

**37TH ANNUAL REPORT
2016-2017**



SEA LORD CONTAINERS LIMITED

37TH ANNUAL REPORT 2016-17

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

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NOTICE

NOTICE is hereby given that the 37th Annual General Meeting of the Members of SEA LORD CONTAINERS LIMITED will be held on Thursday, 10th August, 2017 at 10.00 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, 2017 including the Audited Balance Sheet as at 31st March, 2017 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 declare Final Dividend on Equity shares @ 5% i.e. Re. 0.50 per share (face value of Rs.10/- each).
3. To appoint a Director in place of Mr. Raj K. Chandaria (DIN – 00037518), who retires by rotation and being eligible, offers himself for re-appointment.
4. To Re-appoint Statutory Auditors and fix their remuneration.
“RESOLVED THAT pursuant to the provisions of the Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with rules made thereunder and pursuant to the recommendations of the Audit Committee, M/s. P. D. Kunte & Co., Chartered Accountants, (Firm Registration No. 105479W), be re-appointed as Statutory Auditors of the Company to hold office from the conclusion of this 37th Annual General Meeting (AGM) until the conclusion of the 42th AGM, subject to ratification by Members every year, as applicable, at such remuneration and out of pocket expenses, as may be decided by the Board of Directors of the Company.”

SPECIAL BUSINESS

5. Appointment of Mr. Jaideep D. Khimasia (DIN – 07744224) as an Independent Director.

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

“RESOLVED THAT Mr. Jaideep D. Khimasia (DIN – 07744224), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 11th May, 2017 and acting as an Independent Director in accordance with the provisions of the Companies Act, 2013 who holds office upto the date of this Annual General Meeting in terms of Section 161 of the Companies Act, 2013 be and is hereby appointed as an Independent Director of the Company, not liable to retirement by rotation, for a term of five (5) consecutive years up to 10th May, 2022 pursuant to the provisions of Section 149, 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder.

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

For and on behalf of the Board

Monica T. Gandhi
Company Secretary

Place : Mumbai

Dated : 30th May, 2017

NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (the Act) and Secretarial Standard on General Meetings (SS-2), wherever applicable, relating to the Special Business as set out in the Notice is 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 percent (10%) of the total share capital of the company carrying voting rights. A member holding more than ten percent (10%) of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.

3. Corporate Members intending to send their authorised representatives to attend the meeting are requested to send a duly certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Annual General Meeting.
4. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a Member would be entitled to inspect the proxies lodged with the Company, at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
5. The register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the AGM.
6. The Register of Contracts or Arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the AGM.
7. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 4th August, 2017 to Thursday, 10th August, 2017 (both days inclusive).
8. Subject to the provisions of the Act, dividend as recommended by the Board @ 5% i.e. Re. 0.50 per share (face value of Rs.10/- each), if declared at the Annual General Meeting, will be paid within a period of 30 days from the date of declaration, to those members whose name appear on the Registrar of Members as on 3rd August, 2017.
9. Members holding shares in demat mode may kindly note that any request for change of address or change of E-mail 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 (RTA) cannot act on any such request received directly from the Members holding shares in demat mode.

10. Members holding shares in physical form are requested to lodge share transfer, transmission and intimate changes, if any, in their registered address, bank account and mandate details, residential address, E-mail ID's etc. quoting their folio number(s) to Company's Registrar and Share Transfer Agents. Members are requested to note that for transfer of shares in physical form, it shall be mandatory for the transferee(s) as well as transferor(s) to furnish a copy of PAN card to the Company/Registrar and Share Transfer Agent for registration of such transfer of shares.
11. Members may avail the facility of nomination by nominating a person to whom their shares in the Company shall vest in the event of their death. The prescribed form can be obtained from the Company's Registrar & Share Transfer Agents or the Company, which will be made available on request.
12. The Members are requested to furnish/update their bank account name & branch, bank account number and account type along with other core banking details such as MICR (Magnetic Ink Character Recognition), IFSC (Indian Financial System Code) etc. with:
 - i) The respective Depository Participants (DP) (in case of the shares held in Electronic Mode) or;
 - ii) The Registrar & Share Transfer Agents of the Company (R&T) (in case of the shares held in Physical form).
13. Members who hold shares in physical form in multiple folios in identical names or joint names in the same order of names are requested to send the share certificates to the Company's Registrar and Share Transfer Agent for consolidation into single folio.
14. In view of the Ministry of Corporate Affairs' Green Initiative measures, the Company hereby requests members who have not registered their email addresses so far, to register their email addresses with the Registrar and Share Transfer Agent in case the shares are held in physical mode and with Depository Participants in case the shares are held in demat mode for receiving all communication including annual report, notices, circulars etc. from the Company electronically.
15. Members are requested to:
 - a. Bring their copies of the Annual Report at the time of attending the Annual General Meeting.
 - b. Complete the attendance slip and deposit the same at the entrance of the meeting hall.
 - c. Send their questions atleast 10 days in advance before the Annual General Meeting for any further information on accounts to enable the Company to answer their question satisfactorily.
16. 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.

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

Name of the Director	Mr. 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, 57 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>
C - Chairman	> Aegis Gas (LPG) Pvt. Ltd. (C)
M - Member	> Hindustan Aegis LPG Ltd. (M)
	<u>Stakeholders Relationship Committee</u>
	> Aegis Logistics Ltd. (M)
No. of shares held in the Company	Nil

Name of the Director	Mr. Jaideep D. Khimasia
DIN	07744224
Date of Birth	30/09/1971
Date of Appointment as Director	11/05/2017
Qualification	B. E Production from Bharati Vidyapeeth, University of Poona
Brief resume & Expertise in specific functional areas	Mr. Jaideep Dinesh Khimasia has over 25 years of management experience in fields related to Project Management with contributions in various quality assurance and process improvement initiatives of various Multi-National Corporations.
*Directorships in other Public Limited Companies	<ul style="list-style-type: none"> > Aegis Logistics Ltd. > Hindustan Aegis LPG Ltd. > Aegis Gas (LPG) Pvt. Ltd. > Konkan Storage Systems (Kochi) Pvt. Ltd.
**Committee Positions held in Companies (including Sea Lord Containers Limited)	<u>Audit Committee</u>
C - Chairman	> Aegis Logistics Ltd. (M)
M - Member	> Sea Lord Containers Ltd. (M)
	> Hindustan Aegis LPG Ltd.(M)
	> Aegis Gas (LPG) Pvt. Ltd. (M)
	<u>Shareholders Grievance Committee</u>
	> Aegis Logistics Ltd. (M)
No. of shares held in the Company	Nil

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

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

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



- ↑ Head North-East on Station Road toward Vapi – Daman Road
- ↑ At N. M. Retails, continue onto Vapi - Koparli Road
- Turn right at Hotel Sarvodaya to Fortune Park Galaxy

For and on behalf of the Board

Monica T. Gandhi
Company Secretary

Place : Mumbai

Dated : 30th May, 2017

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

Item No. 5

The Board of Directors have appointed Mr. Jaideep J. Khimasia (DIN – 07744224) as an Additional Director on the Board of the Company under Section 161 of the Companies Act, 2013 with effect from 11th May, 2017.

