



Lancer Container Lines Limited

Total Logistics Solutions Without Limits

Annual Report 2017-18



Abdul Khalik Chataiwala,
Chairman and Managing Director

Dear Members,

At the outset thank you very much for being part of our journey. I am happy to share my thoughts with you on our journey so far. During the year under review, your company crossed total revenue of Rs. 100 crores (Actuals for the year at Rs. 110.71 crores) - a growth of 40% over the previous year. While we have grown the revenues, your company has remained focused on ensuring improvement in margins. During the year your company recorded a Profit after tax of Rs.6.85 crores - a PAT margin of 6.2% against the PAT margins of 2.2% achieved in the previous year. The improvement in margins have been achieved against the backdrop of a reduction in the cost of services thus bettering the Gross margins, reducing finance cost and other costs.

I am also pleased to share positive outcomes achieved during the year. Members may recollect that during the previous year your company had allotted warrants on preferential basis to Promoters and Non Promoters. I am pleased to inform you that the warrant holders have reposed faith in the company and full payments against the warrants have been received and converted into equivalent equity shares. Your company also rewarded the members for their faith in the company in the form of a bonus issue in the ratio of 3:5, thus taking the paid up capital of your company to above Rs. 10 crores. Your company has moved the application to the Bombay Stock Exchange Limited to migrate from the SME platform of the Bombay Stock Exchange to the Main board. As on the date of this report, I am pleased to inform you that your company has been successfully migrated to the main board of the BSE with effect from 10th May 2018.

There has been changes in the external environment as well. During the year under review the government introduced the Goods and Service Tax (GST) which subsumed most of the Indirect taxes (mostly Service tax and to some extent VAT in the case of your company). Your company has obtained the required registrations under the new regulatory regime. Infrastructure led growth is being promoted in a big manner. In November 2017 the Department of Economic Affairs (DEA), issued a notification widening the category of infrastructure sub-sectors to "transport and logistics" from the earlier sub-head of "transport". In addition to the above the various initiatives currently underway under the Sagarmala project in the form of Port Modernization, developing new ports, improving capacity at existing ports, enhancing port connectivity through highways, railways, Inland waterways and logistics hubs, Port-led industrialization are all expected to improve the efficiency of the sector.

To make the company future ready, your company has invested in a bigger premise which has now been designated as the new registered office with effect from 25th August 2018. We will continue with our tireless efforts to grow the company even further in times to come. On behalf of the board, I thank you for the continuous support extended and the confidence placed in your company.

With regards,

Abdul Khalik Chataiwala
Managing Director



Corporate Information

Registered Office

Mayuresh Chambers Premises Co-Op. Society Ltd
 (With effect from 25th August 2018)
 Unit Nos. H02-2, H02-3 & H02-4,
 Plot No. 60, Sector-11, CBD Belapur,
 Navi Mumbai - 400614
 Maharashtra, India
 Website : www.lancermarine.in
 Tel: 022 2756 6940/41/42

Board of Directors

Name	Designation
Mr. Abdul Khalik Chataiwala	Managing Director
Mr. Vadakkath Sudhakaran Manesh	Executive Director
Mr. Fauzan Abdul Khalik Chataiwala	Executive Director
Mr. Harish Parameswaran	Executive Director
Mr. Suresh Babu Sankara	Independent Director
Mr. Gajanand Harivilas Ruia	Independent Director
Ms. Vijayshri Anup Krishnan	Independent Director
Mr. Narayanan Moolanghat Variyam	Independent Director (With effect from 19 July 2018)

Audit Committee

Name	Designation
Mr. Suresh Babu Sankara	Independent Director & Head of Audit Committee
Mr. Gajanand Harivilas Ruia	Independent Director
Ms. Vijayshri Anup Krishnan	Independent Director
Mr. Narayanan Moolanghat Variyam	Independent Director (With effect from 19 July 2018)

Statutory Auditor

- ❖ SOMAN Uday & Co

Company Secretary and Compliance Officer

- ❖ Ms. Anchal Gupta

Banker's to the Company

- ❖ Axis Bank Ltd
- ❖ ICICI Bank Ltd
- ❖ Deutsche Bank
- ❖ RBL Bank Ltd.

Registrar and Share Transfer Agent

- ❖ Bigshare Services Pvt Ltd



Investor help desk

Registrar and Transfer Agent

Bigshare Services Pvt. Ltd
1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis, Makwana Road,
Marol, Andheri East, Mumbai 400059,
Maharashtra.
Tel : + 91 22 62638200
Website: www.bigshareonline.com
Investor Grievance
Email - investor@bigshareonline.com

Company Secretary & Compliance officer

Ms. Anchal Gupta,
Mayuresh Chambers Premises Co-Op. Society Ltd Unit
Nos. H02-2, H02-3 & H02-4,
Plot No. 60, Sector-11, CBD Belapur,
Navi Mumbai - 400614
Maharashtra, India
Website: www.lancermarine.in
Tel: 022 2756 6940/41/42
Email:- secretarial@lancermarine.in



INDEX

Sr.No	Contents	Page No.
1.	Notice of Annual General Meeting	5
2.	Directors Report	12
3.	Secretarial Audit Report	23
4.	Form MGT9- Extract of Annual Return	27
5.	Management Discussion and Analysis	38
6.	Independent Auditors Report	41
7.	Balance Sheet	47
8.	Statement of Profit and Loss	48
9.	Cash Flow Statement	49
10.	Notes forming part of financial statements	50
11.	Attendance Slip	65
12.	Proxy form	66
13.	Road map to venue	68



LANCER CONTAINER LINES LIMITED

New registered office: Mayuresh Chambers Premises Co-Op. Society Ltd,
Unit Nos. H02-2, H02-3 & H02-4, Plot No. 60, Sector-11, CBD Belapur, Navi Mumbai - 400614
Maharashtra, India. *(With effect from 25th August 2018)*

Current office: Shop No. 26/27, Arenja Tower CHS Ltd, Plot No. 49/50/51, Sector 11,
CBD Belapur, Navi Mumbai - 400614, Maharashtra, India.

Telephone: +91 022 27566940/41/42, Website: www.lancermarine.in

CIN: L74990MH2011PLC214448

NOTICE

NOTICE is hereby given that the 7th Annual General Meeting (3rd AGM - Post IPO) of the members of **Lancer Container Lines Limited** will be held at the new registered office at, Mayuresh Chambers Premises Co-Op. Society Ltd, Units Nos. H02-2, H02-3 & H02-4, Plot No. 60, Sector-11, CBD Belapur, Navi Mumbai-400614 on Saturday, the 22nd day of September, 2018 at 11:00 A.M. to transact the following business:

Ordinary Business:

- 1) To receive, consider and adopt the Balance Sheet as at 31st March, 2018 and Profit and Loss Account and annexures thereto for the year ended on that date together with Reports of the Directors and Auditors thereon by passing an **Ordinary Resolution:**

“**RESOLVED THAT** the Audited Balance Sheet of the Company as at 31st March, 2018 and the Profit & Loss Account for the year ended on that date together with the Reports of the Directors and the Auditors thereon be and are hereby adopted.”

- 2) To appoint a Director in place of Mr. Fauzan Abdul Khalik Chataiwala, (DIN- 07376603) who retires by rotation and, being eligible, offers himself for re-appointment as a Director and in this regard, pass the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to provisions of Section 152 (6) (a) of the Companies Act, 2013, Mr. Fauzan Abdul Khalik Chataiwala, who retires by rotation, and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a director of the Company, liable to retire by rotation”.

- 3) To appoint Statutory Auditors and to fix their remuneration and in this regard to consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

“**RESOLVED THAT** pursuant to section 139 and section 141 and other applicable provision, if any of the Companies Act, 2013 and rules framed there under, as amended from time to time, M/s. Soman Uday & Co Chartered Accountants (FRN: 110352W) be and are hereby appointed as Statutory Auditors of the company, from the conclusion of this Annual General Meeting till the conclusion of next Annual general meeting of the Company, on such remuneration as shall be fixed by Board of Directors of the Company.”

Place: Mumbai

For Lancer Container Lines Ltd,

Sd/-

Date: 23rd August, 2018

Anchal Gupta

Company Secretary and compliance Officer

Membership no. A35660

**NOTES:**

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and on a poll, to vote instead of himself/herself and the proxy need not be a member of the company. A person can act as a proxy on behalf of a maximum of 50 members and holding in aggregate not more than 10% of the total share capital of the Company. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy, provided that the person does not act as proxy for any other person or shareholder. The instrument appointing proxy should be deposited at the registered office of the company not less than forty-eight hours before the commencement of the meeting. **The proxy form to be used for this AGM is enclosed.**
2. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative(s) to attend and vote in their behalf at the Meeting.
3. Members / proxies / authorized representatives should bring the duly filled attendance slip enclosed herewith to attend the meeting.
4. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company/Registrar of any change in address or demise of any member as soon as possible. Members are also advised not to leave their Demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
5. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their Demat accounts.
6. **The Register of Members and Share Transfer books will remain closed from Saturday, 15th September, 2018 to Saturday, 22nd September, 2018 (both days inclusive).**
7. In compliance with Section 108 of the Act, read with corresponding rules, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations'), the Company has provided a facility to its members to exercise their votes electronically through the electronic voting (e-voting) service facilitated by the National Securities Depository Limited (NSDL). Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again. The instructions for e-voting are annexed to the Notice. The Board has appointed M/s. Geeta Canabar and Associates, Practicing Company Secretary firm (Membership No. FCS 8702- & COP No. 8330), as the Scrutinizer to scrutinize the e-voting / ballot process / poll in a fair and transparent manner. The facility for voting by ballot will be made available at the AGM and members attending the AGM, who have not already cast their votes by remote e-voting shall be able to exercise their vote by ballot at the AGM.
8. E-voting commences on 19th September, 2018 (9:00 a.m. IST) and ends on 21 September, 2018 (5:00 p.m. IST). During this period, members holding shares either in physical or dematerialized form, as on the cut-off date, i.e. 15th September, 2018 may cast their vote electronically. A member will not be allowed to vote again on any resolution for which the vote has already been cast. The voting rights of members shall be proportionate to their share of the paid-up equity share capital of the Company as on the cut-off date, i.e. 15th September, 2018. E-voting rights cannot be exercised by a proxy, though corporate and institutional shareholders shall be entitled to vote through their authorized representatives with proof of their authorization. The e-voting module will be disabled by NSDL for voting after 21st September 2018 (5.00 pm).
9. Electronic copy of the Annual Report for FY 2017-18, the Notice of the 7th AGM and instructions for e-voting, along with the attendance slip and proxy form is being sent to all the members whose email IDs are registered with the Depository Participant(s) for communication purpose and by courier to the registered address as available with the depository participants for those members whose email ids are not registered. A member can request for a physical copy of the Annual report by sending an



email to secretarial@lancermarine.in. Members may also note that the Notice of Annual General Meeting and Annual Report for FY 2017-18 is available on the Company's website www.lancermarine.in.

10. Members are requested to bring their copy of Annual Report to the Meeting along with their respective Attendance Slip sent herewith duly filled for attending the Meeting. Relevant documents are open for inspection at the Registered Office of the Company between 12.00 p.m. to 2.00 p.m. on all days except 2nd and 4th Saturday, Sunday & Public holidays up to the date of Annual General Meeting.
11. Since the securities of the Company are compulsorily tradable in electronic form, to ensure better investor service and elimination of risk of holding securities in physical form, it is requested that the members holding shares in physical form to get their shares dematerialized at the earliest. The SEBI vide Gazette notification dated June 8, 2018 under Regulation 40 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 has mandated that transfer of securities would be carried out in dematerialized form only.
12. Members are requested to notify immediately any change in their address / bank mandate to their respective Depository Participant (DP) in respect of their dematerialized holdings and to the Company's Registrar & Share Transfer Agent at Bigshare Services Private Limited 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai 400059, in respect of their physical share folios.
13. Additional information, pursuant to Regulation 36 of the Listing Regulations, in respect of the directors seeking appointment / reappointment at the AGM, forms part of the Notice.
14. **Green Initiative -Registration of E-Mail address**

The Ministry of Corporate Affairs ("MCA") Government of India, through circular No.17/2011 dated 21st April, 2011 and Circular No.18/2011 dated 29th April 2011, has taken a green initiative for corporate governance. The members are requested to register e-mail address with the Depository Participant/ the Registrar and Share Transfer Agent of the Company, i.e. Big Share Services Private Limited, as the case may be, for service of documents We urge members to support our commitment to environmental protection by choosing to receive their shareholding communication through email. You can do this by updating your email addresses with your depository participants.

Instructions for E- Voting

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2 : Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.



3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:



- a) Click on “[Forgot User Details/Password?](#)” (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) [Physical User Reset Password?](#)” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
 8. Now, you will have to click on “Login” button.
 9. After you click on the “Login” button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

- 1 Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to geetacs@hotmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on www.evoting.nsdl.com to reset the password.



3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

Place: Mumbai

For Lancer Container Lines Ltd,

Sd/-

Date: 23rd August, 2018

Anchal Gupta

Company Secretary and compliance Officer

Membership no. A35660



Additional information on director recommended for appointment / reappointment as required under regulation 36 of SEBI (listing obligations and disclosure requirements) regulations, 2015

Brief Profile

Mr. Fauzan Abdul Khalik Chataiwala, Executive Director, has been associated with the company since 3 years and with effect from 21 December, 2015 he has been the director of the company and has been actively involved in the business of the company. He has gained lots of experience and knowledge of the shipping business and provides a new generation perspective to the business. He is continuously being mentored under the active guidance of his father Mr. Abdul Khalik Abdul Kadar Chataiwala, the Managing Director and Promoter of the company.

