method.

B.9 Foreign Currency Transactions

(b) Monetary items denominated in foreign currencies at the year end are translated at the relevant rates of exchange prevailing at the year end. The translation/settlement differences are recognised in the Statement of Profit & Loss.

B.10 Impairment of Assets

An asset is treated as impaired when the carrying cost of asset exceeds its Recoverable Amount. Recoverable Amount is higher of an asset's Net selling price or its Value in Use. Value in Use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Net Selling Price is the amount obtainable from the sale of an asset in an arms length transaction between knowledgeable, willing parties, less the cost of disposal.

An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired.

B.11 Operating Lease Rentals

Lease Rental expenses are accounted on straight line basis over the lease term.

B.12 Borrowing Cost

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

B.13 Earning Per Share

Basic earnings per share are calculated by dividing the net profit for the year attributable to the equity shareholders by the weighted average of the number of equity shares outstanding during the year.

Diluted earnings per share are calculated by dividing the net profit for the year attributable to the equity shareholders by the weighted average of the number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares.

B.14 Taxes on Income

Current tax is determined as the amount of tax payable in respect of taxable income for the year.

Deferred tax for the year is recognised, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognized and carried forward only if there is a reasonable certainty (virtual certainty in case of business loss) of its realization.

Minimum Alternative Tax (MAT) credit is recognised 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. In the year in which MAT credit becomes eligible to be recognised as an asset in accordance with recommendations contained in the Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The Company reviews at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

B.15 Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

Notes to the Financial Statements for the year ended 31st March, 2016

	March 31, 2016 Rupees	March 31, 2015 Rupees
2. Share Capital:		
Authorised:		
1,70,00,000 Equity Shares of Rs. 10 each (Previous Year: 1,70,00,000 Equity Shares of Rs. 10 each)	170,000,000	170,000,000
12,00,000 6% Cumulative Redeemable Preference shares of Rs. 100 each (Previous Year: 12,00,000 Cumulative Redeemable Preference shares of Rs. 100 each)	120,000,000	120,000,000
38,00,000 8% Non Cumulative Redeemable Preference shares of Rs. 100 each (Previous Year: 38,00,000 Cumulative Redeemable Preference shares of Rs. 100 each)	380,000,000	380,000,000
TOTAL	670,000,000	670,000,000
Issued, Subscribed & Paid-up:		
12,50,000 - Equity Shares of Rs. 10 each (Previous Year: 12,50,000 Equity Shares of Rs. 10 each)	12,500,000	12,500,000
32,00,000 - 8% Non Cumulative Redeemable Preference shares of Rs. 100 each (Previous Year: 32,00,000 shares of Rs. 100 each)	320,000,000	320,000,000
6,00,000 - 8% Non Cumulative Redeemable Preference shares of Rs. 100 each (Previous Year: 6,00,000 shares of Rs. 100 each)	60,000,000	60,000,000
TOTAL	392,500,000	392,500,000

2.1 Reconciliation of the number of Equity Shares outstanding at the beginning and at the end of the reporting period:

Equity Shares	31st March, 2016		31st March, 2015	
	Number of Shares	Amount (Rs.)	Number of Shares	Amount (Rs.)
Opening Balance	1,250,000	12,500,000	1,250,000	12,500,000
Outstanding at the end of the period	1,250,000	12,500,000	1,250,000	12,500,000

2.2 Terms/Rights attached to Equity Shares:

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The dividend, if proposed by the Board of Directors, is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

2.3 Reconciliation of the number of 8% Non Cumulative Redeemable Preference shares outstanding at the beginning and at the end of the year:

8% Non Cumulative Redeemable Preference Shares:	31st March, 2016		31st March, 2015	
	Number of Shares	Amount (Rs.)	Number of Shares	Amount (Rs.)
Opening Balance	600,000	60,000,000	600,000	60,000,000
Outstanding at the end of the year	600,000	60,000,000	600,000	60,000,000

Notes to the Financial Statements for the year ended 31st March, 2016

2.4 Terms/rights attached to 8% Non Cumulative Redeemable Preference Shares:

Fully paid 8% Non Cumulative Redeemable Preference shares, which have a par value of Rs. 100/-, carrying 8% Non Cumulative Dividend. Dividend, if recommend by the Board of Directors, need approvals from the Shareholders at the Annual General Meeting.