Pursuant to the provision of Section 161 of the Act, being an Additional Director, Mr. Jaideep D. Khimasia will hold office up to the date of the ensuing Annual General Meeting (“AGM”) and is eligible to be appointed as an Independent Director of the Company. The Company has received a notice in writing under Section 160 of the Act from a member proposing the candidature of Mr. Jaideep D. Khimasia for the office of Independent Director of the Company.

Mr. Jaideep D. Khimasia is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

Section 149 of the Act *inter alia* stipulates the criteria of independence should a company propose to appoint an independent director on its Board. Based on the declarations received from Mr. Jaideep D. Khimasia in terms of section 149(7)

of the Companies Act, 2013, the Board is of the opinion that he meets with the criteria of independence and he possesses appropriate skills, experience and knowledge.

Brief resume of Mr. Jaideep D. Khimasia, nature of his expertise in specific functional areas and names of companies in which he holds directorships and memberships are provided herewith.

Keeping in view his vast expertise and knowledge, it will be in the interest of the Company that Mr. Jaideep D. Khimasia is appointed as an Independent Director.

Except Mr. Jaideep D. Khimasia, none of the Directors and Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution at Item No. 5 of the Notice.

The Board recommends the Ordinary resolution set out at Item No. 5 of the Notice for approval by the shareholders.

For and on behalf of the Board

Monica T. Gandhi
Company Secretary

Place : Mumbai

Dated : 30th May, 2017

DIRECTOR'S REPORT

To the Members of the Company

The Directors have pleasure in presenting the 37th Annual Report and Audited Statement of Accounts of the Company for the year ended 31st March, 2017.

FINANCIAL PERFORMANCE

	(Rs. in Lacs)	
	2016-17	2015-16
Operating Revenue	4883.06	4857.53
Profit before interest, depreciation & Tax (PBIDT)	3910.28	3898.45
Finance Cost	0.89	21.91
Depreciation	445.75	447.07
Profit before tax	3463.64	3429.47
Total tax expenses	(127.26)	100.79
Net Profit after tax	3590.90	3328.68
Balance in P & L A/c.	9229.85	5901.17
Less : Appropriations		
– Arrears of Dividend on cumulative preference shares	(76.00)	0
– Tax on Dividend	(15.47)	0
– Transfer to Capital Redemption Reserve	(3800.00)	0
Balance at the end of the year	8929.28	9229.85

OPERATIONS

During the year under review, the Company's Bulk Liquid Terminal continued operations at full capacity. The Company recorded a Turnover of Rs. 4883.06 lacs (Previous year Rs. 4857.53 lacs), increase of 0.52% on YoY basis on account of product mix. Net Profit after Tax was recorded at Rs. 3590.90 lacs (Previous year Rs. 3328.68 lacs), an increase of 7.88%.

OUTLOOK FOR THE COMPANY

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

The Company 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 Board of Directors of the Company at its meeting held on 30th May, 2017 has recommended Final Dividend on equity shares @ 5% i.e Re. 0.50 per share (face value of Rs. 10/- each) which is subject to the approval of members at the ensuing Annual General Meeting.

FIXED DEPOSITS

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

EQUITY SHARES

In view of the Ahmedabad Stock Exchange (ASE) being in the process of derecognition, the Company was referred to the dissemination Board of National Stock Exchange of India Limited (NSE). The Company accordingly ceased to be a Listed Company.

Further, Securities Exchange Board of India ("SEBI") via Circular No. SEBI/HO/MRD/DSA/CIR/P/2016/110 dated October 10, 2016, directed the companies exclusively listed at De-recognised /Non-Operational/ Exited Stock Exchanges to exercise one of the two options (1) to get listed on the nationwide stock exchange or (2) provide exit to the investors in terms of the aforesaid circular.

Aegis Logistics Limited (ALL) being the Promoter Company of the Company made an Exit Offer to the shareholders of the Company on the basis of fair valuation of the Equity Shares of the Company at the rate of Rs. 576.10 per share, pursuant to the circular issued by the SEBI and Section 236 of the Companies Act, 2013.

Aegis Logistics Limited presently holds 92.26% Equity Shares of Sea Lord Containers Limited.

CHANGE IN REGISTRAR AND TRANSFER AGENT

The Board of the Directors of the Company has on 30th May, 2016 duly approved the appointment of M/s. Link Intime India Pvt. Ltd. as Registrar and Share Transfer Agent of the Company w.e.f 9th July, 2016 in place of M/s. Sharepro Services (India) Private Limited, the Company's existing Registrar and Share Transfer Agent of the Company whose services are terminated w.e.f closure of business hours on Friday, 8th July, 2016.

The aforesaid was done in accordance with SEBI Interim Order WTM/RKA/MIRSD2/41/2016 dated 22nd March, 2016.

PREFERENCE SHARES

During the year, the Company had redeemed 32,00,000 8% Non-Cumulative Redeemable Preference shares of Rs.100/- each and 6,00,000 8% Non-Cumulative Redeemable Preference shares of Rs.100/- each, which were held by its holding Company Aegis Logistics Limited. As on March 31, 2017 there are no outstanding Non-Cumulative Redeemable Preference shares.

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.

Mr. Dineshchandra J. Khimasia resigned from the Directorship of the Company w.e.f. 4th May, 2017 on account of his ill health. The Board placed on record his sincere appreciation for his long association with the Company.

Mr. Jaideep D. Khimasia was appointed as an Additional Director (category Independent) w.e.f. 11th May, 2017 subject to approval of members at the ensuing Annual General Meeting. Mr. Jaideep D. Khimasia is qualified as a B. E Production from Bharati Vidyapeeth, University of Poona and has over 25 years of management experience in fields related to Project Management with contributions in various quality assurance and process improvement initiatives of various Multi-National Corporations. Your Directors recommend the appointment of Mr. Jaideep D. Khimasia as Independent Director to hold office upto 5 (five) consecutive years upto 10th May, 2022 at the ensuing Annual General Meeting.

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 (Firm Registration No. 105479W), 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.

Accordingly, as per the provisions of the Act applicable to the Company, the Board of Directors on recommendation of the Audit Committee hereby recommends re-appointment M/s. P. D. Kunte & Co., Chartered Accountants (Firm Registration No. 105479W) as Statutory Auditors of the Company to hold office from the conclusion of this 37th Annual General Meeting (AGM) until the conclusion of the 42th AGM, subject to ratification by Members every year.

M/s. P. D. Kunte & Co, Chartered Accountants was established in 1970 and is a well-known niche firm of Chartered Accountants in Mumbai, India. The Firm has a rich background and excellent collective experience across various sectors and industries particularly in servicing medium sector corporates. The firm, its partners and qualified personnel have a rich collective experience of over 40 years.

The Company has received a written consent and a certificate from M/s. P. D. Kunte & Co., Chartered Accountants to the effect that their re-appointment, if made, would be in accordance with the provisions of the Companies Act, 2013 and that they are not disqualified for such re-appointment.

Your Directors recommend their re-appointment at the ensuing Annual General Meeting of the Company.

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 2017 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:

- In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- 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;
- 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;
- The Directors had prepared the annual accounts on a going concern basis;
- 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
- 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. Kanwaljit S. Nagpal (Chairman)
2. Mr. Anish K. Chandaria
3. Mr. Jaideep D. Khimasia

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

Nomination and Remuneration (N&R) Committee comprised of the following members:

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

The Remuneration policy adopted by the Company 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 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. Jaideep D. Khimasia	NED - I	0
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 30th May, 2016.

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.