Mr. Fauzan Abdul Khalik Chataiwala has completed his Bachelor's degree in Commerce.

Nature of expertise in specific functional areas-

Business Management

Disclosure of inter-se relationships between directors and Key Managerial Personnel

None of the Directors and Key Managerial Personnel of the Company excepting Mr. Abdul Khalik Abdul Kadar Chataiwala in his capacity as relative (Father of Fauzan Abdul Khalik Chataiwala), as employee (Managing director of the company) & as member are related to Fauzan Abdul Khalik Chataiwala.

Names of listed entities in which the person also holds the directorship and the membership of Committees of the board

Directorship

Nil

Chairperson / Membership of Board committees

Lancer Container Lines Limited: Membership of Board committees - Member of Corporate Social Responsibility committee constituted on 4th July, 2018.

Shareholding in the Company

No. of shares -160104 shares (1.59%) as on 31st March, 2018.



Directors' Report

To,
The Members,
Lancer Container Lines Limited

Your Directors have pleasure in presenting the 7th Annual Report (3rd AGM - Post IPO) on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2018.

1. Financial Statements and Results

The Company's financial performance for the year under review along with previous year's figures is given hereunder:

Particulars	2017 -18 (Amount in Rs. Crs)	2016 - 17 (Amount in Rs. Crs)
Revenue from Operations	109.44	77.6
Other Income	1.26	1.75
Total Income	110.71	79.34
Less : Expenses	101.45	77.29
Profit Before Tax	9.26	2.05
Net Profit After Tax	6.85	1.68
Earnings per share #	9.78	2.96

EPS numbers are in actuals.

2. Brief description of the Company's working during the year.

During the year under review your Company has reported total income of Rs.110.71 Crs. for the current year as compared to the previous year income of Rs. 79.34 Crs., registering a growth of 40%. Net profit after tax is at Rs.6.85 Crs compared to previous year profit of Rs.1.68 Crs. registering an increase of 3.08 times over the previous year. The increased profits during the year have been achieved due to better performance on the parameters as listed under;

- a) Increase in Gross Profit Margin by 3.20% in FY18 v/s FY17 due to reduction in cost of services.
- b) Reduction in employee costs by 0.76%, finance costs by 0.83%, depreciation cost by 1.18%, other expenses by 0.94% in FY18 v/s FY17. (As a percentage to sales).

3. Dividend

Your Directors do not recommend any dividend for the financial year ended March 31, 2018.

4. Transfer to Reserve

The Profit after tax for the financial year FY 2017-18 amounting to Rs. 6.85 Crs. have been transferred to Reserves. During the year, the company also received share premium of Rs.1.62 Crs on the warrants issued on preferential basis and utilized reserves to the tune of Rs. 3.77 Crs. for the issue of bonus shares and amortization of lease of Rs. 0.10 Crs.

5. Change in Capital

Increase in Authorized Share Capital

During the year under review, the Authorized Share Capital of the Company was increased from Rs. 11,00,00,000/- (Rupees Eleven crores only) divided into 1,10,00,000 (One crore ten Lakh) equity shares of Rs. 10/- (Rupees Ten only) each to Rs. 15,00,00,000/- (Rupees fifteen crores only) divided into 1,50,00,000 (One Crore fifty lakhs) equity shares of Rs. 10/- (Rupees Ten only) each, ranking *Pari Passu* with the existing equity shares and consequently CLAUSE V of Memorandum of Association was altered. The said increase in authorized share capital and Alteration of Memorandum of



Association was approved by the Members in their Extra-Ordinary General Meeting held on 18th August, 2017.

6. Migration of Equity Shares from BSE SME Platform to BSE Mainboard Platform

The board is pleased to inform that as per notice dated 8th May, 2018 issued by Bombay Stock Exchange the equity shares of Company which were listed on the BSE SME Platform has been migrated & admitted to dealings on the Mainboard with effect from 10th May, 2018.

7. Increase in Paid Up Share Capital

A) During the previous financial year (FY 2016 - 2017) the members in their Extra-Ordinary General Meeting had approved the issuance of 570,000 warrants on preferential basis at the pricing of Rs. 38.45 per warrant determined as per Chapter VII of SEBI (Issue of Capital And Disclosure Requirements) Regulations, 2009. Pursuant to the payment of the amounts under the warrants by the allottees, the company has during the financial year under review converted these 570,000 warrants into 570,000 equity shares. These shares are ranking pari-passu with the old equity shares of the company. The total paid up capital post conversion increased to Rs.6,27,94,000.

B) During the year under review, the members also approved the Issue of bonus shares of face value of Rs. 10/- each in ratio 3:5 i.e in the proportion of three (3) equity shares for every five (5) equity shares held by them respectively as on the Record Date in their Extra-Ordinary General Meeting held on 21st December, 2017. Pursuant to the approval by the members, 37,67,640 Bonus Equity Shares of Rs. 10/- each were issued and allotted on January 05, 2018. These shares are ranking pari-passu with the old equity shares of the company. Total paid up capital after issue increased to Rs.10,04,70,400.

As on 31st March 2018, the total Paid up capital of company is Rs.10,04,70,400. Apart from the above the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity.

8. Allotment of Shares

During the year under the review the company has allotted 5,70,000 shares pursuant to the conversion of the warrants allotted on preferential basis as stated above in **Point No. 7(A) above**. Further the company has issued bonus shares in the proportion of three (3) equity shares for every five (5) equity shares held as stated above in Point No. 7(B) above.

9. Committees

➤ Audit Committee

The Audit Committee comprises Mr. Suresh Babu Sankara as Chairman, Mr. Gajanand Harivilas Ruia, Narayanan M Variyam and Ms. Vijayshri Krishnan as the members. The Committee is assigned role, powers and responsibilities as provided under Clause 52 of the Equity Listing Agreement and Section 177 of the Companies Act, 2013. There is no such incidence where Board has not accepted the recommendation of the Audit Committee during the year under review.

During the year under review, six Audit Committee meetings were held on 3rd May 2017, 16th August, 2017, 28th August, 2017, 30th October, 2017 and 13th November, 2017.

➤ Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee comprises Mr. Suresh Babu Sankara as Chairman, Mr. Gajanand Harivilas Ruia and Ms. Vijayshri Anup Krishnan as the members. The Committee is constituted to supervise and ensure Share Transfer related matters and to look after the Stakeholder's Grievances.



During the year under review, Stakeholders' Relationship Committee meeting was held on 24th November, 2017

➤ **Nomination and Remuneration Committee**

The Nomination and Remuneration Committee comprises Mr. Suresh Babu Sankara as Chairman and Mr. Gajanand Harivilas Ruia and Ms. Vijayshri Krishnan as the members. The Committee is formed for the purpose of recommending the Nomination and Remuneration and evaluation of the Directors' performance.

During the year under review, 3(three) Nomination and Remuneration meetings were held on 28th August, 2017 ,30th October, 2017 and 26th February, 2018.

➤ **Corporate Social Responsibility Committee**

The board of directors at its meeting held on 4th July, 2018 at its registered office has constituted the Corporate Social Responsibility Committee u/s. 135 (1) of the Companies Act,2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014. The Corporate Social Responsibility Committee constitute the following members:

Name	Chairperson/ Member	Category
Abdul Khalik Abdul Kadar Chataiwala	Chairperson	Managing Director
Fauzan Abdul Khalik Chataiwala	Member	Executive Director
Harish Parameswaran	Member	Executive Director
Suresh Babu Sankara	Member	Non-Executive independent Director

10. Directors and Key Managerial Personnel

- A) Mr. Fauzan Abdul Khalik Chataiwala (DIN- 07376603), Director who retires by rotation and, being eligible for re-appointment, offers himself for re-appointment is part of the agenda of the current Annual General Meeting.
- B) Mr. Suresh Babu Sankara, Mr. Gajanand Harivilas Ruia and Ms. Vijayshri Anup Krishnan are appointed as an Independent Directors of the Company for a period of 5 years.
- C) Appointment of Mr. Narayanan M Variyam (DIN: 08109682) as Independent Non-Executive Director on 19th July 2018 has been approved by members in a postal Ballot conducted pursuant to the Regulation 110 of Companies Act 2013 and Rule 22 Of The Companies (Management And Administration) Rules, 2014.
- D) On the recommendation of the Audit Committee, the board has appointed Mr. Rajeev Bhavnani as a Chief Financial Officer with effect from 30th October, 2017.

11. Internal Control and Its adequacy

The Board at its meeting held on 28th August, 2017 had appointed Ganesh Natarajan and Associates as internal auditor and replaces N.S Bhosle & Company, Chartered Accountants with effect from 1st August, 2017. The company has an adequate internal controls and processes in place with respect to its financial statements which provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements. These controls and processes are driven through various policies, procedures and certifications. The processes and controls are reviewed periodically by internal auditor. The Company has a mechanism of testing the controls at regular intervals for their design and operating effectiveness to ascertain the reliability and authenticity of financial information.



12. Corporate Social Responsibility [CSR]

The provisions of the CSR expenditure and Composition of Committee, as provided in the Section 135 of the Companies Act, 2013 will become effective from Financial Year 2018-19 and hence the spending on CSR activities will be executed in the financial year of FY 2018-19. The company has adopted the policy of Corporate Social Responsibility and uploaded the same on website.

13. Corporate Governance

For the full period under review (FY 2017-18), the Company was listed on BSE-SME platform and hence the requirements of Corporate Governance are not applicable to the company. However, since the company has been migrated to the Main board of the BSE, the requirements of Corporate governance are applicable from the ensuing financial year i.e. FY 2018-19. Your company is well placed to be in compliance with the corporate governance norms prescribed under the Companies Act, 2013, particularly, in relation to appointment of Independent Directors to our Board and constitution of Board-level committees. Your company also undertakes to take all necessary steps to comply with all the requirements of the SEBI Listing Regulations.

14. Particulars of Employees

In terms of the provision of section 197(12) of the Companies Act ,2013 read with Rule 5(2) & (3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 requiring particulars of the employees in receipt of remuneration in excess of Rs.1.02 Crs per year to be disclosed in the Report of Board of Directors are not applicable to the Company as none of the employees was in receipt of remuneration in excess of Rs. 1.02 Crs during the financial year 2017-18. Particulars of Employees as required to be disclosed under Rule 5(1) and (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith as “Annexure I”.

15. Related Party Transaction:

All related party transactions, if any, that were entered into during the financial year were on an arm’s length basis and were in the ordinary course of business. Particulars of contract or arrangements with related parties is annexed herewith in Form AOC 2 as “Annexure - II”.

16. Number of Board Meeting conducted during the year under review.

The Company had conducted total 14 Board meetings on the following dates 20th April, 2017, 4th May, 2017, 18th July 2017, 16th August 2017, 19th August 2017, 28th August 2017, 31st August 2017, 1st September 2017, 30th October 2017, 14th November 2017, 24th November 2017, 23rd December 2017, 5th January 2018, and 1st March 2018 during the financial year under review.

17. Statutory Auditors

M/s. Soman Uday & Co, Chartered Accountants, Mumbai (FRN: 110352W) has been appointed and approved by members as the Statutory auditor for the company till the concluding of the members meeting (AGM) for financial year FY 2017-2018. It is proposed in the notice to this AGM for approval of members to appoint M/s Soman Uday & Co as statutory auditor to hold the office from the conclusion of this AGM until the conclusion of the Annual General Meeting of the members to be held for the financial year ending on 31st March, 2019. M/s Soman Uday has given his consent letter along with required certificate under Section 141 to the effect that their appointment, if made, would be within the limits specified under Section 139 of the Companies Act, 2013.

18. Auditors’ Report

The observation made in the Auditors Reports read with relevant notes thereon are self-explanatory and hence, do not call for any further comments under Section 134 of the Companies Act, 2013.



19. Secretarial Audit Report

In terms of Section 204 of the Companies Act, 2013 and Rules made there under, the board have appointed M/s. Geeta Canabar & Associates, Practicing Company Secretary as the Secretarial Auditors of the Company. The report of the Secretarial Auditors is enclosed as Annexure III to this report. The report is self-explanatory and do not call for any further comments.

20. Vigil Mechanism

Your Company believes in promoting a fair, transparent, ethical and professional work environment. The Board of Directors of the Company pursuant to the provisions of Section 177 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, has framed "Vigil Mechanism" for Directors and employees of the Company for reporting the genuine concerns or grievances or cases of actual or suspected, fraud or violation of the Company's code of conduct and ethics policy. The Vigil Mechanism Policy has been uploaded on the website of the Company at www.lancermarine.in under <http://www.lancermarine.in/Policies.html> link.

21. Sexual Harassment

There was no case filled during the year, under the sexual harassment of women at workplace (Prevention, Prohibition & Redressal) Act, 2013. Further Company ensures that there is a healthy and safe atmosphere for every women employee at the workplace and made the necessary policies for safe and secure environment for women employees.

22. Extract of Annual Return

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in **MGT 9** as a part of this Annual Report is enclosed as Annexure IV. The same document is also placed on our website at www.lancermarine.in under <http://www.lancermarine.in/MGT%209.pdf> .

23. Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report

The company has entered into an agreement dated 3rd April 2018 to purchase an additional office located at Mayuresh Chambers, Unit No. H02-2, H02-3 and H02-4, Plot no- 60, Sector 11, CBD Belapur, Navi Mumbai - 400614. Each of the unit have 3 floors. A total area of 9270 sq. feet of carpet area (3090 Sq. feet * 3 units) would be available to the company to house its expanding operations as it seeks to increase the fleet size and business verticals.

24. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

There has been no material order passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future. We however bring to the attention of the members, matters which are in the nature of disputes & their associated claims. For all the below stated matters the company has or is in the process of refuting the incorrect and invalid claims.

In the Court of Civil Judge (Senior Division), at Lucknow:

M/s Banaras Glasses (P) Ltd (Herein after referred to as Customer) having registered office at 126/31, Shalimar square, BN road Lalbagh, Lucknow, has filed petition in the court of civil judge (senior division) Lucknow against our company for mandatory Injection and recovery of damages. With respect of this, the customer has filed a suit for Rs. 27,41,652/- and interest there-on from the date of filing the suit to the actual date of payment of the above amount by the company. The company believes that the case has no merits and is an incorrect and invalid claim.

**In the Court of Civil Judge (Senior Division), at Thane:**

Vardhaman Wires and Polymers Limited (Herein after referred to as Shipper) having registered office at Plot No.662/II, Savali Lamdapura Road, Taluka Savali, Village Majusar, Dist, Baroda- 3971 770 has filed a suit in the court of civil judge (senior division) Thane, against our company for recovery of losses caused due to damage to their cargo. The company had provided a container to the shipper for export from ex Nhava Sheva to Jebel Ali on Shippers LOAD / STOW / COUNT basis in which case, Lancer does not have any responsibility as regards the condition of cargo. Accordingly Bills of Lading had been issued based on SAID TO CONTAIN clause (i.e. as per information provided by the Shipper). As per the shipper at the time the goods reached the destination, they have been found to be damaged by water seepage and thus they have filed a claim of Rs. 42,00,000 as damages including the cost of the goods and various other costs and interest thereon till the date of payment. The company is in the process of filing our response to prove that the claim is incorrect and invalid.

Proceedings against our Company

Our Company has voluntarily filed an application dated March 19, 2016 for compounding of offences for non-compliance under section 42 of the Companies Act, 2013 i.e. delay in allotment of shares within prescribed timeline and not opening a separate bank account for receipt of share application money. The said application is in process with the relevant authority.

Taxation

The Company has received a demand notice in April 2018 from the Assistant Commissioner of Sales tax, Raigad Division with respect to the Sales Tax assessment for financial year 2011-12. The demand notice is issued for an amount of Rs. 10,066,786/- (inclusive of Tax, penalty and interest) pertaining to an input tax credit for Rs. 41,51,252/- wrongly availed by one of our customers during financial year 2011-12. We have already filed an appeal with Deputy Commissioner of Sales Tax, Belapur Div. VAT-006 against the order.

Deposits

During the year, the Company has not accepted any deposits under the Companies Act, 2013.

25. Particulars of loans, guarantees or investments under Section 186.

The Company has not given any loans or guarantees covered under the provision of section 186 of the Companies Act, 2013. There is no investment and guarantee made during the year.

26. Declaration of Independent Directors

The Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

27. Management Discussion and Analysis

The Management Discussion and Analysis for the year ended 31 March 2018 forms part of this Annual Report as Annexure V.

28. Board evaluation

In compliance with the provisions of Companies Act, 2013 and listing compliances, the Board carried out an annual evaluation of its own performance and individual Directors. It also evaluated the performance of its committees. The evaluation inter alia covered different aspects viz. composition of the Board and its Committees, qualifications, performance, inter-personal skills, submissions done by the Director in varied disciplines related to the Company's business.



29. Conservation of energy, technology absorption and foreign exchange earnings and outgo

➤ Conservation of Energy

No specific investment has been made in reduction in energy consumption.

➤ Technology Absorption

As the company has not acquired any technology, the question of absorption of technology does not apply to the company.

➤ Foreign Exchange Earning and Outgo

During the period under review the foreign exchange earnings and outflow were as follows:

- 1) Earnings USD 21,49,773.00
- 2) Outflow USD 21,28,277.00

30. Human Resources

Given that we are in the service industry employees remain the backbone of our service delivery and differentiation. Employees are engaged to contribute their best and appraised given feedback at regular intervals. During the year we added approximately 30 employees. Employees are given a proper orientation, training, rotation under a structured program.

31. Directors' Responsibility Statement

The Directors' Responsibility Statement referred to in clause 134(3)(c) of the Companies Act, 2013, state that –

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

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

(c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) the directors had prepared the annual accounts on a going concern basis; and

(e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effective.

32. Acknowledgements

Your Company and its directors acknowledge with gratitude the support and co-operation received from the Members/ shareholders of the Company, Bankers, Local Bodies, Customers, Suppliers, Executives, Financial Institution and Central and State Governments.

Place: Mumbai

By order of the Board of Directors

Sd/-

Date: 23rd August, 2018

Abdul Khalik Chataiwala

Managing Director

DIN Number - 01942246



ANNEXURE I TO DIRECTORS' REPORT

Disclosure required under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Ratio of the remuneration of each Director to the median remuneration of the employees for the FY 2017-18 and percentage change in the remuneration of each Director in the FY 2017-18:

Name of Director	Designation	Ratio of remuneration of the Director to the median remuneration	% increase in Remuneration
Mr. Abdul Khalik Chataiwala	Managing Director & Chairman	12.41	No change
Mr. Vadakkath Sudhakaran Manesh	Executive Director	13.67	10%
Mr. Fauzan Abdul Khalik Chataiwala	Executive Director	3.67	52%
Mr. Harish Parameswaran	Executive Director	5.50	8%

Percentage increase in the remuneration of Chief Executive Officer, Chief Financial Officer and Company Secretary in the FY 2017-18:

Name	Designation	% increase in Remuneration
P.N. Kutty	C.E.O	7%
Rajeev Bhavnani	C.F.O	Not Applicable
Anchal Gupta	Company Secretary and Compliance Officer	No change

1. There were 117 permanent employees on the rolls of the Company at the end of the FY 2017-18.
2. The median remuneration of employees of the Company has been increased by 8.68% in the FY 2017-18 over the median remuneration of employees of the Company in FY 2016-17.
3. The increment given to each individual employee is based on the employees' potential, experience as also their performance and contribution to the Company's progress over a period of time and also as per market trend.
4. **Affirmation:** Remuneration paid to Directors, KMP and other employees is as per the remuneration policy of the Company.



Annual Report 2017 - 2018

Disclosure required under Rule 5(2) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014. Top Ten Employees in terms of Remuneration drawn.

Sr. No	Name of the Employee	Designation	Remuneration (Monthly)	Nature of employment	Exp (yrs)	Joining Date	DOB	Age	% of Equity shares held by the Employee along with spouse and children	Relative of any Director / Manager	Last employment
1	Vadakkath Sudhakaran Manesh	Director	3,48,200	Permanent	20	31.03.2012	30.05.1974	44	-	-	Radiant Maritime Pvt.Ltd.
2	Abdul Khalik Abdul Kadar Chataiwala	Managing Director	2,48,200	Permanent	30	01.03.2011	22.01.1964	54	39.06*	Father of Fauzan Abdul Khalik chataiwala and Spouse of Tarannum Chataiwala	N.A
3	Fauzan Abdul Khalik Chataiwala	Director	1,48,200	Permanent	3.5	01.03.2015	16.12.1997	21	1.59	Son of Mr. Abdul khalik chataiwala	N.A
4	Smitha Manesh	Employee	1,48,200	Permanent	6	31.03.2012	12.05.1978	40	0.12	Wife of vadakkath sudhakaran manesh	N.A
5	Nagender Vashishth	Regional Manager-North	1,14,100	Permanent	10	11.11.2014	26.11.1981	37	Nil	-	Opal Asia Logistics
6	Harish Parameswaran	Director	1,09,956	Permanent	15	11.01.2016	17.01.1975	43	Nil	-	Citi India
7	Amol Mohan Shirke	Deputy General Manager (DGM)	1,06,200	Permanent	14	13.06.2016	12.07.1983	35	Nil	-	Ceyline Logistics
8	Rajeev Bhavnani	Chief Financial Officer (CFO)	1,00,000	Permanent	25	23.07.2018	10.01.1971	47	Nil	-	Vardhaman Plastochem Pvt.Ltd.



Annual Report 2017 - 2018

9	Tarannum Chataiwala	Employee	98,200	Permanent	7	01.03.2011	01.07.1975	43	10.37#	wife of Abdul khalik chataiwala	N.A
10	Shyam Gangaram Lalwani	Branch Manager	78,720	Permanent	12	01.05.2012	08.06.1984	34	Nil	-	Radiant Maritime Pvt.Ltd.

* Does not include the shareholding of Tarannum chataiwala (Spouse).

Does not include the shareholding of Abdul Khalik chataiwala

Place: Mumbai

Date: 23rd August, 2018

By order of the Board of Directors

Sd/-

Abdul Khalik Chataiwala

Managing Director

DIN Number - 01942246



ANNEXURE II TO DIRECTORS' REPORT

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis

Name(s) of the related party and nature of relationship	NIL
Nature of contracts/arrangements/transactions	
Duration of the contracts/arrangements/transactions	
Salient terms of the contracts or arrangements or transactions including the value, if any	
Justification for entering into such contracts or arrangements or transactions	
Date(s) of approval by the Board	
Amount paid as advances, if any	
Date on which the special resolution was passed in general meeting as required under first proviso to Section 188	

2. Details of material contracts or arrangement or transactions at arm's length basis

Name(s) of the related party and nature of relationship	NIL
Nature of contracts/arrangements/transactions	
Duration of the contracts/arrangements/transactions	
Salient terms of the contracts or arrangements or transactions including the value, if any	
Justification for entering into such contracts or arrangements or transactions	
Date(s) of approval by the Board	
Amount paid as advances, if any	
Date on which the special resolution was passed in general meeting as required under first proviso to Section 188	

Place: Mumbai

By order of the Board of Directors

Sd/-

Date: 23rd August, 2018

Abdul Khalik Chataiwala

Managing Director

DIN Number - 01942246



ANNEXURE III TO DIRECTORS' REPORT

SECRETARIAL AUDIT REPORT

for the financial year ended 31st March, 2018

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
LANCER CONTAINER LINES LIMITED
26/27, Arenja Tower CHS Ltd,
Plot No 49/50/51, Sector 11,
CBD Belapur,
Navi Mumbai- 400614

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **LANCER CONTAINER LINES LIMITED** (herein after called "**the Company**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, We hereby report that in our opinion, the Company has, during the financial year ended on 31st March, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31st March, 2018 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 ("FEMA") and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(applicable to the Company during the audit period)**.
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(not applicable to the Company during the audit period)**.
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(not applicable to the Company during the audit period)**.



- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(not applicable as the Company is not registered as Registrars to an Issue and Share Transfer Agents during the audit period).**
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(not applicable to the Company during the audit period)** and
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(not applicable to the Company during the audit period)**
- i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

We further report that, the Company has complied with the following laws applicable specifically to the Company:

- a) The Multimodal Transportation of Goods Act 1993 (MTG Act)
- b) The Indian Carriage of Goods by Sea Act 1925 (COGSA)
- c) The Carriage by Road Act 2007 (Carriage by Road Act)
- d) International Maritime Dangerous Goods Code (IMDG Code)

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI);
- ii. The Listing Agreements entered into by the Company with BSE Limited and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

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

We further report that: -

- the Board of Directors of the Company is duly constituted with proper balance of Executive, Non-Executive and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule Board and Committee Meetings. Agenda and detailed notes on agenda were sent adequately in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting(s) and for meaningful participation at the meeting(s).
- All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

We further report that during the audit period the Company has;

- a. Revised price of 5,70,000 warrants allotted on preferential basis which are convertible into equivalent number of equity shares.
- b. Allotted 5,70,000 equity shares against conversion of warrants.



- c. Issued bonus shares at the ratio of 3:5; i.e. 3 bonus equity shares for every 5 fully paid up equity shares held by the shareholders as on record date.

- d. Issued postal ballot notice dated 1st March, 2018 for revision of remuneration of its Directors pursuant to provisions of Sections 196, 197, 198, and any other applicable provisions, if any, of the Companies Act, 2013 & the Rules made there under (including any statutory modification or re-enactment(s) thereof for the time being in force), read with Part II, Section II of Schedule V to the Companies Act, 2013 and migration of the company from the SME platform of BSE to the Main board.

For Geeta Canabar & Associates
Company Secretary

Sd/-

Place: Mumbai
Date: 7th August, 2018

Geeta Canabar
Proprietor
CP No. 8330

Note: This report is to be read with our letter which is annexed as 'ANNEXURE A' and forms an integral part of this report.