Redeemable before the end of 20 years from 26th March 2009, the date of issue.

2.5 Reconciliation of the number of 8% Non Cumulative Redeemable Preference shares outstanding at the beginning and at the end of the year:

8% Non Cumulative Redeemable Preference Shares:	31st March, 2016		31st March, 2015	
	Number of Shares	Amount (Rs.)	Number of Shares	Amount (Rs.)
Opening Balance	3,200,000	320,000,000	3,200,000	320,000,000
Outstanding at the end of the period	3,200,000	320,000,000	3,200,000	320,000,000

2.6 Terms/rights attached to 8% Non Cumulative Redeemable Preference Shares:

Fully paid 8% Non Cumulative Redeemable Preference shares, which have a par value of Rs. 100/-, carrying 8% Non Cumulative Dividend. Dividends, if, recommend by the Board of Directors, need approvals from the Shareholders at the Annual General Meeting.

Redeemable before the end of 15 years from 15th March 2011, the date of issue.

2.7 During the period of five years immediately preceding the reporting date:

- (i) The Company has not issued any shares pursuant to contract(s) without payment being received in cash.
- (ii) The Company has not allotted any shares as fully paid up by way of bonus shares.
- (iii) The Company has not bought back any shares.

2.8 Details of shareholders holding more than 5% shares in the Company:

Equity Shares

Name of shareholder	31st March, 2016		31st March, 2015	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Aegis Logistics Ltd. Holding Company	937,500	75.00	937,500	75.00
Metochem International Private Ltd.	198,001	15.84	197,601	15.81

As per the records of the Company, including its register of shareholders/members and other declarations received from the shareholders regarding the beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

2.9 Details of shares held by Holding Company:

Equity Shares

Name of shareholder	31st March, 2016		31st March, 2015	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Aegis Logistics Limited	937,500	75.00	937,500	75.00

Preference Shares

Name of shareholder	31st March, 2016		31st March, 2015	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Aegis Logistics Limited	3,800,000	100	3,800,000	100

Notes to the Financial Statements for the year ended 31st March, 2016

	March 31, 2016 Rupees	March 31, 2015 Rupees
3. Reserves and Surplus:		
Capital Reserve	121,000	121,000
Capital Redemption Reserve	120,000,000	120,000,000
General Reserve	978,615	978,615
Profit and loss account	922,983,675	590,116,929
TOTAL	1,044,083,290	711,216,544
3.1 Capital Reserve		
As per Last Balance Sheet	121,000	121,000
3.2 Capital Redemption Reserve		
As per last balance sheet	120,000,000	—
Add: Transferred from Profit and Loss	—	120,000,000
Balance at end of the year	120,000,000	120,000,000
3.3 General Reserve		
Balance at beginning of year	978,615	1,188,552
Transitional Adjustment on account of Depreciation	—	(209,937)
Balance at end of year	978,615	978,615
3.4 Profit and Loss account		
Balance at beginning of year	590,116,929	490,582,335
Add: Profit after Tax for the year	332,866,746	239,123,449
Less: Appropriations:		
Dividend on cumulative preference shares including arrears	—	16,659,536
Tax on dividend	—	2,929,319
Transfer to Capital Redemption Reserve	—	120,000,000
Transfer to General Reserve	—	—
Balance at end of year	922,983,675	590,116,929
4. Long Term Borrowings:		
Term Loans from Banks	—	48,889,646
TOTAL	—	48,889,646

4.1 Term Loan from Bank of Baroda of Rs. Nil (Previous Year: Rs. 4,88,89,646) comprises Rs. Nil (Previous Year Rs. 4,88,89,646) classified as long term borrowing and Rs. Nil (Previous Year: Rs. Nil) being current maturities of long term borrowings included under other current liabilities (Note 8). The same is secured by mortgage of immovable properties and hypothecation of movable Plant & Machinery situated at Mahul, Trombay.