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, 2017, 4 Board Meetings were held on the following dates:

1. 30/05/2016
2. 05/08/2016
3. 07/11/2016
4. 02/02/2017

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, 2017 there were nil complaints recorded pertaining to sexual harassment.

BOARD EVALUATION

Pursuant to the applicable provisions of the Companies Act, 2013, a separate exercise was carried out to evaluate the performance of Non- Independent 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 Chairman and the Non Independent Directors was carried out by the Independent Directors. The Independent 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, 2017

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, 2017)

(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:

Replacement of Conventional Bulbs to Compact Fluorescent lamps (CFL's)

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

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

Studying Feasibility of Alternate power source through Solar energy.

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

The Company's terminal, is evaluating the recommendations made by the Energy Consultant and feasible options are being implemented.

(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 water flow meters DCS and SCADA system for enhancement of Safety of surrounding environment of exterior pipelines, Gas detection 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, 2017

ANNEXURE 'B' TO THE DIRECTORS' REPORT

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

AS ON THE FINANCIAL YEAR ENDED ON 31/03/2017

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

I. REGISTRATION AND OTHER DETAILS

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

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

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

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Aegis Logistics Limited 502, 5th Floor, Skylon, GIDC, Char Rasta, Vapi – 396 195, Dist Valsad, Gujarat, India	L63090GJ1956PLC001032	Holding Company	92.26%	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	% Change during the year
		Demat	Physical	Total	Demat	Physical	Total		
A. Promoter									
1. Indian									
	Individual/ HUF	0	0	0	0	0	0	0.00	0.00
	Central Govt	0	0	0	0	0	0	0.00	0.00
	State Govt	0	0	0	0	0	0	0.00	0.00
	Bodies Corp.	937500	0	937500	1146501	6710	1153211	92.26	17.26
	Banks/FI	0	0	0	0	0	0	0.00	0.00
	Any Other	0	0	0	0	0	0	0.00	0.00
	Sub-total A(1)	937500	0	937500	1146501	6710	1153211	92.26	17.26
2. Foreign									
	NRIs-Individuals	0	0	0	0	0	0	0.00	0.00
	Other Individuals	0	0	0	0	0	0	0.00	0.00
	Bodies Corp.	0	0	0	0	0	0	0.00	0.00
	Banks/FI	0	0	0	0	0	0	0.00	0.00
	Any other	0	0	0	0	0	0	0.00	0.00
	Sub-total A(2)	0	0	0	0	0	0	0.00	0.00
	Total shareholding of Promoter = (A)=(A)(1)+(A)(2)	937500	0	937500	1146501	6710	1153211	92.26	17.26
B. Public Shareholding									
1. Institutions									
	a Mutual Funds	0	0	0	0	0	0	0.00	0.00
	b Banks/Financial Institutions	0	0	0	0	0	0	0.00	0.00
	c Central/State Government	0	0	0	0	0	0	0.00	0.00
	d Venture Capital Funds	0	0	0	0	0	0	0.00	0.00
	e Insurance Companies	0	0	0	0	0	0	0.00	0.00
	f Foreign Institutional Investors	0	0	0	0	0	0	0.00	0.00
	g Foreign Venture Capital Funds	0	0	0	0	0	0	0.00	0.00
	h Foreign Portfolio Corp.	0	0	0	0	0	0	0.00	0.00
	i Qualified Foreign Investor	0	0	0	0	0	0	0.00	0.00
	Others (specify)	0	0	0	0	0	0	0.00	0.00
	Sub-total B(1)	0	0	0	0	0	0	0.00	0.00

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

(i) Category-wise Share Holding

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	% Change during the year
		Demat	Physical	Total	Demat	Physical	Total		
2	Non-Institutions								
	a Bodies Corp.								
	i Indian	199101	0	199101	390	0	390	0.03	-15.90
	ii Overseas	0	0	0	0	0	0	0.00	0.00
	b Individuals								
	i Individual shareholders holding nominal share capital upto Rs. 1 lakh	6801	106198	112999	9612	86387	95999	7.68	-1.36
	ii Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	0	0	0	0	0	0	0.00	0.00
	c Others								
	OCB/Non Domestic Company	0	0	0	0	0	0	0.00	0.00
	Non-Resident Individuals	0	400	400	0	400	400	0.03	0.00
	Any Other - Trust	0	0	0	0	0	0	0.00	0.00
	Sub-total (B)(2)	205902	106598	312500	10002	86787	96789	7.74	-17.26
	Total Public Shareholding (B)=(B)(1) + (B)(2)	205902	106598	312500	10002	86787	96789	7.74	-17.26
C.	Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0.00	0.00
	Grand Total (A+B+C)	1143402	106598	1250000	100.00	1156503	1250000	100.00	0.00

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

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	% change in shareholding during the year
1	Aegis Logistics Limited	937500	75.00	0	1153211	92.26	0	17.26
	Total	937500	75.00	0	1153211	92.26	0	17.26

(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	01/04/2016	937500	75.00	937500	75.00
1.		29/07/2016	198001	15.84	1135501	90.84
2.	Date wise Increase/Decrease in	02/09/2016	7900	0.63	1143401	91.47
3.	Promoters Shareholding during the	17/02/2017	450	0.04	1143851	91.51
4.	year specifying the reasons (*) for	02/03/2017	6060	0.48	1149911	91.99
5.	increase/decrease (e.g. allotment/	30/03/2017	650	0.05	1150561	92.04
6.	transfer/bonus/sweat equity etc.)	31/03/2017	2650	0.21	1153211	92.26
	At the end of the year	31/03/2017	1153211	92.26	1153211	92.26

* Purchase

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) as on 31/03/2017:

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 WADNEKAR		MIENINO JOE MASCARENHAS		MAHENDRA KUMAR ZAVERI			
			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	% of total Shares of the company	No. of Shares	% of total Shares of the company
	At the beginning of 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	1000	0.08	0	0.00
1.	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase /decrease	15/04/2016	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	-1000	-0.08
2.		03/06/2016	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
3.		24/06/2016	-198001	-15.84	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
4.		25/11/2016	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
5.		16/12/2016	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
6.		23/12/2016	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
	At the end of the year (or on the date of separation, if separated during the year)	31/03/2017	0	0.00	1000	0.08	1100	0.09	1000	0.08	1000	0.08	1000	0.08	1000	0.08	1000	0.08	0	0.00

Sl. No.	For Each of the Top 10 Shareholders	Date	NAVINCHANDRA ZAVERI		PRAFUL MEHTA		SUNITA TIPIRNI		RAMILA ZAVERI		SHIVARAM RAO K		NIRALI JIGNESH GOHEL		BHAJANDAS S BAJAJ		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	No. of Shares	% of total Shares of the company
	At the beginning of the year	31/03/2016	1000	0.08	1000	0.08	1000	0.08	1000.00	0.08	1000.00	0.08	850.00	0.07	900.00	0.07	211851	16.95
1.	Date wise Increase/ Decrease in Share holding during the year specifying the reasons for increase/ decrease	15/04/2016	-1000	-0.08	0	0.00	0	0.00	-1000	-0.08	0	0.00	0	0.00	0	0.00	208851	16.71
2.		03/06/2016	0	0.00	-1000	-0.08	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	207851	16.63
3.		24/06/2016	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	9850	0.79
4.		25/11/2016	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	200	0.02	0	0.00	10050	0.80
5.		16/12/2016	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	200	0.02	0	0.00	10250	0.82
6.		23/12/2016	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	100	0.01	0	0.00	10350	0.83
	At the end of the year (or on the date of separation, if separated during the year)	31/03/2017	0	0.00	0	0.00	1000	0.08	0	0.00	1000	0.08	1350.00	0.11	900.00	0.07	10350	0.83