ANNEXURE A

To,
The Members,
LANCER CONTAINER LINES LIMITED
26/27, Arenja Tower CHS Ltd,
Plot No 49/50/51, Sector 11,
CBD Belapur,
Navi Mumbai - 400614

Our report is to be read along with this letter:

- 1) Maintenance of secretarial record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- 2) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- 3) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- 4) Wherever required, we have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.
- 5) The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of the Management. Our examination was limited to the verification of procedures on test basis.
- 6) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

**For Geeta Canabar & Associates
Company Secretary**

Sd/-

**Place: Mumbai
Date: 7th August, 2018**

**Geeta Canabar
Proprietor
CP No. 8330**



ANNEXURE IV TO DIRECTORS' REPORT

Form MGT-9

Extract of Annual Return as on the Financial Year ended On 31st March, 2018

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

I. Registration and other details:

i.	CIN	L74990MH2011PLC214448
ii.	Registration Date	07/03/2011
iii.	Name of the Company	Lancer Container Lines Limited
iv.	Category/Sub-Category of the Company	Company Limited by Shares
v.	Address of the Registered office and contact details	Current office: 26/27, Arenja Tower CHS Ltd, Plot No: 49/50/51, Sector -11, CBD Belapur, Navi Mumbai-400614. (With effect from 25 th August 2018) Mayuresh Chambers Premises Co-Op. Society Ltd, Units Nos. H02-2, H02-3 & H02-4, Plot No. 60, Sector-11, CBD Belapur, Navi Mumbai-400614
vi.	Whether listed company	Yes, (Listed on April 13, 2016)
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Bigshare Services Pvt. Ltd 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai 400059 Tel.: + 91 22 62638200 Website: www.bigshareonline.com Investor Grievance Email - investor@bigshareonline.com

II. Principal Business activities of the Company

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



Sr. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Coastal water transport services of intermodal containers by container ships	99652	94.14%

III. Particulars of Holding, Subsidiary and Associate Companies:

Not Applicable.

IV. Share Holding Pattern (Equity Share Capital Breakup as Percentage of Total Equity)

i. Category - wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A) Promoter									
1) Indian									
a) Individual	31,05,945	Nil	31,05,945	54.40	57,77,512	Nil	57,77,512	57.50	3.1
b) Central Govt.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) State Govt(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Bodies Corp	7,71,330	Nil	7,71,330	13.51	12,34,128	Nil	12,34,128	12.28	(1.23)
e) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Any Other	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total(A)(1):-	38,77,275	Nil	38,77,275	67.91	70,11,640	Nil	70,11,640	69.78	1.87
2) Foreign									
g) NRIs-Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
h) Other-Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i) Bodies Corp.	2,92,125	Nil	2,92,125	5.12	4,67,400	Nil	4,67,400	4.65	(0.47)
j) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
k) Any Other....	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total(A)(2):-	2,92,125	Nil	2,92,125	5.12	4,67,400	Nil	4,67,400	4.65	(0.47)



B) Public Shareholding	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
1. Institutions	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
a) Mutual Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Central Govt	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) State Govt(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Insurance Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
g) FIs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
h) Foreign Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i) Others (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total(B)(1)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
2. Non Institutions	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
a) Bodies Corp. (i) Indian (ii) Overseas	1,05,000	Nil	1,05,000	1.84	3,32,000	Nil	3,32,000	3.30	1.46
b) Individuals (i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	5,45,391	Nil	5,45,391	9.55	2,96,018	Nil	2,96,018	2.95	(6.6)
(ii) Individual shareholders holding nominal share capital in excess of Rs 1lakh	7,74,999	Nil	7,74,999	13.57	18,15,982	Nil	18,15,982	18.07	4.5
c) Others(Specify)	1,14,610	Nil	1,14,610	2.01	1,24,000	Nil	1,24,000	1.23	(0.78)
Sub-total(B)(2)	15,40,000	Nil	15,40,000	26.97	25,68,000	Nil	25,68,000	25.56	(1.42)
Total Public Shareholding (B)=(B)(1)+(B)(2)	15,40,000	Nil	15,40,000	26.97	25,68,000	Nil	25,68,000	25.56	(1.42)
C. Shares held by Custodian for GDRs & ADRs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil



Grand Total(A+B+C)	57,09,400	Nil	57,09,400	100	1,00,47,040	Nil	1,00,47,040	100	Nil
--------------------	-----------	-----	-----------	-----	-------------	-----	-------------	-----	-----

ii. **A) Shareholding of Promoters**

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Abdul Khalik Chataiwala	21,47,575	37.61	Nil	39,24,120	39.06	Nil	1.45

b) **Shareholding of Promoter group:**

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total share	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Mr. Fauzan Abdul Khalik Chataiwala .	65	0.00	Nil	1,60,104	1.59	Nil	1.59
2.	Mr. Deepak L Rajani	4,07,045	7.13	Nil	6,51,272	6.48	Nil	(0.65)
3.	Ashwamedh Enterprises Private Limited	7,71,330	13.51	Nil	12,34,128	12.28	Nil	(1.23)
4.	Mrs. Tarannum Chataiwala.	5,51,250	9.66	Nil	10,42,000	10.37	Nil	0.71
5.	Mr. Deepak Gangadhar Sonar	5	Negligible	Nil	8	Negligible	Nil	Negligible
6.	Mr. Narayanan Kutty Parekattil .	5	Negligible	Nil	8	Negligible	Nil	Negligible
7.	Badoor Textiles LIC	2,92,125	5.12	Nil	4,67,400	4.65	Nil	(0.47)

iii) A) Change in shareholding of Promoters

Sl No	Shareholder's Name	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
	Mr. Abdul Khalik Chataiwala				
	At the beginning of the year	21,47,575	37.61	---	---
Add	Preferential Allotment	3,05,000	---		---
Add	Bonus	14,71,545	---	---	---
	At the End of the year	---	---	39,24,120	39.06

C) Change in shareholding of Promoter Group.

Sl No	Shareholder's Name	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
1.	Fauzan Abdul Khalik Chataiwala				
	At the beginning of the year	65	0.00	---	---
Add	Preferential Allotment	100000	---	---	---
Add	Bonus	60039	---	---	---
	At the End of the year	---	---	1,60,104	1.59
2.	Mr. Deepak L Rajani				
	At the beginning of the year	4,07,045	7.13	---	---
Add	Bonus	244227	---	---	---
	At the End of the year	---	---	6,51,272	6.48
3.	Ashwamedh Enterprises Private Limited				
	At the beginning of the year	7,71,330	13.51	---	---
Add	Bonus	462798	--	---	---
	At the End of the year	---	---	12,34,128	12.28
4.	Mrs. Tarannum Chataiwala.				
	At the beginning of the year	5,51,250	9.66	---	---
Add	Preferential Allotment	100000	0.71	---	---
Add	Bonus	390750	--	---	---
	At the End of the year	---	---	10,42,000	10.37
5.	Mr. Deepak Gangadhar Sonar				



	At the beginning of the year	5	Negligible	---	---
Add	Bonus	3	Negligible	---	---
	At the End of the year	---	---	8	Negligible
6.	Mr. Narayanan Kutty Parekattil				
	At the beginning of the year	5	Negligible	---	---
Add	Bonus	3	Negligible	---	---
	At the End of the year	---	---	8	Negligible
7.	Badoor Textiles LLC				
	At the beginning of the year	2,92,125	5.12	---	---
Add	Bonus	175275	--	---	---
	At the End of the year	---	---	4,67,400	4.65

iv) **Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRS and ADRS).**

Sl. No.	Name of the share holder	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
1	Rikhav Securities Limited	175001	3.06	356000	3.54
2	Prasenjit Kumar Paul	20000	0.35	108000	1.07
3	Sunil Kumar G Mishra	60000	1.05	96000	0.95
4	Rajnikant Mohanlal Shah	60000	1.05	96000	0.95
5	Vivek Kumar Bhauka	90000	1.57	88000	0.87
6	Sahil Gupta	60000	1.05	88000	0.87
7	Vijay Kumar Mishra	0	Nil	80000	0.79
8	Mayannk D Sangani	50000	0.87	76000	0.75
9	Sashi Kiran Bhauka	60000	1.05	72000	0.71
10	Heena Salim Shaikh	20000	0.35	56000	0.55

Note:

1. Total shares of the company at the beginning of the year is 5709400 shares.
2. Total shares of the company during the year is 1,00,47,040 shares



v) Shareholding of Directors and Key Managerial Personnel:

For Each of the Directors & KMP	Shareholding at the beginning of the year		Cumulative Shareholding end of the year	
	No .of shares	% of total shares of the company	No of shares	% of total shares of the company
Mr. Abdul Khalik Chataiwala (Managing Director)				
At the beginning of the year	2,147,575	37.61	--	--
Add: preferential Allotment of shares pursuant to conversion of warrants	3,05,000	1.45	--	--
Add: Bonus Issue	14,71,545	--	--	--
At the end of the year	--	--	39,24,120	39.06
Mr. Fauzan Abdul Khalik Chataiwala (Director)				
At the beginning of the year	65	0.00156	--	--
Add: preferential Allotment of shares pursuant to conversion of warrants	1,00,000	1.59	--	--
Add: Bonus Issue	60,039	----	--	--
At the end of the year	--	--	1,60,104	1.59
Mr. Narayanan Kutty Parakattil (C.E.O)				
At the beginning of the year	5	Negligible	--	--
Add: Bonus	3	Negligible	--	--
At the end of the year	--	--	8	Negligible

The following directors does not hold any shares of the company during financial year 2017-2018:

1. Vadakkath Sudhakaran Manesh - Executive Director
2. Harish Parameswaran- Executive Director

The following KMP does not hold any shares of the company during financial year 2017-2018.

1. Rajeev Bhavnani- Chief Financial Officer
2. Anchal Gupta- Company Secretary and Compliance officer



Indebtedness

Indebtedness of the Company including interest outstanding / accrued but not due for payment.
(Figures in Rs.)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year i) Principal Amount				
ii) Interest due but not paid	206,305,120.00	0.00	0.00	206,305,120.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
	0.00	0.00	0.00	0.00
Total (i+ii+iii)	206,305,120.00	0.00	0.00	206,305,120.00
Change in Indebtedness during the financial year - Addition - Reduction -				
	98,738,906.00	0.00	0.00	98,738,906.00
	101,226,098.00	0.00	0.00	101,226,098.00
Net Change	(2,487,192.00)	0.00	0.00	(2,487,192.00)
Indebtedness at the end of the financial year				
i) Principal Amount				
ii) Interest due but not paid	202,686,431.00	0.00	0.00	202,686,431.00
iii) Interest accrued but not due	715,978.00	0.00	0.00	715,978.00
	415,519.00	0.00	0.00	415,519.00
	203,817,928.00	0.00	0.00	203,817,928.00

V. Remuneration of Directors and Key Managerial Personnel

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager (All amounts in INR)				Total Amount(in INR)
		Abdul Khalik Chataiwala (Managing Director)	Fauzan Abdul Khalik Chataiwala (Director)	Harish Parameswaran (Director)	Vadakkath Sudhakaran Manesh (Director)	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites	2,978,400	8,80,200	1,319,472	3,280,000	84,58,072



	u/s17(2) Income-tax Act,1961 (c) Profits in lieu of salary under section17(3) Income tax Act,1961					
2.	Stock Option	--	--	--	--	
3.	Sweat Equity	--	--	--	--	
4.	Commission - as % of profit - others, specify...	--	--	--	--	
5.	Others, please specify	--	--	--	--	
6.	Total(A)	2,978,400	8,80,200	1,319,472	3,280,000	84,58,072
	Ceiling as per the Act	-	-	-	-	1,68,00,000*

*Pursuant to the provisions of Sections 196, 197, 198, and any other applicable provisions, if any, of the Companies Act, 2013 & the Rules made there under (including any statutory modification or reenactment(s) thereof for the time being in force), read with Part II, Section II of Schedule V to the Companies Act, 2013 the members had accorded their consent by special resolution with requisite majority passed by postal ballot/ E-voting on 6th April, 2018 for revision in remuneration and approval of aforesaid limit of remuneration.

B. Remuneration to other Directors:

Sl. No.	Particulars of Remuneration	Independent Directors			Total Amount
		Suresh Babu Sankara	Gajanand Harivilas Ruia	Vijayshri Anup Krishnan	
	<u>Independent Directors</u> · Fee for attending board committee meetings · Commission · Others, please specify	--	--	--	--
	Total(1)				
	<u>Other Non-Executive Directors</u> · Fee for attending board committee meetings · Commission · Others, please specify	--	--	--	--
	Total(2)				
	Total(B)=(1+2)				
	Total Managerial Remuneration	--	--	--	--
	Overall Ceiling as per the Act	--	--	--	--


C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel (All amounts in INR)			
		CEO	Company Secretary	CFO	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	5,79,600	3,67,213	7,42,181	16,88,994
2.	Stock Option	--	--	--	--
3.	Sweat Equity	--	--	--	--
4.	Commission - as % of profit - others, specify...	--	--	--	--
5.	Others, please specify	--	--	--	--
6.	Total	5,79,600	3,67,213	7,42,181	16,88,994

VI. Penalties/Punishment/Compounding of Offence:

Type	Section of the Co.'s 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	Section 42 and 62 of Companies Act, 2013	Application for condonation of unintentional non-compliance regarding various allotment of shares under section 42 and 62 of the Companies Act, 2013 during the financial year 2014-15 and 2015-16.	Application for compounding has been made, order of court is awaited.	Central Government	--
B. Directors					
Penalty	--	--	--	--	--
Punishment	--	--	--	--	--



Compounding	--	--	--	--	--
C. Other Officers In Default					
Penalty	--	--	--	--	--
Punishment	--	--	--	--	--
Compounding	--	--	--	--	--

Place: Mumbai

By order of the Board of Directors

Sd/-

Date: 23rd August, 2018

Abdul Khalik Chataiwala

Managing Director

DIN Number - 01942246



ANNEXURE V TO DIRECTORS' REPORT

Management Discussion and Analysis

Industry and Business Overview

Logistic industry in India

The presence of a robust logistics-related infrastructure and an effective logistics management system facilitates seamless movement of goods from the point of origin to that of consumption, and aids an economy's movement to prosperity. The progress of logistics sector holds an immense value for Indian economy as well; as such advancement would increase exports, generate employment and give the country a significant place in the global supply chain.