Notes to the Financial Statements for the year ended 31st March, 2016

	March 31, 2016 Rupees	March 31, 2015 Rupees
5. Deferred Tax Liabilities (Net):		
Major Components of deferred tax are:		
Deferred tax liabilities:		
On fiscal allowance of fixed assets	17,541,090	—
SUBTOTAL	<u>17,541,090</u>	<u>—</u>
Deferred tax Assets:		
On fiscal allowance on expenditure etc. and others	1,089,090	—
SUBTOTAL	<u>1,089,090</u>	<u>—</u>
Net Deferred Tax Liability	<u><u>16,452,000</u></u>	<u><u>—</u></u>
6. Long Term Provisions:		
Provision for Retirement Benefits:		
Provision for Gratuity	1,724,982	1,396,837
Provision for Compensated Absences	738,974	686,891
TOTAL	<u><u>2,463,956</u></u>	<u><u>2,083,728</u></u>
7. Short Term Borrowings:		
Working capital demand Loan	—	60,000,000
TOTAL	<u><u>—</u></u>	<u><u>60,000,000</u></u>
8. Trade Payables:		
Due to Micro, Small and Medium Enterprises (Refer note 32)	—	—
Others	13,234,809	10,898,264
TOTAL	<u><u>13,234,809</u></u>	<u><u>10,898,264</u></u>
8.1 Due to Holding Company (Refer note 25)		5,540,406

Notes to the Financial Statements for the year ended 31st March, 2016

	March 31, 2016 Rupees	March 31, 2015 Rupees
9. Other Current Liabilities:		
Advance from Customers	9,183,878	8,908,548
Advance Storage Rentals	10,035,609	6,112,681
Creditors for Capital Expenditure	680,718	151,244
Statutory Payables	1,062,262	475,901
Other Liabilities	200,000	200,000
TOTAL	21,162,467	15,848,374

There is no amount due and outstanding to be paid to the Investor Education and Protection Fund as at 31.03.2016.

10. Short-Term Provisions:**Provision for Retirement Benefits:**

Provision for Gratuity	507,073	591,371
Provision for Compensated Absences	175,903	208,774
TOTAL	682,976	800,145

Notes to the Financial Statements for the year ended 31st March, 2016

11. Tangible Assets

Amount in Rupees

Description	Gross block (at cost)			Depreciation/Amortisation			Net block	
	Balance as at April 1, 2016	Additions	Disposals	Balance as at March 31, 2016	For the year	Transition Adjustment	Balance as at March 31, 2016	As at March 31, 2015
Land	165,713	-	-	165,713	-	-	165,713	165,713
Land Development	300,663	-	-	300,663	-	-	148,080	152,583
Office Building	41,431,023	-	-	41,431,023	2,788,615	-	8,577,653	32,853,370
Plant and Equipments	1,175,874,148	-	-	1,175,874,148	40,410,607	-	314,063,260	861,810,888
Furniture & Fixtures	9,525,523	-	-	9,525,523	894,906	-	2,915,563	6,609,960
Office Equipment	2,467,026	191,967	-	2,658,993	495,057	-	1,805,925	853,068
Computers	1,068,705	-	-	1,068,705	64,853	-	882,992	185,713
Vehicle	-	-	-	-	-	-	-	-
Sub total (a)	1,230,832,801	191,967	-	1,231,024,768	44,654,038	-	328,393,473	902,631,295
Intangible Assets:								
Software	1,073,194	-	-	1,073,194	53,473	-	982,242	144,425
Sub total (b)	1,073,194	-	-	1,073,194	53,473	-	982,242	144,425
Total (a+b)	1,231,905,995	191,967	-	1,232,097,962	44,707,511	-	329,375,715	902,722,247
Previous Year	1,111,095,236	120,810,759	-	1,231,905,995	41,054,688	209,937	284,668,204	867,691,657

Note:

1. The Company had purchased five plots of free hold land in the accounting year 1981-82 and the necessary papers for registration of the said land have been lodged.
2. Four have been registered in the name of the Company. One is pending for registration.