(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	01/04/2016	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	31/03/2017	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	0	0	0	0
ii	Interest due but not paid	0	0	0	0
iii	Interest accrued but not due	0	0	0	0
	Total (i+ii+iii)	0	0	0	0
Change in Indebtedness during the financial year					
	– Addition	0	0	0	0
	– Reduction	0	0	0	0
	Net Change	0	0	0	0
Indebtedness at the end of the financial year					
i	Principal Amount	0	0	0	0
ii	Interest due but not paid	0	0	0	0
iii	Interest accrued but not due	0	0	0	0
	Total (i+ii+iii)	0	0	0	0

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

(Rs. in Lacs)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	
		Anish K. Chandaria ED-NI-MD	Total Amount
1.	Gross salary	Nil	Nil
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	Nil	Nil
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil
	(c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	Nil	Nil
2.	Stock Option	Nil	Nil
3.	Sweat Equity	Nil	Nil
4.	Commission		
	– as% of profit	Nil	Nil
	– Others, specify	Nil	Nil
5.	Others, please specify	Nil	Nil
	Total (A)	Nil	Nil

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount
		Raj K. Chandaria NED-NI-C	Dinesh-chandra J. Khimasia 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

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 38 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.

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

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

3. The Average net profit of the Company for last three financial years: **Rs. 2953.66 Lacs**

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

Prescribed CSR expenditure for FY 2016-17: **Rs. 59.07 Lacs**

5. Details of CSR spent during the financial year:

- (a) Total amount spent for the financial year 2016-17: **Rs. 62.24 Lacs***
- (b) Amount unspent, if any – NIL
- (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	We have implemented project in all Districts of Gujarat		3.00	3.06	28.57 15.22 9.12 3.20 7.89	Amount spent through Anarde Foundation
2	Rural Housing & Sanitation Prog.			10.00	9.65			
3	Training of Rural Youth/ Women/farmers			3.50	3.27			
4	Salary			1.50	1.00			
5	Insurance			3.50	3.02			
6	Contribution towards Health Impact Environment Assessment Study	Trombay	Local area operations (Trombay)		39.00	38.87	38.87	Direct expenditure
7	Promoting Education by teaching the underprivileged members of the society residing in the nearby locality.					3.40	3.37	
Total					63.90	62.24	106.24	

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

Raj K. Chandaria
(Chairman)
DIN: 00037518

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

Place: Mumbai
Date: 30th May, 2017

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 2017, 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, 2017 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, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 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.
 - iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management – Refer Note 25.

For **P. D. Kunte & Co. (Regd.)**
Chartered Accountants
Firm Registration No.: 105479W
D. P. Sapre
Partner
Membership No.: 40740

Place: Mumbai
Date: 30th May, 2017

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. Considering the criteria prescribed by the Companies (Cost Records and Audit) Rules 2014, maintenance of cost records u/s. 148(1) of the Companies Act, 2013 is not applicable to the Company for the year under audit.
6. In respect of statutory dues;
(a) Except for delays in payment of Provident fund, ESIC, TDS and service tax 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, 2017 outstanding for a period for more than six months from the date they became payable.
(b) As at 31st March 2017, 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 Section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
11. Considering the nature of activities undertaken by the Company during the year under audit, matters specified in clause (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, 2017

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, 2017 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

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, 2017

BALANCE SHEET AS AT 31ST MARCH, 2017

Particulars	Note No.	As at	As at
		31st March, 2017	31st March, 2016
		Rupees in lacs	Rupees in lacs
I. EQUITY AND LIABILITIES:			
(1) Shareholders' Funds			
(a) Share Capital	2	125.00	3,925.00
(b) Reserves & Surplus	3	13,940.27	10,440.84
		14,065.27	14,365.84
(2) Non-Current Liabilities:			
(a) Deferred tax liabilities (Net)	4	260.00	164.52
(b) Long-term provisions	5	30.92	24.64
		290.92	189.16
(3) Current Liabilities:			
(a) Trade payables:	6		
– Total outstanding dues to micro and small enterprises		—	—
– Total outstanding dues to other than micro and small enterprises		40.25	132.34
(b) Other current liabilities	7	235.74	211.63
(c) Short-term provisions	8	2.83	6.83
		278.82	350.80
TOTAL		14,635.01	14,905.80
II. ASSETS:			
(1) NON-CURRENT ASSETS			
(a) Fixed assets			
(i) Tangible assets	9	8,634.68	9,026.32
(ii) Intangible assets	9	1.13	0.91
(iii) Capital work-in-progress	9	—	—
		8,635.81	9,027.23
(b) Non-Current Investments	10	950.00	—
(c) Long-term loans and advances	11	3,370.60	2,427.07
		12,956.41	11,454.30
(2) CURRENT ASSETS			
(a) Inventories	12	99.41	104.87
(b) Trade Receivables	13	1,037.37	1,053.53
(c) Cash and Cash Equivalents	14	208.53	1,875.38
(d) Short-Term Loans and Advances	15	333.29	391.00
(e) Other Current Assets	16	—	26.72
		1,678.60	3,451.50
TOTAL		14,635.01	14,905.80

See accompanying notes forming part of the financial statements In terms of our report attached.

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

Chartered Accountants

Firm Registration Number: 105479W

D. P. Sapre

Partner

Membership No.: 40740

Mumbai, 30th May, 2017

For and on behalf of the Board of Director

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 ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2017

Particulars	Note No.	Current Year	Previous Year ended 31st March, 2016
		Rupees in lacs	Rupees in lacs
I. Revenue from Operations	17	4,883.06	4,857.53
II. Other Income	18	67.56	36.57
III. Total Revenue (I + II)		4,950.62	4,894.10
IV. EXPENSES:			
Employee benefits expense	19	119.42	122.22
Finance costs	20	0.89	21.91
Depreciation and amortization expense	21	445.75	447.07
Other Expenses	22	920.92	873.43
Total Expenses		1,486.98	1,464.63
V. Profit before tax (III - IV)		3,463.64	3,429.47
VI. Tax expense:			
(1) Current tax – For the year		726.80	740.44
– For earlier year		(222.74)	(63.73)
– MAT Credit		(726.80)	(740.44)
(2) Deferred tax		95.48	164.52
		(127.26)	100.79
VII. Profit after tax (V-VI)		3,590.90	3,328.68
VIII. Earnings per equity share in Rupees (Face Value of Rs. 10/- each):	23		
Basic and Diluted		279.95	237.02

See accompanying notes forming part of the financial statements In terms of our report attached.