As per the Economic Survey 2017-18, the Indian logistics sector provides livelihood to 22 million-plus people and improving the sector would facilitate a 10% decrease in indirect logistics cost, leading to a growth of 5-8% in exports. Further, the Survey estimates that the worth of Indian logistics market would be around US\$ 215 billion in next two years compared to about US\$ 160 billion currently. The boom in next couple of years is expected largely due to the implementation of Goods and Service Tax (GST).

To alter the country's logistics landscape, GOI has taken a number of decisions. The GST regime is certain to expedite faster conversion of informal logistics setups to formal ones and speed up freight movement at interstate borders due to dismantling of check posts. There is a target to reduce the logistics cost in India from the present 14% of GDP to less than 10% of it, by 2022. A national committee headed by Cabinet Secretary is in place to develop the Pan-India roadmap for trade facilitation.

A new Logistics Division in the Department of Commerce has been established to coordinate integrated development of the sector by way of policy changes, improvement in existing procedures, identification of bottlenecks and gaps, and introduction of technology-based interventions. A concerted effort in collaboration with central line ministries and state governments is on to simplify the regulatory processes in domestic and export-import logistics. The Ministry of Commerce and Industry (MoCI) is developing an integrated logistics portal which would serve as a transactional e-marketplace by connecting buyers, logistics service providers and the relevant government agencies such as customs, port community systems, port terminals, shipping lines, railways, etc. Once functional, it would reduce delays and facilitate a transparent, informative and convenient trading system. Recently the Ministry also launched a new Logistics Ease Across Different States Index to rank states for the support they provide to improve logistics infrastructure within their respective jurisdictions.

The logistics sector now finds a place in the Harmonized Master List of Infrastructure Subsector. This inclusion is set to benefit the logistics industry as it will now have an access to cheaper and long term credit. Such a move will also lead to simplification of the approval process for the construction of multimodal logistics parks. Lastly, it will encourage market accountability through regulation and will attract investments from debt and pension funds into recognized projects.

Source: <http://niti.gov.in/content/indian-logistics-sector-path-transformation>

Government's initiative in logistic sector

In November 2017 the Department of Economic Affairs (DEA), issued a notification widening the category of infrastructure sub-sectors to "transport and logistics" from the earlier sub-head of "transport". In addition to the above the various initiatives currently underway under the Sagarmala project in the form of Port Modernization, developing new ports, improving capacity at existing ports, enhancing port connectivity through highways, railways, Inland waterways and logistics hubs, Port-led industrialization are all expected to improve the efficiency of the sector.



Impact of Budget 2018 on Logistics industry.

The government's recent announcement conferring infrastructure status to the logistics sector has not only pushed up the industry's morale, but also the investments flowing into this sector. The government's recent budgetary announcements serve to provide higher confidence in, and greater impetus to the logistics industry's growth trajectory. The government will develop an online Logistics marketplace which will serve as a single platform for all the various stakeholders such as buyers, logistics service providers, Customs, DGFT, Railways, Ports, Airports, etc. This initiative will make product prices more competitive in the domestic and international markets by bringing down the overall logistics costs, as well as increasing the speed and ease of goods movement.

Business Overview

Lancer Container Lines is engaged in providing logistic services such as NVOCC, Freight Forwarding, Container Trading and Leasing and Container yard. We are also diversifying our services by introducing Lose cargo consolidation (LCL) and Break bulk operations. This will give us more verticals to service our valued clients and improve market hold. We provide these services and product on worldwide basis and aim to emerge as a global logistic service provider. We focused on covering the maximum possible locations by expanding our network of our own offices and agents. Our own offices give us a **mileage** in terms of having better control over business and helps us venturing new business opportunities at individual locations. We get associated with agents by entering into agency agreements with fix terms to have limited cost and better revenue for our NVOCC and container handling operations at India, Indian Subcontinent, Gulf, Upper Gulf, South East Asia and Far East so that we have worldwide coverage in cost effective manner. We have also focused on enhancing our fleet of containers should they be available at competitive price points to support demand of our clients.

Further, marketing plays a crucial role in our business and our Company has an efficient team of marketing professionals which forms part of our core strength. Our goal is to build relationships through our flexibility to meet the customer 's changing needs. We believe in giving our customers –Total logistics solutions without limits. We constantly make an effort to add more value to our products and services, thereby providing ultimate customer satisfaction. It is our aim to meet the critical success factors of our customers by delivering end to end solutions in logistics to our customers.

Towards this end we have been investing in a state of the art Enterprise wide software system focused and specialized to the logistics industry, investing in additional space to take care of the new verticals and enhanced capacity, adding new products and new verticals, attracting and retaining senior level talent from the industry, developing the agency and own office network.

Internal Control Systems and their Adequacy:

The Company maintains a system of internal controls designed to provide a high degree of assurance regarding the effectiveness and efficiency of operations, the adequacy of safeguards for assets, the reliability of financial controls and compliance with applicable laws and regulations. The company is well structured and the policy guidelines are well documented with pre-defined authority. The Company has also implemented suitable controls to ensure that all resources are utilized optimally, financial transactions are reported with accuracy and there is strict adherence to applicable laws and regulations. In addition, the board of directors and the Audit Committee periodically review the findings and ensure corrective measures are taken.

**Financial Performance and Analysis:**

(Rs. in Cr)

Particulars	Year ended 31.03.2018	Year ended 31.03.2017
Sales and other income	110.7	79.34
PBT	9.26	2.05
Net profit for the year	6.85	1.68

** For detailed explanation, please refer Director's Report.

Cautionary statement:

This report contains forward-looking statements based on certain assumptions and expectations of future events. Actual performance, results or achievements may differ from those expressed or implied in any such forward looking statements. The company undertakes no obligations to publicly revise any forward looking statement to reflect future/likely events or circumstances.

Place: Mumbai

By order of the Board of Directors

Sd/-

Date: 23rd August, 2018

Abdul Khalik Chataiwala

Managing Director

DIN Number - 01942246



INDEPENDENT AUDITOR'S REPORT

To
The Members
Lancer Container Lines Limited
Navi Mumbai

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of LANCER CONTAINER LINES LIMITED ('the Company'), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss, the Statement of Cash Flow for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone 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 standalone 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 of 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone 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 standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone 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 standalone 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 standalone 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 standalone financial statements.



Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, 2018, 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 (Auditor's Report) Order, 2016 ('The Order') issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone 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) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (f) With respect to the adequacy of 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 does not have any pending litigations which would impact its financial position.
 - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Soman Uday & Co.
Chartered Accountants
ICAI Firm Registration No. 110352W

Sd/-
Uday Soman
Proprietor
Membership No. 038870
Mumbai, June 5, 2018



Lancer Container Lines Limited

The Annexure A referred to in Para 1 - Report on Other Legal Regulatory Requirements of our Independent Auditor's Report to the members of the Company on the standalone financial statements for the year ended 31 March 2018, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets and is in the process of updating these records ;
- (b) As explained to us, the fixed assets have been physically verified by the management at reasonable intervals during the year, which in our opinion is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such verification;
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the company;
- (ii) As explained to us, physical verification of inventories has been conducted at reasonable intervals by the management during the year and the discrepancies noticed on verification between the physical stocks and book records were not material and the same have been properly dealt with in the books of accounts;
- (iii) 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 Companies Act, 2013;
- (iv) The Company has not given loans, or made investments, or given guarantees and provided security in terms of provisions of section 185 and 186 of The Companies Act, 2013.
- (v) The Company has not accepted deposits and hence the directives issued by the Reserve Bank of India and the provisions of the sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under are not required to be complied with by the Company.
- (vi) The Maintenance of cost records has not been specified by the Central Government under sub-section 1 of the section 148 of the Act for any of the products traded by the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employee's state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues have been generally deposited regularly during the year by the Company with the appropriate authorities and no undisputed amounts payable were in arrears as at 31 March 2018 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, the dues outstanding of income tax, sales tax, service tax, duty of customs, duty of excise or value added tax on account of dispute are as follows;

Nature of the statute	Nature of dues	Amount	Amount Paid Under Protest	Period to which amount relates	Forum where dispute is pending



Maharashtra Value Added Tax Act 2002	Mismatch - Unmatched as per J2 of others	1,00,66,786	4,15,125	F.Y. 2011-12	Deputy Commissioner of Sales Tax, Raigad Division, Navi Mumbai
--------------------------------------	--	-------------	----------	--------------	--

- (viii) In our opinion and according to the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to a bank. The Company has not obtained any borrowing from any financial institutions, Government or by way of debentures;
- (ix) The company has raised monies by way of term loans from bank and the same were applied for the purposes for which they were raised.
- (x) In our opinion and according to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, and based on our examination of the records of the Company, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the company is not a Nidhi company. Accordingly paragraph 3(12) is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, and based on our examination of the records of the Company, all transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable and the details of the same have been disclosed in the financial statements as required by the applicable accounting standards;
- (xiv) According to the information and explanations given to us, and based on our examination of the records of the Company, the Company has made preferential allotment of shares on conversion of preferential warrants during the year and the amount raised has been used for the purpose for which the funds were raised.
- (xv) According to the information and explanations given to us, and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly paragraph 3(15) of the order is not applicable.
- (xvi) The Company is not required to be registered under section 45-1A of the Reserve Bank of India, 1934.

For Soman Uday & Co.
Chartered Accountants
ICAI Firm Registration Number 110352W

Sd/-

Uday Soman
Proprietor
Membership No. 038870

Mumbai
June 5, 2018



Lancer Container Lines Limited

The Annexure B referred to in Para 2(f) - Report on other Regulatory requirements of our Independent Auditor's Report to the Members of the Company on the Internal Financial Controls under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the act") for the year ended 31st March, 2018

We have audited the internal financial controls over financial reporting of Lancer Container Lines Limited ("the company") as of 31st March, 2018 in conjunction with our audit of the financial statements of the company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of internal financial controls over financial Reporting issued by the institute of Chartered Accountants of India." 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting based on 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 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting. Including the possibility of collusion or improper management overrides of controls, materials 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 procedure may deteriorate.

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 March 31, 2018, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Soman Uday & Co.
Chartered Accountants
ICAI Firm Registration No. 110352W

Sd/-

Uday Soman
Proprietor
Membership No. 038870

Mumbai
June 5, 2018



LANCER CONTAINER LINES LIMITED				
Shop No. 26/27, Arenja Tower CHS Ltd, Plot No. 49/50/51, Sector 11, CBD Belapur, Navi Mumbai - 400614.				
CIN: L74990MH2011PLC214448				
Balance Sheet as at 31st March, 2018				
Particulars	Note No.	As at 31st March 2018 (Rs.)	As at 31st March 2017 (Rs.)	
EQUITY AND LIABILITIES				
Shareholders' funds				
Share Capital	3	100,470,400	57,094,000	
Reserves and Surplus	4	88,221,893	42,329,095	
Money received against share warrants		-	8,610,625	
		188,692,293	108,033,720	
Non-current liabilities				
Long-term borrowings	5	137,080,381	160,210,600	
Deferred Tax Liabilities	6	826,829	883,237	
Long-term provisions	7	299,435	586,460	
		138,206,645	161,680,297	
Current liabilities				
Short-term borrowings	8	404,270	1,329,502	
Trade payables	9	86,055,622	59,107,094	
Other current liabilities	10	111,541,052	75,924,923	
		198,000,944	136,361,519	
TOTAL		524,899,882	406,075,536	
ASSETS				
Non-current assets				
Fixed assets	11			
(i) Tangible assets		352,283,050	278,456,516	
(ii) Capital Work in Progress		27,781,108	-	
		380,064,158	278,456,516	
Non-Current Investments	12	1,000	-	
Other Non-Current Assets	13	366,820	-	
Current assets				
Current Investments	14	5,532,587	-	
Inventories	15	-	9,142,403	
Trade receivables	16	73,917,196	61,619,822	
Cash and cash equivalents	17	45,764,202	44,822,734	
Short-term loans and advances	18	19,253,919	12,034,061	
		144,467,904	127,619,020	
TOTAL		524,899,882	406,075,536	
The accompanying notes (1 to 37) are an integral part of the financial statements.				
In terms of our report attached				
For Soman Uday & Co. Chartered Accountants Sd/- Uday Soman Proprietor ICAI Firm Registration No: 110352W Membership No: 38870		For and on behalf of the Board of Directors Lancer Container Lines Ltd Sd/- Abdul khalik Chataiwala Managing Director DIN : 01942246 Sd/- Harish Parameswaran Director DIN : 05249722		Sd/- V S Manesh Director DIN : 03153583 Sd/- Rajeev Bhavnani Chief Financial Officer
Place : Navi Mumbai Date : 5 th June 2018				