Notes to the Financial Statements for the year ended 31st March, 2016

	March 31, 2016 Rupees	March 31, 2015 Rupees
12. Long-Term Loans and Advances:		
(Unsecured and considered good)		
Capital Advances	1,306,617	1,043,840
Deposits with Government Authorities and Others	15,002,724	14,902,984
Prepaid Expenses	229,252	267,000
Income Tax Payments (Net of Provisions)	8,295,456	4,200,043
MAT Credit	217,873,000	143,829,000
TOTAL	242,707,049	164,242,867
13. Inventories:		
(At cost or net realisable value whichever is lower)		
Stores and Spare Parts	10,487,136	10,635,658
TOTAL	10,487,136	10,635,658
14. Trade Receivables:		
Unsecured		
Debts due for a period exceeding six months from the date they became due:		
- Considered Good	48,143,658	34,054,296
- Considered Doubtful	-	-
	48,143,658	34,054,296
Other Debts – Considered Good	57,208,941	45,007,423
	105,352,599	79,061,719
Less: Provision for Doubtful Debts	-	-
TOTAL	105,352,599	79,061,719
Holding Company	17,605,192	-
15. Cash & Bank Balances:		
A Cash and Cash Equivalents		
Balance with Banks on Current Accounts	12,131,286	3,349,509
Cheques on Hand	7,298,915	-
Sub Total - A	19,430,201	3,349,509
B Other Bank Balances		
Dividend Account	24,313	24,528
Term deposits with original maturity less than 12 months	168,083,961	-
Sub Total - B	168,108,274	24,528
TOTAL (A+B)	187,538,475	3,374,037
16. Short Term Loans and Advances:		
Advance to Suppliers	6,961,322	2,098,309
Advance to MCGM	31,884,057	31,884,057
Prepaid Expenses	223,164	476,414
Advances recoverable in cash or kind for value to be received	31,710	554,110
TOTAL	39,100,253	35,012,890

Notes to the Financial Statements for the year ended 31st March, 2016

	March 31, 2016 Rupees	March 31, 2015 Rupees
17. Other Current Assets:		
Other Receivable (Refer Note 25)	2,671,738	2,671,738
TOTAL	2,671,738	2,671,738
18. Revenue from Operations:		
Storage Services	485,752,543	391,167,183
Other Operating Revenue – Export Incentive	–	2,671,738
TOTAL	485,752,543	393,838,921
18.1 Earnings in Foreign Exchange:		
Storage Service Revenue	–	–
19. Other Income:		
Interest:		
- On Deposits	54,396	–
- Others	445,095	38,434
Dividend on Current Investments (non-trade)	2,619,622	312,063
Miscellaneous Receipts	537,898	1,796,082
TOTAL	3,657,011	2,146,579
20. Employee Benefits Expense:		
Salaries, Wages and Bonus	10,030,973	10,617,096
Contribution to Provident Fund and Other Funds	999,232	1,027,046
Employees' Welfare Expenses	1,191,577	1,156,845
TOTAL	12,221,782	12,800,987
21. Operating Expenses:		
Stores and Spare parts consumed	2,649,836	3,364,073
Power and Fuel	7,669,870	6,369,798
Repairs to Machinery	2,472,691	2,908,052
Lease Rentals	20,561,362	19,928,053
Tankage Charges	9,616,000	9,600,000
Way Leave Fees	9,497,932	8,992,374
Water Charges	–	–
Labour & Transport	3,736,743	3,048,718
TOTAL	56,204,434	54,211,068
Value of Imported and Indigenous Stores and Spares Consumed:		
	%	%
Imported	–	–
Indigenous	2,649,836	100.00
TOTAL	2,649,836	100.00