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

Chartered Accountants
Firm Registration Number: 105479W

D.P. Sapre

Partner
Membership No.: 40740
Mumbai, 30th May, 2017

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 PERIOD ENDED 31ST MARCH, 2017

Particulars	Current Year	Previous Year ended 31st March, 2016
	Rupees in lacs	Rupees in lacs
A. Cash Flow from Operating Activities:		
Profit Before Tax	3,463.64	3,429.47
Adjustments for:		
Depreciation and amortization expense	445.75	447.07
Interest Expense	0.89	21.91
Interest Income	(1.38)	(4.45)
Dividend Income - Current	(58.39)	(26.20)
Loss on sale of non-current investments	0.13	—
Sundry Credit Balances written back	(1.03)	(1.60)
	385.97	436.73
Operating Profit Before Working Capital Changes	3,849.61	3,866.20
Decrease in Inventories	5.46	1.49
Decrease/(Increase) in Trade and Other Receivables	107.98	(307.03)
(Decrease)/Increase in Trade payables and Other liabilities	(66.95)	81.91
(Decrease)/Increase in Provisions	2.28	(1.17)
	48.77	(224.81)
Cash Generated from Operations	3,898.38	3,641.39
Direct Taxes Paid	(728.32)	(717.67)
Net Cash Flow from Operating Activities	3,170.06	2,923.72
	A	
B. Cash Flow from Investing Activities:		
Purchase of Fixed Assets	(54.33)	(1.92)
Proceeds from purchase of non-current investments	(950.00)	—
Sale of Current Investments	6,438.27	3,525.20
Purchase of Current Investments	(6,438.39)	(3,525.20)
Dividend Received	58.39	26.20
Interest Received	1.38	4.45
Net Cash used in Investing Activities	(944.68)	28.73
	B	
C. Cash Flow from Financing Activities:		
Redemption of Preference Shares	(3,800.00)	—
Decrease in Short Term Borrowings (net)	—	(600.00)
Repayment of Long Term Borrowings	—	(488.90)

CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2017

Particulars		Current Year	Previous Year ended 31st March, 2016
		Rupees in lacs	Rupees in lacs
Dividend Paid (including tax on Distributed Profit) - Interim		(91.47)	—
Interest Paid		(0.89)	(21.91)
Net Cash from Financing Activities	C	(3,892.36)	(1,110.81)
Net (Decrease)/Increase in Cash and Cash Equivalents	A+B+C	(1,666.98)	1,841.64
Cash and cash equivalents at the beginning of the year		1,875.14	33.50
Cash and cash equivalents at the end of the year (refer reconciliation below)		208.16	1,875.14
Net (Decrease)/Increase in Cash and Cash Equivalents		(1,666.98)	1,841.64
Reconciliation of Cash and cash equivalents with the Balance Sheet:			
Cash and cash equivalents as per Balance Sheet (Refer Note 19)		208.53	1,875.38
Less: Bank balances not considered as Cash and cash equivalents as defined in AS 3 Cash Flow Statements		(0.37)	(0.24)
Cash and cash equivalents at the end of the year	TOTAL	208.16	1,875.14
Cash and cash equivalents at the end of the year *			
* Comprises:			
Cash on hand			
Balances with banks			
(i) In current accounts		208.16	121.31
(ii) Cheques on hand		—	72.99
(iii) In deposit accounts		—	1,680.84
	TOTAL	208.16	1,875.14

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".
- (4) The earmarked account balances with banks can be utilized only for the specific identified purposes.

In terms of our report attached.

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

Chartered Accountants

Firm Registration Number: 105479W

D.P. Sapre

Partner

Membership No.: 40740

Mumbai, 30th May, 2017

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 on the Financial Statements for the year ended 31st March, 2017

1. Significant Accounting Policies:

1.1 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.

1.2 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 prescribed under Section 133 of the Companies Act, 2013, 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.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the revised schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has determined its operating cycle as twelve months for the purpose of current - non current classification of assets and liabilities.

1.3 USE OF ESTIMATES:

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/materialise.

1.4 FIXED ASSETS :

TANGIBLE FIXED ASSETS:

Fixed assets are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use. They are stated at historical costs.

INTANGIBLE ASSETS:

Intangible Assets are stated at cost of acquisition less accumulated amortization and impairment losses, if any.

1.5 DEPRECIATION ON FIXED ASSETS:

Depreciation on Tangible Fixed Assets is provided on original cost of Fixed Assets on straight line method at the rates and in the manner prescribed in Schedule II to the Companies Act, 2013.

Depreciation on additions to fixed assets during the year has been provided on pro-rata basis from the date of such additions. Depreciation on assets sold, discarded or demolished has been provided on pro-rata basis.

Lease hold Land has been amortized over the primary period of the lease on straight line basis.

Computer software is amortized on straight line basis over a period of its estimated useful life, however not exceeding 5 years.

1.6 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.

1.7 INVESTMENTS:

Non-current Investments are shown at cost. However, when there is a decline, other than temporary, in the value of a non-current investment, the carrying amount is reduced to recognize the decline.

Current Investments are carried at lower of cost and fair value, computed category wise.

Investment in shares of a Company registered outside India is stated at cost by converting at the rate of exchange prevalent at the time of acquisition thereof.

1.8 INVENTORIES:

Inventories are valued at cost and the Net Realizable 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.

1.9 REVENUE RECOGNITION:

Sales of goods:

Sales are recognized on transfer of significant risks and rewards, which generally coincides with the delivery of goods to customers.

Notes on the Financial Statements for the year ended 31st March, 2017

Sales turnover is net of trade discounts and excludes sales tax and value added tax.

Income from services:

Service revenue is recognized based on contract terms and on time proportion basis as applicable and excludes service tax.

1.10 DIVIDEND AND INTEREST INCOME:

Interest Income is recognized on time proportion basis taking into account the amount outstanding and the applicable interest rates. Dividend income is recognized when the right to receive the dividend is established.

1.11 EMPLOYEE BENEFITS:

Employee benefits include salary, wages, performance bonus, employee state insurance, contribution to provident fund, family pension fund, superannuation fund, gratuity and compensated absences to eligible employees.

Short term employee benefits like salary, wages, performance bonus etc. are recognized and charged to Statement of Profit and Loss when the employee renders the services. Contribution to defined 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. 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.

The actuarial gains and losses are recognized immediately in the Statement of Profit and Loss.

1.12 OPERATING LEASE RENTALS:

Assets acquired on lease where all significant risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease Rentals are charged to the Statement of Profit and Loss on straight line basis over the lease term.

1.13 BORROWING COST:

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

1.14 TAXES ON INCOME:

Income Taxes are accounted for in accordance with Accounting Standard (AS 22) – Accounting for Taxes on Income, notified under the Companies (Accounting Standards) Rules, 2006. Income Tax comprises both current and deferred tax.

Current tax is measured at the amount expected to be paid to the revenue authorities, using applicable tax rates and laws.

The tax effect of the timing differences that result between taxable income and accounting income and are capable of reversal in one or more subsequent periods are recorded as a deferred tax asset or deferred tax liability. They are measured using the substantively enacted tax rates and tax regulations as of the Balance Sheet date.

Deferred tax assets on unabsorbed depreciation and carry forward of losses are recognized only to the extent there is a virtual certainty of its realization. Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognized as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

1.15 SERVICE TAX INPUT CREDIT:

Service tax input credit is accounted for in the books in the period in which the underlying service is received and when there is no uncertainty in availing/utilizing the credits.

1.16 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.

Claims in respect of which the Company is of the opinion that they are frivolous or is legally advised that they are unsustainable in law are not considered as contingent liability as the possibility of an outflow of resources embodying economic benefits is remote. Contingent Assets are neither recognized nor disclosed in the financial statements.