LANCER CONTAINER LINES LIMITED			
Shop No. 26/27, Arenja Tower CHS Ltd, Plot No. 49/50/51, Sector 11, CBD Belapur, Navi Mumbai - 400614.			
CIN: L74990MH2011PLC214448			
Statement of Profit and Loss for the year ended 31st March 2018			
Particulars	Note No.	As at 31st March 2018 (Rs.)	As at 31st March 2017 (Rs.)
INCOME			
Revenue from operations	19	1,094,436,114	775,958,008
Other Income	20	12,648,369	17,486,207
Total Revenue (A)		1,107,084,483	793,444,215
EXPENSES			
Cost of Materials Traded/Cost of Services Rendered	21	876,013,680	636,779,305
Changes in inventories of finished goods		-	9,142,403
Employee benefits expense	22	44,277,757	37,326,035
Finance costs	23	14,234,154	16,499,136
Depreciation and amortization expense		45,595,614	41,467,746
Other expenses	24	34,388,655	31,695,584
Total Expenses (B)		1,014,509,860	772,910,209
Profit / (Loss) before tax		92,574,623	20,534,006
Tax Expense:			
Less: Current tax expense		26,500,000	850,000
Add: Tax expense relating to prior years		2,321,197	-
Add: Deferred Tax		56,408	(2,913,500)
Profit / (Loss) for the Year		68,452,228	16,770,506
Earnings per share of ` 10 each			
Basic	25	9.78	2.96
Diluted		9.78	2.96
The accompanying notes (1 to 37) are an integral part of the financial statements.			
In terms of our report attached			
For Soman Uday & Co. Chartered Accountants Sd/- Uday Soman Proprietor ICAI Firm Registration No: 110352W Membership No: 38870 Place : Navi Mumbai Date : 5 th June 2018		For and on behalf of the Board of Directors Lancer Container Lines Ltd Sd/- Abdul khalik Chataiwala Managing Director DIN : 01942246 Sd/- Harish Parameswaran Director DIN : 05249722 Sd/- V S Manesh Director DIN : 03153583 Sd/- Rajeev Bhavnani Chief Financial Officer	



LANCER CONTAINER LINES LIMITED		
Shop No. 26/27, Arenja Tower CHS Ltd, Plot No. 49/50/51, Sector 11, CBD Belapur, Navi Mumbai - 400614.		
CIN: L74990MH2011PLC214448		
Cash Flow Statement for the year ended 31st March, 2018		
Particulars	As at 31st Mar 2018 (Rs.)	As at 31st Mar 2017 (Rs.)
A. Cash flow from operating activities		
Net Profit / (Loss) before extraordinary items and tax	68,452,228	16,770,506
<i>Adjustments for:</i>		
Depreciation and amortization (Net of Depreciation Withdrawn)	45,595,614	41,467,746
(Profit) / loss on sale / write off of assets	-	(193,045)
Sundry balances written back	(8,526,622)	
Bad debts	1,869,955	-
Finance costs	14,234,154	-
Interest income	(2,373,757)	-
Current Year Income Tax	26,500,000	850,000
Deferred Tax	(56,408)	2,913,500
Preliminary Expenses W/off	91,705	-
Operating profit / (loss) before working capital changes	145,786,869	61,808,707
<i>Changes in working capital:</i>		
<i>Adjustments for (increase) / decrease in operating assets:</i>		
Inventories	9,142,403	5,236,162
Trade receivables	(14,759,653)	(29,051,447)
Short-term loans and advances	(33,719,858)	(1,029,583)
Non-Current Assets	(458,525)	2,913,500
<i>Adjustments for increase / (decrease) in operating liabilities:</i>		
Trade payables	36,067,473	25,105,281
Other current liabilities	35,616,129	(2,913,500)
Short-term provisions	-	-
Other long-term liabilities	-	-
Long Term Provisions	(287,025)	
Cash Generation from Operation	177,387,813	62,069,120
Net cash flow from / (used in) operating activities (A)	177,387,813	62,069,120
B. Cash Flow From Investing Activities		
Capital expenditure on fixed assets, including capital advances	(148,303,786)	(79,132,808)
Proceeds from sale of fixed assets		19,255,852
Interest Income	2,373,757	-
Investment in Mutual Funds	(5,532,587)	
Net cash flow from / (used in) investing activities (B)	(151,462,616)	(59,876,956)
C. Cash flow from financing activities		
Proceeds from Issue of Share and Debenture	5,700,000	24,010,625
Proceeds from Issue of Shares at Premium	7,605,875	3,080,000
Proceeds from Long-term Borrowings	-	(936,826)
Repayment of Long-term borrowings	(23,130,218)	-
Proceeds from Other Short Term Borrowings	(925,232)	-
Repayment of Short-term borrowings	-	(9,843,462)
Net increase / (decrease) in working capital borrowings	-	-
Finance cost	(14,234,154)	-
Net cash flow from / (used in) financing activities (C)	(24,983,729)	16,310,337
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	941,468	18,502,501
Cash and cash equivalents at the Beginning of the year	44,822,734	26,320,233
Cash and cash equivalents at the end of the year *	45,764,202	44,822,734
	(941,468)	(18,502,501)
<i>* Comprises:</i>		
(a) Cash on hand	1,451,949	1,340,678
(b) Balances with banks		
(i) In current accounts	15,436,205	21,403,220
(ii) In EEFC accounts	21,446,069	15,512,916
(iii) In deposit accounts with Banks	7,429,979	6,565,920
	45,764,202	44,822,734
Place : Navi Mumbai Date : 5 th June 2018		



LANCER CONTAINER LINES LIMITED
Shop No. 26/27, Arenja Tower CHS Ltd, Plot No. 49/50/51, Sector 11, CBD Belapur, Navi Mumbai - 400614. CIN: L74990MH2011PLC214448
Notes Forming Part of the Financial Statements for the year ended 31st March, 2018
<p>Note 1: Corporate information</p> <p>The Company was incorporated on 7th March, 2011 as a Private Limited company limited by shares. It was converted in Public Limited company on 16th July 2015. It has its Registered office in Navi Mumbai, Maharashtra, India. The company is engaged in the business of Freight Forwarding, Clearing and Forwarding, Non Vessel Operating Common Carrier and Trading in Containers and related activities. The company offers its services across India and to other countries.</p>
<p>Note 2: Significant accounting policies</p>
<p>Note 2.1: Basis of accounting and preparation of financial statements</p> <p>These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, and other provisions of the Act (to the extent applicable).</p>
<p>Note 2.2: Use of estimates</p> <p>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. However, future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialized.</p>
<p>Note 2.3: Inventories</p> <p>In terms of the Accounting Standard "Valuation of the Inventories" (Revised) (AS-2) issued by the Institute of Chartered Accountants of India, inventories are valued on First in First Out Basis (FIFO). Inventories of Containers are valued at lower of Cost or net realizable Value. Cost comprises all cost of purchase and other cost incurred in bringing inventories to their present location and condition. Imports are valued at cost and customs duty thereon.</p>
<p>Note 2.4: Depreciation and Amortization</p> <p>Up to the year ended 31st March 2014, Schedule XIV of the Companies Act 1956 was followed for depreciation on Fixed Assets. From 1st April 2014, Schedule XIV has been replaced by Schedule II to the Companies Act 2013. Accordingly, the depreciation has been charged under the written down method on the balance estimated useful life of the Asset as specified in Schedule II of the Companies Act 2013.</p>
<p>Note 2.5: Revenue recognition</p> <p>Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.</p> <p>The recognition of Income is as follows:</p> <p>A) Cargo Consolidation Services</p> <p>The Income is inclusive of freight received from customers and net off Service Tax / Goods and Service Tax and is recognized in case of exports on intimation from the shipping line that the cargo has been shipped on board and in case of imports when the Delivery Order is issued by the company. In case of sale of containers as and when the sale is complete as per the contractual terms.</p> <p>B) Interest Income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable.</p>

**Note 2.6: Tangible Fixed Assets**

Fixed Assets are stated at cost of acquisition net of input tax credit including any cost, directly attributable to bringing the assets to their working condition less accumulated depreciation. Capital Work in Progress if any, are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

Note 2.7: Foreign Currency Transactions

Transactions denominated in the foreign currencies are recorded at the exchange rate prevailing on the date of transaction or that approximates the actual rate at the date of the transaction. The monetary assets and liabilities item denominated in the foreign currencies at the yearend are restated at the yearend rates. Any income or expense on account of exchange difference either on settlement or translation is recognized in the Statement of profit and loss.

Note 2.8: Investments

Investments that are readily realizable and intended to be held for not more than a year from the date of acquisition are classified as current investments. Long term investments (including current portion thereof) are carried at cost less any other than temporary diminution in value, determined separately for each individual investment. Current investments are carried at lower of cost and fair value. The comparison of cost and fair value is done separately in respect of each category of investments. Any reduction in the carrying amount and any reversals of such reductions in the carrying amount and any reversals of such reductions are charged to the statement of profit and loss.

Note 2.9: Employees BenefitsDefined Contribution Plans:

Provident Fund & ESIC are defined contribution schemes established under a State Plan. The contributions to the schemes are charged to the statement of profit and loss in the year when the contributions become due.

Defined Benefit Plans:

The company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on post-employment at 15 days' salary (last drawn salary) for each completed year of services as per the rules of the company. The aforesaid liability is provided for on the basis of an actuarial valuation made using Project Unit Credit Method at the end of the financial year. The scheme is funded with an insurance company in the form of a qualifying insurance policy. Actuarial gains/losses are recognized in statement of profit and loss in the year in which they arise.

Note 2.10: Borrowing Cost

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that takes substantial period of time to get ready for its intended use. All other borrowing costs are recognized as expense in the period in which they are incurred.

Operating Leases:

Lease rentals incurred under Operating Lease arrangements are charged to the Statement of Profit & Loss over the lease term.

Note 2.11: Earnings per share

The company reports basic and diluted earnings per equity share in accordance with AS-20, on earnings per share. Basic earnings per equity share have been computed by dividing net profit after tax by the weighted average number of equity shares outstanding for the year. Diluted earnings per equity share, if applicable have been computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the year.

Note 2.12: Taxes on Income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax is recognized on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more



subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognized for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognized only if there is virtual certainty that there will be sufficient future taxable income available to realize such assets. Deferred tax assets are recognized for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realized. Deferred tax assets are reviewed at each Balance Sheet date for their realizability.

Note 2.13: Impairment of Assets

The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognized, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognized for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognized in the Statement of Profit and Loss, except in case of revalued assets.

Note 2.14: Provisions and Contingent Liability

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

Note 3: SHARE CAPITAL

Particulars	As at 31 st March 2018 (Rs.)	As at 31 st March 2017 (Rs.)
(a) Authorized		
1,50,00,000 (1,10,00,000) Equity shares of Rs. 10 each	150,000,000	110,000,000
(b) Issued		
1,00,47,040 (57,09,400) Equity shares of Rs. 10 each	100,470,400	57,094,000
(c) Subscribed and fully paid up		
1,00,47,040 (57,09,400) Equity shares of Rs. 10 each	100,470,400	57,094,000
TOTAL	100,470,400	57,094,000

Note 3.1: The Reconciliation of the number of the shares outstanding is set out below

Particulars	As at 31 st March 2018	As at 31 st March 2017
	(No of Shares)	(No of Shares)
Equity Shares at the beginning of the year	5,709,400	4,169,400
Shares Issued during the year	570,000	1,540,000
Bonus Shares allotted during the year in the ratio of 3:5	3,767,640	-
Equity Shares at the end of the year	10,047,040	5,709,400

Note 3.2: Terms/Rights attached to Equity Shares

The Company has only one class of Equity Shares having a par value of Rs. 10/- per share. Each holder of the Equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees and every equity share is entitled to the same rate of dividend.

In the event of liquidation of the company, the holders of the equity shares will be entitled to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

**Note 3.3: Terms/Rights attached to Share Warrants**

5,70,000 share warrants (5,70,000 previous year) issued in previous year were having a right to convert into one equity share of Rs. 10 each at a premium at 28.45.

Note 3.4: Details of the Shareholders holding more than 5% of shares

Name of the Shareholders	As at 31 st March 2018	As at 31 st March 2017
	No. of shares & % of Holding	No. of shares & % of Holding
Mr.Abdul Khalik Chataiwala	3,924,120	2,147,575
	39.06%	37.61%
Mr.Deepak Rajani	651,272	407,045
	6.48%	7.13%
Ashwamedh Enterprises Private Limited	1,234,128	771,330
	12.28%	13.51%
Mrs.Tarannum Chataiwala	1,042,000	551,250
	10.37%	9.66%
M/s Badoor Textiles LLC	467,400	292,125
	4.65%	5.12%

Note 3.5: Aggregate Number of Shares issued for consideration other than cash during the five year immediately preceding the reporting date

14,62,430 Equity Shares were issued other than cash in 2013-14.

10,95,590 Equity Shares were issued as bonus shares in the ratio 2:1 in 2014-15.

37,67,640 Equity Shares were issued as bonus shares in the ratio 3:5 in 2017-18.