(Excludes Spares consumed for repairs etc. and charged to relevant heads of accounts)

Notes to the Financial Statements for the year ended 31st March, 2016

	March 31, 2016 Rupees	March 31, 2015 Rupees
22. Other Expenses:		
Repairs – Others	836,838	293,271
Rent	–	5,772
Rates and Taxes	2,219,540	7,647,114
Insurance	5,754,484	6,283,386
Commission on Sales	5,279,109	2,928,079
Printing and Stationery	549,209	423,782
Communication Expenses	165,459	207,032
Travelling, Conveyance and Vehicle Expenses	297,239	437,433
Legal and Professional Expenses	8,296,725	5,444,649
Directors' Sitting Fees	280,000	260,000
Donations (CSR expenditure – Refer Note 22.2)	4,500,000	3,800,000
Miscellaneous Expenses	2,960,339	2,033,498
TOTAL	31,138,942	29,764,017
22.1 Payment to Auditors included under Legal and Professional Expenses:		
- Audit fees	77,015	75,000*
- Tax Audit Fees	25,125	25,000*
- Limited Review	31,450	30,000*
- Certification	60,000	110,000
	193,590	240,000
* Excludes Service Tax		
22.2 Donation represents amount spent by the Company towards Corporate Social Responsibility as per Section 135 of the Companies Act, 2013:		
	Rupees	Rupees
(a) Gross amount required to be spent by the Company during the year	4,493,000	3,788,793
(b) Amount spent during the year on:		
(i) Construction/acquisition of any asset	–	–
(ii) On purposes other than (i) above	4,400,000	3,800,000
	March 31, 2016 Rupees	March 31, 2015 Rupees
23. Finance costs:		
Interest Expense	2,153,620	18,224,404
Other Borrowing Costs	37,067	32,347
TOTAL	2,190,687	18,256,751
24. Capital and other commitments:		
(a) Claims against the Company not acknowledged as debts	–	–
(b) Income Tax demands disputed in appeal	–	–
(c) Estimated amount of contracts remaining to be executed on capital account (Net of advances)	5,269,492	–
(d) Outstanding Bank Guarantees	–	–
(e) Arrears of dividend on cumulative preference shares	–	–

Notes to the Financial Statements for the year ended 31st March, 2016**25. Related Party Disclosures:**

As per the Accounting Standard 18, issued by the Institute of Chartered Accountants of India (ICAI), the disclosure of transactions with the related parties as defined in the Accounting Standard are given below:

(a) List of related parties with whom transactions have taken place and relationships:

Name of the Related Party	Relationship
Aegis Logistics Limited	Holding Company

(b) Transactions during the year with related parties:

S No	Nature of transaction	Holding Company
1	Lease Rent paid	5,068,433
		(5,060,000)
2	Dividend paid on 6% Cumulative Preference Shares (arrears and current)	–
		(16,659,536)
3	Redemption of 6% Cumulative Preference Shares	–
		(120,000,000)
4	Tankage Charges Paid	9,616,000
		(96,00,000)
5	Tankage Charges received	25,769,700
		(27,899,650)
6	Amount paid on our behalf	484,688
		(21,053,286)
7	Transfer of Licences	2,671,738
		(–)
	Balances as on 31st March:	
8	Trade Receivable	17,605,192
		(–)
9	Other Receivables	2,671,738
		(–)
10	Trade Payable	–
		(5,540,406)
11	Corporate Guarantees given on behalf of Company outstanding at the year end	–
		(100,000,000)

Note: Figures in brackets represent previous year's figures.

26. Employee Benefits:

The Company has adopted Revised Accounting Standard on Employee Benefits (AS-15) issued by the Institute of Chartered Accountants of India. The following disclosures are made as required under AS-15:

a. Defined Contribution Plan:

The Company makes contributions towards provident fund and other retirement benefits to a defined contribution retirement benefit plan for qualifying employees. The Company has recognised Rs. 9,99,232/- (Previous year Rs. 10,27,046/-) towards Provident Fund, ESIC and Super annuation contributions in the Statement of Profit and Loss.