1.17 CASH AND CASH EQUIVALENTS (FOR THE PURPOSES OF CASH FLOW STATEMENT):

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

1.18 CASH FLOW STATEMENT:

Cash flows are reported using the indirect method, whereby profit/(loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

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

	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2017	As at 31st March, 2016
	Number of shares	Number of shares	Rupees in lacs	Rupees in lacs
2 Share Capital:				
2.1 Authorised:				
1,70,00,000 Equity Shares of Rs.10 each	17,000,000	17,000,000	1,700.00	1,700.00
12,00,000 6% Cumulative Redeemable Preference shares of Rs.100 each	1,200,000	1,200,000	1,200.00	1,200.00
38,00,000 8% Non Cumulative Redeemable Preference shares of Rs.100 each	3,800,000	3,800,000	3,800.00	3,800.00
TOTAL			6,700.00	6,700.00
2.2 Issued, Subscribed and Fully Paid-up:				
12,50,000 - Equity Shares of Rs.10 each (Previous Year: 12,50,000 Equity Shares of Rs.10 each)	1,250,000	1,250,000	125.00	125.00
Nil - 8% Non Cumulative Redeemable Preference shares of Rs.100 each (Previous Year: 32,00,000 shares of Rs. 100 each)	—	3,200,000	—	3,200.00
Nil - 8% Non Cumulative Redeemable Preference shares of Rs.100 each (Previous Year: 6,00,000 shares of Rs. 100 each)	—	600,000	—	600.00
TOTAL			125.00	3,925.00

2.3 Reconciliation of the number of shares outstanding at the beginning and at the end of the year:

	Number of shares		Share Capital Rupees in lacs	
	Current Year	Previous Year ended 31st March, 2016	Current Year	Previous Year ended 31st March, 2016
Shares outstanding as at the beginning of the year	1,250,000	1,250,000	125.00	125.00
Add: Increase on account of share split	—	—	—	—
Shares outstanding as at the end of the year	1,250,000	1,250,000	125.00	125.00

2.4 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.

Notes on the Financial Statements for the year ended 31st March, 2017

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

	Number of shares		Share Capital Rupees in lacs	
	Current Year	Previous Year ended 31st March, 2016	Current Year	Previous Year ended 31st March, 2016
Shares outstanding as at the beginning of the year	3,200,000	3,200,000	3,200.00	3,200.00
Less: Decrease on account of Redemption	3,200,000	—	3,200.00	—
Shares outstanding as at the end of the year	—	3,200,000	—	3,200.00

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. Dividend, 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. The same have been fully redeemed during the year.

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

	Number of shares		Share Capital Rupees in lacs	
	Current Year	Previous Year ended 31st March, 2016	Current Year	Previous Year ended 31st March, 2016
Shares outstanding as at the beginning of the year	600,000	600,000	600.00	600.00
Less: Decrease on account of Redemption	600,000	—	600.00	—
Shares outstanding as at the end of the year	—	600,000	—	600.00

2.8 Terms/rights attached to 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. The same has been fully redeemed during the year.

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

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

Notes on the Financial Statements for the year ended 31st March, 2017

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

Equity Shares

Name of shareholder	31st March, 2017		31st March, 2016	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Aegis Logistics Ltd. Holding Company	1,153,211	92.26	937,500	75.00
Metochem International Private Ltd.	—	—	198,001	15.84

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.

2.11 Detail of Shares held by Holding Company:

Equity Shares

Name of shareholder	31st March, 2017		31st March, 2016	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Aegis Logistics Ltd - Holding Company	1,153,211	92.26	937,500	75.00

Preference Shares

Name of shareholder	31st March, 2017		31st March, 2016	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Aegis Logistics Ltd - Holding Company	—	—	3,800,000	100.00

	As at 31st March, 2017	As at 31st March, 2016
	Rupees in lacs	Rupees in lacs
3. Reserves and Surplus:		
3.1 Capital Reserve		
Opening Balance	1.21	1.21
Closing Balance	<u>1.21</u>	<u>1.21</u>
3.2 Capital Redemption Reserve:		
Opening Balance	1,200.00	1,200.00
Add: Transferred from the Statement of Profit and Loss	3,800.00	—
Closing Balance	<u>5,000.00</u>	<u>1,200.00</u>
3.3 General Reserve		
Opening Balance	9.78	9.78
Closing Balance	<u>9.78</u>	<u>9.78</u>
3.4 Balance in Statement of Profit and Loss:		
Opening Balance	9,229.85	5,901.17
Add: Profit after Tax	3,590.90	3,328.68

Notes on the Financial Statements for the year ended 31st March, 2017

	As at 31st March, 2017	As at 31st March, 2016
	Rupees in lacs	Rupees in lacs
Less: Appropriations:		
Transferred to Capital Redemption Reserve	(3,800.00)	—
Dividend on cumulative preference shares including arrears	(76.00)	
Corporate Dividend Tax thereon	(15.47)	
Closing Balance	<u>8,929.28</u>	<u>9,229.85</u>
	<u>13,940.27</u>	<u>10,440.84</u>
4. Deferred Tax Liabilities (Net):		
Major Components of deferred tax are:		
Deferred tax liabilities:		
On fiscal allowance of fixed assets	273.41	175.41
SUBTOTAL	<u>273.41</u>	<u>175.41</u>
Deferred tax Assets:		
On provision for doubtful debts	—	—
On fiscal allowance on expenditures etc.	(13.41)	(10.89)
SUBTOTAL	<u>(13.41)</u>	<u>(10.89)</u>
Deferred Tax Liability (Net)	<u>260.00</u>	<u>164.52</u>
5. Long Term provisions:		
Provision for Compensated Absences	9.65	7.39
Provision for Gratuity	21.27	17.25
TOTAL	<u>30.92</u>	<u>24.64</u>
6. Trade Payables:		
There are no Micro, Small and Medium Enterprises, as defined in the Micro, Small, Medium Enterprises Development Act, 2006, to whom the Company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made.		
The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the information available with the Company. This has been relied upon by the auditors.		
Others	40.25	132.34
TOTAL	<u>40.25</u>	<u>132.34</u>

Notes on the Financial Statements for the year ended 31st March, 2017

	As at 31st March, 2017 Rupees in lacs	As at 31st March, 2016 Rupees in lacs
7. Other Current Liabilities:		
Advance Storage Rentals	56.00	100.36
Advance from Customers	165.09	91.84
Amounts Payable under Capital Contracts	6.81	6.81
Other Payables:		
(i) Statutory Dues	5.84	10.62
Other Liabilities	2.00	2.00
TOTAL	235.74	211.63
There is no amount due and outstanding to be credited to the Investor Education and Protection Fund.		
8. Short-Term Provisions:		
Provision for Compensated Absences	1.81	1.76
Provision for Gratuity	1.02	5.07
TOTAL	2.83	6.83