Note 4. Reserve And Surplus

Particulars	As at 31 st March 2018 (Rs.)	As at 31 st March 2017 (Rs.)
(b) Securities premium account		
As per last Balance Sheet	11,457,595	8,377,595
Add: Received During the Year	16,216,500	3,080,000
Less: Utilized for issue of Bonus Shares	27,674,095	-
	-	11,457,595
(d) Surplus / (Deficit) in Statement of Profit and Loss		
As per last Balance Sheet	30,871,500	14,100,994
Less: Utilized for issue of Bonus Shares	10,002,305	-
Less: Amortization of leasehold improvements of earlier years	1,099,530	-
Add/(Less): Profit/(Loss) for the year	68,452,228	16,770,506
	88,221,893	30,871,500
TOTAL	88,221,893	42,329,095

Note : 5. Long Term Borrowings

Particulars	As at 31 st March 2018 (Rs.)	As at 31 st March 2017 (Rs.)
Term Loans from Banks		
Secured		
Term Loans	134,287,477	158,191,864
Vehicles	2,792,904	2,018,736
TOTAL	137,080,381	160,210,600

Note 5.1:

Term Loan Finance is secured by Hypothecation of Plant & Machinery, Stock and Book Debts Plus Equitable mortgage of Plot No 90, Sector 26, Parsik Hill, CBD Belapur, Navi Mumbai 400614 owned by



Pieko Premises Pvt Ltd a company in which one of the director of the company is a director and further secured by Lien on Fixed Deposits with the bank.

Note 5.2:

Term Loan for Containers are secured by Hypothecation of Containers and Equitable mortgage of company's property situated at 26/27 Arenja Towers Co-Op Hsg Society Ltd., Plot No 49/50/51 sector 11 CBD Belapur, Navi Mumbai - 400614, Shop No.3,16,17 & 18 Everest CHS, Parsik Hill, CBD Belapur, Shop No 12&13 ground floor and Office No B 202 and 203 2nd floor Kukreja Centre Premises Co-operative Housing Society Ltd, Plot No 13, Sector 11, CBD Belapur, Navi Mumbai, standing in the name of two directors and further guaranteed by one of the director in his personal capacity.

Note 5.3:

The Vehicles loans are secured by hypothecation of Vehicles.

Note 5.4: Maturity Profile of the Term loans are set out as under

Particulars	As at 31 st March 2018 (Rs.)	As at 31 st March 2017 (Rs.)
0-1 Year	63,730,647	43,033,479
1-2 Years	31,820,502	52,553,218
2-3 Years	32,111,943	34,361,580
Above 3 Years	70,355,032	71,277,066
	134,287,477	158,191,864
TOTAL	198,018,124	201,225,343

Note 5.5: Maturity Profile of the Term loans of the Vehicles are set out as under

Particulars	As at 31 st March 2018 (Rs.)	As at 31 st March 2017 (Rs.)
0-1 Year	2,187,111	1,731,539
1-2 Years	1,084,664	1,432,270
2-3 Years	926,915	261,512
Above 3 Years	781,325	324,955
	2,792,904	2,018,737
TOTAL	4,980,015	3,750,275

Note 6: DEFERRED TAX LIABILITIES

Particulars	As at 31 st March 2018 (Rs.)	As at 31 st March 2017 (Rs.)
Deferred Tax Liabilities		
Depreciation	887,299	883,237
Deferred Tax Assets		
Bonus Payable	(60,470)	-
TOTAL	826,829	883,237

Note 7: LONG TERM PROVISIONS

Particulars	As at 31 st March 2018 (Rs.)	As at 31 st March 2017 (Rs.)
Provision for Gratuity	299,435	586,460
TOTAL	299,435	586,460

Note 8: SHORT TERM BORROWINGS

Particulars	As at 31 st March 2018 (Rs.)	As at 31 st March 2017 (Rs.)
From Banks		
Secured		
Working capital loans - repayable on demand	404,270	1,329,502



TOTAL	404,270	1,329,502
Note 8.1: The Working Capital Facility is secured by hypothecation of Capital Goods.		
Note 9: TRADE PAYABLES		
Particulars	As at 31 st March 2018 (Rs.)	As at 31 st March 2017 (Rs.)
Micro, Small and Medium Enterprises		
Others	86,055,622	59,107,094
(Refer Note No. 32)		
TOTAL	86,055,622	59,107,094
Note 10: OTHER CURRENT LIABILITIES		
Particulars	As at 31 st March 2018 (Rs.)	As at 31 st March 2017 (Rs.)
Current Maturities of Long Term Debt	63,730,647	43,033,479
(Refer Note No : 5.4)		
Current Maturities Vehicle Loans	2,187,111	1,731,539
(Refer Note No : 5.5)		
Others Payables		
Statutory remittances	4,853,407	1,926,388
Security Deposits Received	4,260,846	7,539,820
Advances from customers	33,620,337	14,469,460
Expenses payable	2,888,704	7,224,237
TOTAL	111,541,052	75,924,923
Note 12: NON CURRENT INVESTMENTS		
Particulars	As at 31 st March 2018 (Rs.)	As at 31 st March 2017 (Rs.)
Investments in Shares (Unquoted) - 20 Shares of Arenja Towers Co-Op Hsg Society Ltd.	1,000	-
TOTAL	1,000	-
Note 13. OTHER NON CURRENT ASSETS Unsecured, considered good		
Particulars	As at 31 st March 2018 (Rs.)	As at 31 st March 2017 (Rs.)
Preliminary Expenses (Not written off)	366,820	-
TOTAL	366,820	-
Note 14: CURRENT INVESTMENTS		
Particulars	As at 31 st March 2018 (Rs.)	As at 31 st March 2017 (Rs.)
Investments in Mutual Funds		
1,277.688 Units - Aditya Birla Sun Life Cash Plus - Growth - Regular Plan (NAV Rs. 3,55,495)	351,307	-
12,523.464 Units - Aditya Birla Sun Life Floating Rate Fund Short Term Plan - Growth - Regular Plan (NAV Rs. 29,93,837)	2,848,810	-
98,797.054 Units - Franklin India Ultra Short Bond Fund - Super Institutional Plan (NAV Rs.23,76,375)	2,332,470	-



TOTAL	5,532,587	-
Note 15. INVENTORIES (At Lower of cost and net realizable value)		
Particulars	As at 31 st March 2018 (Rs.)	As at 31 st March 2017 (Rs.)
Finished goods - Containers	-	9,142,403
TOTAL	-	9,142,403
Note 16. TRADE RECEIVABLES		
Particulars	As at 31 st March 2018 (Rs.)	As at 31 st March 2017 (Rs.)
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Unsecured, considered good	6,744,489	2,056,482
Other trade receivables		
Unsecured, considered good	67,172,707	59,563,340
TOTAL	73,917,196	61,619,822
Note 17. CASH AND CASH EQUIVALENTS		
Particulars	As at 31 st March 2018 (Rs.)	As at 31 st March 2017 (Rs.)
Cash on Hand	1,451,949	1,340,678
Balance With Banks		
- In Current accounts	15,436,205	21,403,220
- In EEFC accounts	21,446,069	15,512,916
- In Deposit accounts #	7,429,979	6,565,920
TOTAL	45,764,202	44,822,734
# Fixed Deposits with Banks include deposits of ` 45,79,131/- (Previous Year of ` 11,35,000/-) with maturity of more than 12 months.		
Note 18. SHORT TERM LOANS AND ADVANCES Unsecured, considered good		
Particulars	As at 31 st March 2018 (Rs.)	As at 31 st March 2017 (Rs.)
Security deposits	5,967,358	2,559,718
Prepaid Expenses	177,432	81,760
Advance Income Tax (net of provision of ` 2,73,50,000 (previous year ` 8,50,000))	5,588,839	6,330,781
Advances to suppliers	7,050,176	2,316,139
Interest accrued on bank deposits	470,114	745,663
TOTAL	19,253,919	12,034,061
Note 19. REVENUE FROM OPERATIONS		
Particulars	As at 31 st March 2018 (Rs.)	As at 31 st March 2017 (Rs.)
Sale of Services	1,047,531,248	747,819,220
Sale of Products - Containers	46,904,866	28,138,788
TOTAL	1,094,436,114	775,958,008
Note 20. OTHER INCOME		
Particulars	As at 31 st March 2018 (Rs.)	As at 31 st March 2017 (Rs.)
Interest income		



Interest received	2,235,007	1,275,367
Interest on Income Tax Refund	138,750	-
Other Income	150,605	248,032
Other non-operation income		
Profit on Sale of Fixed Assets	-	193,045
Rent Received	193,635	-
Short Term Capital Gain on Redemption of Mutual Funds	1,403,750	-
Sundry balances written back	8,526,622	15,769,763
TOTAL	12,648,369	17,486,207

Note 21: COST OF MATERIALS TRADED/ SERVICES RENDERED

Particulars	As at 31 st March 2018 (Rs.)	As at 31 st March 2017 (Rs.)
Cost of Services Rendered	835,415,792	620,845,466
Cost of Material Consumed	40,597,888	15,933,839
TOTAL	876,013,680	636,779,305

Note 22: EMPLOYEES BENEFIT EXPENSE

Particulars	As at 31 st March 2018 (Rs.)	As at 31 st March 2017 (Rs.)
Salary	41,740,181	35,945,285
Contribution to provident and other funds	1,994,065	1,130,063
Staff welfare expenses	543,511	250,687
TOTAL	44,277,757	37,326,035

Note 22.1:

As per Accounting Standard 15 (Revised) " Employee Benefits", the disclosure as defined in the Accounting Standard are given below:

Defined Contribution Plan

Contribution to Defined Contribution Plans, recognized as expenses for the year as under:

Particulars	As at 31 st March 2018 (Rs.)	As at 31 st March 2017 (Rs.)
Employer's contribution to provident fund	1,264,328	1,130,063
TOTAL	1,264,328	1,130,063

Defined Benefit Plan**(I) Recognition of Opening and Closing Balances of Defined Benefit Obligation of Gratuity and Fair Value of the Plan Assets (Funded)**

Particulars	As at 31 st March 2018 (Rs.)	As at 31 st March 2017 (Rs.)
Defined benefit obligation at the beginning of the Year	575,931	-
Current service cost	321,331	-
Past service cost		
Interest on defined benefit obligation	39,238	-
Re - measurements due to		
- Actuarial loss/(gain) arising from change in financial assumptions	(24,270)	
- Actuarial loss/(gain) arising from change in demographic assumptions	-	
- Actuarial loss/(gain) arising on account of experience changes	(13,447)	
Benefit paid	-	-



Defined Benefit obligation at the end of the year	898,783	575,931
Fair value of the plan assets at the beginning of the year	-	-
Employer contribution	586,460	-
Interest on plan assets	-	-
Administration expenses	-	-
Re measurements due to		
- Actual return on plan assets less interest on plan assets	12,888	-
Benefit paid	-	-
Assets acquired/(settled)*	-	-
Assets distributed on settlements	-	-
Fair value of the plan assets at the end of the Year	599,348	-
(II) Reconciliation of the Fair Value of the Plan Assets and Defined Benefit Obligation		
Particulars	As at 31 st March 2018 (Rs.)	As at 31 st March 2017 (Rs.)
Fair value of the plan assets	599,348	-
Present value of the obligation	898,783	575,931
Amount recognized in the balance sheet	299,435	575,931
(III) Expenses Recognized During the year		
Particulars	As at 31 st March 2018 (Rs.)	As at 31 st March 2017 (Rs.)
Current service cost	321,331	-
Past service cost	-	-
Administrative expenses	-	-
Interest on net defined benefit liability / (asset)	39,238	-
(Gains)/losses on settlement	-	-
TOTAL	360,569	-
(IV) Investment Details		
Particulars	As at 31 st March 2018 (Rs.)	As at 31 st March 2017 (Rs.)
Insured managed funds	100	100
TOTAL	100	100
(V) Actuarial Assumptions of Gratuity		
Particulars	As at 31 st March 2018 (Rs.)	As at 31 st March 2017 (Rs.)
Discount rate (per annum)	7.55%	7.15%
Rate of escalation in salary (per annum)	7.50%	7.50%
The discount rate is based on the prevailing Market Yields of Indian Government Securities as at the Balance Sheet date for the estimated term of the obligations. The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factor.		
Note 23: FINANCE COSTS		
Particulars	As at 31 st March 2018 (Rs.)	As at 31 st March 2017 (Rs.)
Interest on Loans & Bank Overdraft	14,233,254	16,499,136
Interest on delayed tax payments	900	-
TOTAL	14,234,154	16,499,136
Note 24. OTHER EXPENSES		



Particulars	As at 31 st March 2018 (Rs.)	As at 31 st March 2017 (Rs.)
Establishment Expenses		
Rent, Rates & Taxes	5,047,224	4,604,756
Repairs & Maintenance		
Office Equipment/Machinery	802,077	999,590
Others	612,643	172,884
Insurance	291,908	205,404
Communication Expenses	1,831,909	1,723,459
Travelling & Conveyance	2,514,109	2,537,959
Printing & Stationery	1,007,804	821,598
Legal & Professional Fees	1,407,500	419,533
Payment to Auditors (refer note no. 24.1)	250,000	125,000
Net loss on foreign currency transactions and translation (Net)	12,191,440	2,506,580
Vehicle Expenses	422,710	435,762
Electricity Expenses	983,595	851,742
Bank Charges	1,888,048	522,156
Subscription	59,071	98,299
Preliminary Expenses W/off	91,705	822,008
Miscellaneous Expenses	2,657,280	12,993,159
Selling and Distribution Expenses		
Business Promotion Expenses	388,827	1,511,883
Commission	70,850	343,812
Bad Debts	1,869,955	-
	34,388,655	31,695,584
Note 24.1: PAYMENT TO AUDITORS		
Particulars	As at 31 st March 2018 (Rs.)	As at 31 st March 2017 (Rs.)
Statutory Audit Fees	200,000	100,000
Tax Audit Fees	50,000	25,000
TOTAL	250,000	125,000
Note 25: EARNINGS PER SHARE		
(I) Basic Earnings Per Share		
Particulars	As at 31 st March 2018 (Rs.)	As at 31 st March 2017 (Rs.)
Net Profit/(loss) after tax as per statement of profit and loss attributable to equity shareholders	68,452,228	16,770,506
Weighted average numbers of equity shares used as denominator for calculating EPS	7,001,611	5,658,770
Basic earnings per share	9.78	2.96
Face value per equity shares	10	10
(II) Diluted Earnings Per Share		
Particulars	As at 31 st March 2018 (Rs.)	As at 31 st March 2017 (Rs.)
Net Profit/(loss) after tax as per statement of profit and loss attributable to equity shareholders	68,452,228	16,770,506