Notes to the Financial Statements for the year ended 31st March, 2016

b. Defined Benefits Plan:

Gratuity

Reconciliation of opening and closing balance of the present value of the defined benefit obligation for gratuity is given below:

Particulars	March 31, 2016	March 31, 2015
Components of employer expense		
Current service cost	152,079	140,879
Interest cost	146,646	160,665
Expected return on plan assets	–	–
Actuarial losses/(gains)	276,708	217,640
Total expense recognised in the Statement of Profit and Loss	575,433	519,184
Actual contribution and benefit payments for year		
Actual contributions	–	–
Net asset/(liability) recognised in the Balance Sheet		
Present value of defined benefit obligation	2,232,055	1,988,208
Fair value of plan assets	–	–
Funded status [Surplus/(Deficit)]	–	–
Net asset/(liability) recognised in the Balance Sheet	2,232,055	1,988,208
Change in defined benefit obligations (DBO) during the year		
Present value of DBO at beginning of the year	1,988,208	1,644,285
Current service cost	152,079	140,879
Interest cost	146,646	160,665
Benefit Paid	(331,586)	(175,261)
Actuarial (gains)/losses	276,708	217,640
Present value of DBO at the end of the year	2,232,055	1,988,208
Change in fair value of assets during the year		
Plan assets at beginning of the year	–	–
Expected return on plan assets	–	–
Actual company contributions	–	–
Benefit Paid	–	–
Actuarial gain/(loss) on Plan Assets	–	–
Plan assets at the end of the year	–	–
Actual return on plan assets	–	–
Actuarial assumptions		
Discount rate	7.75%	7.95%
Salary escalation	5.00%	5.00%
Mortality tables	The Indian Assured Lives Mortality (2006-08) Ult Table	The Indian Assured Lives Mortality (2006-08) Ult Table

Notes to the Financial Statements for the year ended 31st March, 2016**Experience adjustments**

Gratuity	2015-16	2014-15	2013-14	2012-13	2011-12
Present value of defined benefit obligation	2,232,055	1,988,208	1,644,285	1,219,986	1,299,315
Fair value of plan assets	-	-	-	-	-
Funded status [Surplus/(Deficit)]	(2,232,055)	(1,988,208)	(1,644,285)	(1,219,986)	(1,299,315)
Experience gain/(loss) adjustments on plan liabilities	250,334	305,288	(508,945)	-	-
Experience gain/(loss) adjustments on plan assets	-	-	-	-	-

Actuarial assumptions for long-term compensated absences:

	March 31, 2016	March 31, 2015
Retirement Age	58 Years	58 Years
Discount rate	7.75%	7.95%
Salary escalation	5.00%	5.00%

Notes:

- (i) The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations.
- (ii) The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.
- (iii) The Company's best estimate of contributions expected to be paid to the plan during the annual period beginning after 31st March, 2016 is Rs. Nil (Previous Year Rs. 5,91,371/-)
- (iv) The above information is certified by the actuary and relied upon by the Auditors.
- (v) Employee Benefits Expenses Include:
Employees' Compensated absences Rs. 1,21,973/- (Previous Year Rs. 2,64,553/-).

	March 31, 2016 Rupees	March 31, 2015 Rupees
27. Earnings Per Share:		
Profit for the year	332,866,746	239,123,449
Less : Preference share dividend (including dividend tax)	36,588,832	36,622,880
Amount available for Equity Shareholders	296,277,914	202,500,569
Weighted average number of Equity Shares (Nos.)	1,250,000	1,250,000
Earning per share basic and diluted (Rs.)	237.02	162.00
Face value per equity share (Rs.)	10	10

28. The Company's operations predominantly relate to a single segment. The business of the Company is providing services of Liquid Terminalling facilities. The Company has not carried on any manufacturing/trading activities and accordingly information thereon has not been provided.