Notes on the Financial Statements for the year ended 31st March, 2017

9. Fixed Assets:

Rupees in Lacs

Description	Gross Block (at Cost)			Accumulated Depreciation				Net Block		
	As at 1st April, 2016	Additions	Deletions	As at 31st March, 2017	As at 1st April, 2016	Charge for the year	Transition Adjustment	On Disposals	As at 31st March, 2017	As at 31st March, 2016
a) Tangible Assets:										
Land Freehold	1.66 (1.66)	-	-	1.66 (1.66)	-	-	-	-	1.66	1.66
Land Development	3.01 (3.01)	-	-	3.01 (3.01)	1.48 (1.48)	-	-	-	1.53	1.53
Building	414.31 (414.31)	-	-	414.31 (414.31)	85.78 (57.89)	27.89 (27.89)	-	-	300.64	328.53
Plant and Equipments	11,758.74 (11,758.74)	51.22	-	11,809.96 (11,758.74)	3,140.63 (2,736.53)	404.22 (404.11)	-	-	8,265.11	8,618.11
Furniture & Fixtures	95.26 (95.26)	-	-	95.26 (95.26)	29.16 (20.21)	8.95 (8.95)	-	-	57.15	66.10
Vehicle	-	-	-	-	-	-	-	-	-	-
Office Equipment	26.59 (24.67)	2.38 (1.92)	-	28.97 (26.59)	18.06 (13.11)	4.01 (4.95)	-	-	6.90	8.53
Computers	10.69 (10.69)	-	-	10.69 (10.69)	8.83 (8.18)	0.17 (0.65)	-	-	1.69	1.86
Total	12,310.25 (12,308.33)	53.60 (1.92)	-	12,363.86 (12,310.25)	3,283.93 (2,837.39)	445.24 (446.54)	-	-	8,634.68	9,026.32
b) Intangible Assets:										
Computer Software - Acquired	10.73 (10.73)	0.73	-	11.46 (10.73)	9.82 (9.29)	0.51 (0.53)	-	-	1.13	0.91
Total	10.73 (10.73)	0.73	-	11.46 (10.73)	9.82 (9.29)	0.51 (0.53)	-	-	1.13	0.91
c) Capital Work-in-Progress										
									8,635.81	9,027.23

(Figures in brackets represent those of the previous year)

Note:

- 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. Four have been registered in the name of the Company. One is pending for registration.

Notes on the Financial Statements for the year ended 31st March, 2017

	As at 31st March, 2017	As at 31st March, 2016
	Rupees in lacs	Rupees in lacs
10. Non-current Investments:		
(Fully Paid Up, At Cost)		
Trade Investment:		
- Investment in Preference Shares (Unquoted) :		
9,50,000 7% Non-Cumulative Redeemable Preference Shares of Rs. 100 each of Konkan Storage Systems (Kochi) Pvt. Ltd. (Fellow Subsidiary)	950.00	—
TOTAL	950.00	—
11. Long-Term Loans and Advances:		
(Unsecured and considered good)		
Capital advances	5.33	13.07
Deposits with Government Authorities and Others	151.08	150.03
Prepaid Expenses	1.46	2.29
Advance Tax (Net of Provision for Tax)	98.23	82.95
MAT Credit	3,114.50	2,178.73
TOTAL	3,370.60	2,427.07
12. Inventories:		
(At cost and the net realizable value whichever is lower)		
Stores and Spare Parts	99.41	104.87
TOTAL	99.41	104.87
13. Trade Receivables :		
(Unsecured)		
Outstanding for a period exceeding six months from the date they are due for payment:		
Considered Good	386.78	481.44
Considered Doubtful	0.52	0.52
	387.30	481.96
Less: Provision for Doubtful Trade Receivables	0.52	0.52
	386.78	481.44
Other Trade Receivables – Considered Good*	650.59	572.09
TOTAL	1,037.37	1,053.53
*Includes dues from Holding Company (Refer Note 26)	321.45	176.05

Notes on the Financial Statements for the year ended 31st March, 2017

	As at 31st March, 2017	As at 31st March, 2016
	Rupees in lacs	Rupees in lacs
14. Cash and Cash Equivalents:		
Cash in Hand	-	-
Balances with banks	208.16	121.31
(i) In current accounts	-	72.99
(ii) Cheques on Hand	-	1,680.84
(iii) In deposit accounts (Refer Note 19.2)		
(iv) In earmarked accounts		
- Unpaid dividend accounts	0.37	0.24
TOTAL	208.53	1,875.38
14.1 Of the above, the balances that meet the definition of Cash and cash equivalents as per Accounting Standard (AS - 3) "Cash Flow Statements" are	208.16	1,875.14
15. Short-term loans and advances:		
(Unsecured and considered good)		
Advances to Suppliers	1.24	69.93
Advance to MCGM	318.84	318.84
Prepaid Expenses	3.83	2.23
Cenvat Credit and Service tax Setoff (net)	9.38	-
TOTAL	333.29	391.00
16. Other current assets:		
Other Receivable (Refer Note 26)	-	26.72
TOTAL	-	26.72

Notes to the Financial Statements for the year ended 31st March, 2017

	Current Year	Previous Year ended 31st March, 2016
	Rupees in lacs	Rupees in lacs
17. Revenue from Operations:		
Service Revenue:		
- Liquid Terminal Division	4,883.06	4,857.53
TOTAL	4,883.06	4,857.53
18. Other Income:		
Dividend on Investments (Current, non-trade)	58.39	26.20
Interest on deposit with banks, income tax refund etc.	1.38	4.45
Interest Others	-	0.54
Sundry Credit Balances Written Back	1.03	1.60
Miscellaneous Receipts	6.76	3.78
TOTAL	67.56	36.57
19. Employee Benefits Expense:		
Salaries and Wages	97.22	100.31
Contribution to Provident and Other Funds	9.75	9.99
Staff Welfare Expenses	12.45	11.92
TOTAL	119.42	122.22
20. Finance Costs:		
Interest Expense	0.37	21.54
Other Borrowing Cost (Bank charges, charges for letter of credit, etc.)	0.52	0.37
TOTAL	0.89	21.91
21. Depreciation and Amortization Expense:		
Depreciation of Tangible Assets	445.24	446.54
Amortization of Intangible Assets	0.51	0.53
TOTAL	445.75	447.07
22. Other Expenses:		
Stores and Spare parts consumed	33.82	26.40
Power and Fuel	68.51	76.70
Labour and Other Charges	42.81	37.47
Repairs - Buildings	0.01	-
Repairs - Others	9.96	8.37
Repairs to Machinery	26.52	24.73
Way Leave Fees	99.08	94.98
Tankage Charges	96.48	96.16
Rates and Taxes	48.88	22.25
Rent	0.06	-
Lease Rentals	212.47	205.61
Insurance	55.04	57.54

Notes to the Financial Statements for the year ended 31st March, 2017

	Current Year	Previous Year ended 31st March, 2016
	Rupees in lacs	Rupees in lacs
Legal and Professional charges	73.74	82.97
Loss on sale of Investments (non-current, non-trade)	0.13	–
Printing and Stationery	4.85	5.49
Communication Expenses	1.33	1.65
Travelling, Conveyance and Vehicle Expenses	6.30	2.97
Exchange difference and Amortization of Premium on Forward Contracts	–	0.27
Advertisement	2.16	0.82
Commission on Sales	53.01	52.79
Directors' Sitting Fees	2.80	2.80
Sundry Debit Balances written off	–	3.35
Donations (Refer note: 22.2 below)	62.24	45.00
Miscellaneous Expenses (including Security services, Books, Subscription, Selling expenses etc.)	20.72	25.11
TOTAL	920.92	873.43
22.1 Payment to Auditors included under Legal and Professional Expenses:		
Audit fees	0.76	0.77
Tax Audit Fees	0.25	0.25
Limited Review	0.31	0.31
Certification	0.60	0.60
	1.92	1.94
22.2 Donation represents amount spent by the company towards Corporate Social Responsibility as per Section 135 of the Companies Act, 2013.		
(a) Gross amount required to be spent by the company during the year	59.07	44.93
(b) Amount spent during the year on:		
(i) Construction/acquisition of any asset		
(ii) On purpose other than (i) above	58.87	44.00
23. Earnings per share:		
The Numerators and denominators used to calculate Earnings per Share:		
Nominal Value of Equity Share (Rs.)	Rs. 10/-	10/-
Net Profit available for equity shareholders (Rs. In lacs)	Rs. 3,590.90	3,328.68
Less: Preference Share Dividend (including dividend tax)	Rs. 91.47	365.89
Amount available for Equity Shareholders	Rs. 3,499.43	2,962.79
Weighted Average number of shares outstanding during the year	Nos. 1,250,000	1,250,000
Basic and Diluted Earnings Per Share (Rs.) - (A) / (B)	Rs. 279.95	237.02
24. Capital and other commitments		
(a) Estimated amount of contracts remaining to be executed on Capital Account and not provided for (Net of Advances)	13.00	52.69