29. The Company holds Leasehold Land whose Lease expired on 15-03-2008. The Company has applied for renewal.

30. In view of no taxable income for the year, only Minimum Alternate Tax provision has been made.

Notes to the Financial Statements for the year ended 31st March, 2016

31. The details of derivative instruments and foreign currency exposures are as under:

- a) There are no derivative instruments outstanding as on March 31, 2016.
- b) The year end foreign currency exposures not hedged by a derivative instrument or otherwise are Nil. (Previous Year: Nil equivalent to Rs. Nil)

32. The Company has not received intimation from any of its suppliers regarding their status under Micro, Small and Medium Enterprises Development Act, 2006 and therefore, no disclosure under the same is provided.

33. Figures for the previous year have been regrouped wherever necessary to correspond with figures of the current year.

For P.D. Kunte & Co. (Regd.)

Chartered Accountants
Firm Registration Number: 105479W

D.P. Sapre

Partner
Membership No.: 40740

Mumbai, 30th May, 2016

For and on behalf of the Board

Raj K. Chandaria
Chairman
DIN: 00037518

Kanwaljit S. Nagpal
Director
DIN: 00012201

Rohitkumar P. Kotak
Chief Financial Officer

Monica T. Gandhi
Company Secretary



SEA LORD CONTAINERS LIMITED

CIN : L21029GJ1979PLC034027

Regd. Office : 502, Skylon, G.I.D.C., Char Rasta, Vapi - 396 195, Dist. Valsad, Gujarat
Works : Ambapada, Mahul Village, Nr. BPCL Refinery Main Gate, Chembur, Mumbai - 400 074.
E-mail : secretarial@sealordindia.net

ATTENDANCE SLIP

Client ID*	
DP ID*	

Folio No.	
No. of Shares	

I hereby record my presence at the 36th Annual General Meeting of the Company held on Friday, 5th August, 2016 at 10.45 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 : L21029GJ1979PLC034027

Regd. Office : 502, Skylon, G.I.D.C., Char Rasta, Vapi - 396 195, Dist. Valsad, Gujarat
Works : Ambapada, Mahul Village, Nr. BPCL Refinery Main Gate, Chembur, Mumbai - 400 074.
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)	<input type="text"/>
Registered Address	<input type="text"/>
	<input type="text"/>
Email Id	<input type="text"/>
Folio No./ Client Id	<input type="text"/>
DP ID	<input type="text"/>

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

- Name: _____ of _____
_____ Email ID: _____ Signature _____, or failing him
- Name: _____ of _____
_____ Email ID: _____ Signature _____, or failing him
- Name: _____ of _____
_____ Email ID: _____ Signature _____

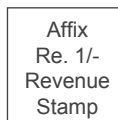
as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 36th Annual General Meeting of the Company, to be held on Friday, 5th August, 2016 at 10.45 a.m. at Fortune Park Galaxy, National Highway No. 8, G.I.D.C., Vapi - 396 195, Gujarat and at any adjournment thereof in respect 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.	Adoption of Audited 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, 2016			
2.	To appoint Mr. Raj K. Chandaria, who retires by rotation			
3.	Ratify the appointment of Messrs. P. D. Kunte & Co., Chartered Accountants as Statutory Auditors and fixing their remuneration			
Special Business				
4.	Service of Documents to the members of the Company			
5.	To adopt new Article of Association of the Company			

Signed this _____ day of _____, 2016

Signature of Shareholder: _____

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.

Notes

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Notes

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SEA LORD CONTAINERS LIMITED

CIN : L21029GJ1979PLC034027

Regd. office : 502, Skylon, G.I.D.C., Char Rasta, Vapi - 396 195, Dist. Valsad, Gujarat

Works : Ambapada, Mahul Village, Nr. BPCL Refinery Main Gate, Chembur, Mumbai - 400 074.

E-mail : secretarial@sealordindia.net