Notes to the Financial Statements for the year ended 31st March, 2017

25. Details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016.

Particulars	SBNs	Other Denomination Notes	TOTAL
Closing cash in hand as on 08.11.2016	95,000.00	3,675.00	98,675.00
(+) Permitted receipts	–	395,912.00	395,912.00
(-) Permitted payments	–	220,341.00	220,341.00
(-) Amount deposited in Banks	95,000.00	–	95,000.00
Closing cash in hand as on 30.12.2016	–	179,246.00	179,246.00

26. 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
Konkan Storage Systems (Kochi) Pvt. Ltd.	Fellow Subsidiary

(b) Transactions during the year with related parties:

Sr. No	Nature of transaction	Holding Company	Fellow Subsidiary
1	Investments - Balance at the year end	–	950.00
		–	–
2	Dividend Paid	76.00	–
		–	–
3	Lease Rent paid	50.85	–
		(50.68)	–
4	Tankage Charges Paid	96.48	–
		(96.16)	–
5	Tankage Charges Received	130.55	–
		(257.70)	–
6	Amount paid on our behalf	14.03	–
		(4.85)	–
7	Transfer of Licences	–	–
		(26.72)	–
	Balances as on 31st March:		
8	Trade Receivable	321.45	–
		(176.05)	–
9	Other Receivables	–	–
		(26.72)	–

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

27. 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. 9,74,719/- (Previous year Rs. 9,99,232/-) 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, 2017

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, 2017	March 31, 2016
Components of employer expense		
Current service cost	123,599	152,079
Interest cost	124,580	146,646
Expected return on plan assets	–	–
Actuarial losses/(gains)	19,897	276,708
Total expense recognised in the Statement of Profit and Loss	268,076	575,433
Actual contribution and benefit payments for year		
Actual contributions	–	–
Net asset/(liability) recognised in the Balance Sheet		
Present value of defined benefit obligation	2,229,165	2,232,055
Fair value of plan assets	–	–
Funded status [Surplus/(Deficit)]	–	–
Net asset/(liability) recognised in the Balance Sheet	2,229,165	2,232,055
Change in Defined Benefit Obligations (DBO) during the year		
Present value of DBO at beginning of the year	2,232,055	1,988,208
Current service cost	123,599	152,079
Interest cost	124,580	146,646
Benefit Paid	(270,966)	(331,586)
Actuarial (gains)/losses	19,897	276,708
Present value of DBO at the end of the year	2,229,165	2,232,055
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	6.80%	7.75%
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

Experience adjustments

Gratuity	2016-17	2015-16	2014-15	2013-14	2012-13
Present value of defined benefit obligation	2,229,165	2,232,055	1,988,208	1,644,285	1,219,986
Fair value of plan assets	–	–	–	–	–
Funded status [Surplus/(Deficit)]	(2,229,165)	(2,232,055)	(1,988,208)	(1,644,285)	(1,219,986)
Experience gain/(loss) adjustments on plan liabilities	(126,388)	250,334	305,288	(508,945)	–
Experience gain/(loss) adjustments on plan assets	–	–	–	–	–

Notes to the Financial Statements for the year ended 31st March, 2017

Actuarial assumptions for long-term compensated absences:

	March 31, 2017	March 31, 2016
Retirement Age	58 Years	58 Years
Discount rate	6.80%	7.75%
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 above information is certified by the actuary and relied upon by the Auditors.
- (iv) Employee Benefits Expenses Include:
Employees' Compensated absences **Rs. 3,59,140/-** (Previous Year Rs. 1,21,973/-).

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.
31. The details of derivative instruments and foreign currency exposures are as under:
 - a) There are no derivative instruments outstanding as on March 31, 2017.
 - 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 Board of Directors of the Company have proposed a dividend of Rs. 0.50 per equity share for the year ended 31st March, 2017 (Previous Year Rs. Nil). The dividend will be paid after the approval of shareholders at the Annual General Meeting. As per the requirements of revised AS 4, the Company is not required to provide for dividend proposed/declared after the balance sheet date. Consequently, no provision has been made in respect of the aforesaid dividend proposed by the Board of Directors for the year ended 31st March, 2017. Had the Company continued with creation of provision for proposed dividend, as at the balance sheet date, its Balance in Statement of Profit and Loss would have been lower by Rs. 7.52 lacs and Short Term Provision would have been higher by Rs. 7.52 lacs (including dividend distribution tax of Rs. 1.27 lacs).
33. 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.
34. 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,
Dated : 30th May, 2017

For and on behalf of the Board of Directors

Raj K. Chandaria	Kanwaljit S. Nagpal
Chairman	Director
DIN: 00037518	DIN: 00012201

Rohitkumar P. Kotak
Chief Financial Officer

Monica T. Gandhi
Company Secretary



SEA LORD CONTAINERS LIMITED

CIN : U21029GJ1979PLC034027

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

ATTENDANCE SLIP

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

I hereby record my presence at the 37th Annual General Meeting of the Company held on Thursday, 10th August, 2017 at 10.00 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
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Note: Shareholders attending the Meeting in person or by proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall.

*Applicable for investors holding shares in electronic form.



SEA LORD CONTAINERS LIMITED

CIN : U21029GJ1979PLC034027

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

MGT-11 PROXY FORM

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

Name of the Member(s)

Registered Address

Email Id

Folio No./ Client Id

DP ID

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

- 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 37th Annual General Meeting of the Company, to be held on the Thursday, 10th August, 2017 at 10.00 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 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, 2017			
2.	To declare Final Dividend on Equity shares @ 5 % i.e. Re. 0.50 per share (face value of Rs.10/- each).			
3.	To appoint Mr. Raj K. Chandaria, who retires by rotation			
4.	To Re-appoint Statutory Auditors and fix their remuneration			
Special Business				
5.	To appoint Mr. Jaideep D. Khimasia as an Independent Director.			

Signed this _____ day of _____, 2017

Signature of Shareholder: _____

Affix
Re. 1/-
Revenue
Stamp

Signature of Proxy holder(s): _____

- Note:**
1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
 2. It is optional to indicate your preference. If you leave the For, Against or Abstain column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.
 3. The Proxy-holders are requested to carry their identity proofs at the time of attending the Meeting.

BOOK POST/COURIER

If undelivered, please return to:



SEA LORD CONTAINERS LIMITED

CIN : U21029GJ1979PLC034027

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

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

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