Weighted average numbers of equity shares used as denominator for calculating EPS	7,001,611	5,658,770
Basic and diluted earnings per share	9.78	2.96
Face value per equity shares	10	10
Note 26: EXPENDITURE IN FOREIGN CURRENCY		
Particulars	As at 31 st March 2018 (Rs.)	As at 31 st March 2017 (Rs.)
Purchase of Containers	139,083,851	88,550,741
Note 27. EARNINGS IN FOREIGN CURRENCY		
Particulars	As at 31 st March 2018 (Rs.)	As at 31 st March 2017 (Rs.)
Non Vessel Operating Common Carrier Receipts	138,641,149	119,129,878
Note 28. RELATED PARTY DISCLOSURES		
As per the Accounting Standard (AS)18 "Related Party", the disclosures of transactions with related parties are given below		
(I) List of the related parties where control exists and related parties with whom transaction have taken place and relationships		
Name of the Related Parties	Relationship	
Mr. Abdul Khalik Chataiwala	Managing Director	
Mr. Fauzan Abdul Khalik Chataiwala	Director	
Mr. Harish Parameswaran	Director	
Mr. Vadakkath Sudhakaran Manesh	Director	
Mrs. Tarannum Chataiwala	Wife of Director	
Mrs. Smitha Manesh	Wife of Director	
Peiko Premises Pvt Ltd	Entities over which the Key managerial personnel or their relatives exercises significant influence	
Raigad Chamber Of Commerce And Industry	Entities over which the Key managerial personnel or their relatives exercises significant influence.	
(II) Transactions during the year with related parties		
Nature of the transaction	As at 31 st March 2018 (Rs.)	As at 31 st March 2017 (Rs.)
(a) Payment to key management personnel		
Mr. Abdul Khalik Chataiwala	2,978,400	2,978,400
Mr. Harish Parameswaran	1,319,472	1,221,600
Mr. Fauzan Chataiwala	880,200	578,400
Mr. Vadakkath Sudhakaran Manesh	3,280,000	2,978,400
Mrs. Tarannum Chataiwala	730,000	578,400
Mrs. Smitha Manesh	1,328,400	1,178,400
Note 29:		
The Company operates only in one segment viz Non Vessel Operating Common Carrier and hence segment wise reporting in terms of the Accounting standard (AS) 17 "Segment Reporting" issued by the Institute of the Chartered Accountant of India is not applicable. For Geographical segment the company operates on pan India basis and has business associates/independent agents worldwide and hence the geographical segment is not disclosed separately.		
Note 30.		
The provisions of the section 135 of Companies Act 2013 in respect of corporate social responsibility have become applicable to the company during the current year. Details of amount pending at the end of the year are as under:		



Particulars	As at 31 st March 2018 (Rs.)	As at 31 st March 2017 (Rs.)
Amount unspent at the beginning of the year	-	-
Amount required to be spent for the year	258,906	-
Amount spent during the Year	-	-
Amount unspent at the end of the year	258,906	-
Note 31. CONTINGENT LIABILITIES AND COMMITMENTS		
Particulars	As at 31 st March 2018 (Rs.)	As at 31 st March 2017 (Rs.)
(I) Contingent Liabilities		
- Maharashtra Value Added Tax, Act 2002 for the year 2011-12 (Net off amount paid under protest of Rs. 4,15,125)	9,651,661	-
(II) Commitments		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for		
- Tangible Assets	Nil	Nil
- Intangible Assets	Nil	Nil
(b) Other Commitments	Nil	Nil
- Details of leasing arrangements		
The Company has entered into operating lease arrangements for certain facilities and office premises. The leases are non-cancellable and are for a period of 11 to 132 months and may be renewed.		
Future minimum lease payments		
not later than one year	4,258,496	3,210,320
later than one year and not later than five years	8,755,822	13,014,318
later than five years	-	-
Lease payments recognized in the Statement of Profit and Loss	3,210,320	1,920,000
32. Dues to Micro & Small Enterprises		
Under the Micro and Small and Medium Enterprises Development Act 2006 (MSMED) which came into force from 2nd October 2006 certain disclosures are required to be made relating to Micro and Small Enterprises the following information is compiled on the basis of the information and records available with the management.		
Particulars	As at 31 st March 2018 (Rs.)	As at 31 st March 2017 (Rs.)
Principal amount remaining unpaid as at the year end	-	-
Interest due thereon	-	-
Amount of interest paid by the company in terms of section 16 of the MSMED along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-



Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-		
Amount of Interest Accrued and remaining unpaid at the end of the Accounting year	-	-		
Note 33: Foreign Currency Exposures not covered by Forward Contracts				
The Company has entered into any forward contracts during the year for Trade Receivables. Apart Trade Receivables for which forward contract has been entered into the company has foreign currency exposure as at 31st March 2018 as under:				
Particulars	As at 31 st March 2018		As at 31 st March 2017	
.	In USD	In INR	In USD	In INR
Trade Payables	8,56,559	5,57,14,075	5,15,462	3,34,21,862
Note 34:				
a) Difference of Freight amount collected in Indian Rupees from the consignees and remittances made in foreign currencies are on the basis of information/data exchanged				
b) Exchange rate difference on certain transactions settled during the year are net difference of freight amount collected from shippers and remittance made their against.				
Note 35:				
Period end Balances of payables / receivables of the parties which are subject to confirmation / reconciliation impact of which on the Profit/Loss and on the Assets/Liabilities, if any, is not ascertainable, however, management does not foresee any material differences arising in future. On reconciliation / settlement of such accounts, resultant short / excess balances are transferred to 'Sundry balances written off / back accounts' in the year of reconciliation / settlement.				
Note 36:				
Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.				
Note 37:				
Previous years Financial Statements were audited by a firm of Chartered Accountants other than Soman Uday & Co.				



LANCER CONTAINER LINES LIMITED																
Shop No. 26/27, Arenja Tower CHS Ltd, Plot No. 49/50/51, Sector 11, CBD Belapur, Navi Mumbai - 400614.																
CIN: L74990MH2011PLC214448																
Notes Forming Part of the Financial Statements for the year ended 31st March, 2018																
11. FIXED ASSETS																
Particulars	GROSS BLOCK				DEPRECIATION/AMORTIZATION				NET BLOCK							
	As at 1st April 2017	Addition during the year	Deduction during the year	As at 31st March 2018	As at 1st April 2017	For the year	Adjustments/Deletion during the year	As at 31st March 2018	As at 31st March 2018	As at 31st March 2017						
In Rupees																
Tangible Assets																
Building	28,049,315	-	1,000	28,048,315	3,991,363	1,211,457	-	5,202,820	22,845,501	24,057,953						
Plant & Equipment	312,403,395	114,542,388	-	426,945,783	69,913,883	39,364,588	-	109,278,471	317,667,312	242,489,513						
Furniture & Fixtures	5,380,086	220,725	-	5,600,811	3,368,820	289,647	-	3,658,467	1,942,344	2,011,267						
Vehicles	9,521,771	4,687,040	-	14,208,811	4,773,477	2,650,261	-	7,423,738	6,785,073	4,748,295						
Office Equipment	2,107,110	158,078	-	2,265,188	1,095,550	349,597	-	1,445,147	820,041	1,011,561						
Computers	6,058,191	914,446	-	6,972,637	3,993,668	1,541,573	-	5,535,241	1,437,397	2,064,524						
Leasehold Premises	2,073,403	-	-	2,073,403	-	188,491	(1,099,530)	1,288,021	785,382	2,073,403						
Total (A)	365,593,271	120,522,678	1,000	486,114,949	87,136,761	45,595,614	(1,099,530)	133,831,905	352,283,050	278,456,516						
Capital Work in Progress									27,781,108							
Previous Year	305,546,939	79,132,808	19,086,476	365,593,271	45,692,682	41,467,746	-	87,136,761	278,456,516							
In terms of our report attached For Soman Uday & Co. Chartered Accountants Sd/- Uday Soman Proprietor ICAI Firm Registration No: 110352W Membership No: 38870 Place : Navi Mumbai, Date : 5th June 2018			For and on behalf of the Board of Directors LANCER CONTAINER LINES LTD Sd/- Abdul Khalik Chataiwala Managing Director DIN : 01942246								Sd/- V S Manesh Director DIN : 03153583		Sd/- Harish Parameswaran Director DIN : 05249722		Sd/- Rajeev Bhavnani Chief Financial Officer	



CFO AND CEO CERTIFICATION

To,
The Board of Directors,
Lancer Container Lines Limited

We, Rajeev Bhavnani, Chief Financial Officer and Narayanan Kutty Parakattil, Chief Executive officer of Lancer Container Lines Limited, to the best of our knowledge and belief, certify that:

- a. We have reviewed the balance sheet and profit and loss account and all the schedules and notes on accounts, as well as the cash flow statements, and the directors' report;
- b. Based on our knowledge and information, these statements do not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the statements made;
- c. Based on our knowledge and information, the financial statements, and other financial information included in this report, present in all material respects, a true and fair view of the Company's affairs, the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this report, and are in compliance with the existing accounting standards and / or applicable laws and regulations;
- d. To the best of our knowledge and belief, no transactions entered into by the Company during the year are fraudulent, illegal or in violation of the Company's code of conduct;
- e. We accept the responsibility for establishing and maintaining internal controls for financial reporting evaluate the effectiveness, disclosing the deficiencies in the design or operation of internal controls, if any, to the Auditors and Audit Committee and take steps or purpose to take steps to rectify these deficiencies.
- f. We have indicated, wherever applicable, to the Auditors and the Audit Committee:
 - i. Significant changes in Internal Control over financial reporting during the period; and
 - ii. Significant changes in Accounting Policies, the same have been disclosed in the notes to the financial statement;
 - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting;

Sd/

Rajeev Bhavnani

Chief Financial Officer

Sd/

Narayanan Kutty Parakattil

Chief Executive Officer

Date: 23rd August, 2018

Place: Navi Mumbai



Lancer Container Lines Limited

New registered office: Mayuresh Chambers Premises Co-Op. Society Ltd,
Unit Nos. H02-2, H02-3 & H02-4, Plot No. 60, Sector-11, CBD Belapur, Navi Mumbai - 400614
Maharashtra, India. *(With effect from 25th August 2018)*

Current office: Shop No. 26/27, Arenja Tower CHS Ltd, Plot No. 49/50/51, Sector 11,
CBD Belapur, Navi Mumbai - 400614, Maharashtra, India, Telephone: +91 022 27566940/41/42,
Website: www.lancermarine.in; Email: secretarial@lancermarine.in
CIN: L74990MH2011PLC214448

Attendance Slip

(Please fill in attendance slip and hand it over at the entrance of the meeting Hall.)

I hereby record my presence at the 7th Annual General Meeting (3rd AGM Post IPO) of the Company being held on **Saturday, the 22nd day of September, 2018 at 11:00 A.M.** at the new registered office Mayuresh Chambers Premises Co-Op. Society Ltd, Unit Nos. H02-2, H02-3 & H02-4, Plot No. 60, Sector-11, CBD Belapur, Navi Mumbai-400614 and at any adjournment thereof.

DP-ID*	
No. of shares held	Client ID*
Member / Proxy Name <i>(Please mention in block letters)</i>	Member / Proxy Signature

* Applicable for Members holding Shares in electronic form.

THIS SECTION IS INTENTIONALLY LEFT BLANK



FORM NO 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			
E-mail id			
Registered Folio No.			
DP-ID		Client ID	

I/We, being the member(s) holding _____ equity shares of Lancer Container Lines Limited hereby appoint:

Mr. _____ residing at _____ having email-id _____ as my/our proxy to vote for me/us on my/our behalf at the 7th Annual General Meeting (3rd AGM post IPO) of the Company to be held on **Saturday, the 22nd day of September, 2018 at 11:00 A.M.** at the new registered office, Mayuresh Chambers Premises Co-Op. Society Ltd Unit Nos. H02-2, H02-3 & H02-4, Plot No. 60, Sector-11, CBD Belapur, Navi Mumbai, Maharashtra, India - 400614 and any adjournment thereof, in respect of such resolutions as are indicated below:

Item No.	Resolution
1.	To receive, consider and adopt the Balance Sheet as at 31 st March, 2018 and Profit and Loss Account and annexures thereto for the year ended on that date together with Reports of the Directors and Auditors thereon.
2.	To appoint a Director in place of Mr. Fauzan Abdul Khalik Chataiwala, (DIN- 07376603) who retires by rotation and, being eligible, offers himself for re-appointment as a Director.
3	To appoint Statutory Auditors and to fix their remuneration and in this regard to consider and, if thought fit, to pass with or without modification(s).

Signature of Shareholder

Revenue
Stamp of
Re. 1/-

Signature of first proxy holder
holder

Signature of second proxy holder

Signature of third proxy

Date: _____, 2018



Notes:

- The Proxy form duly completed must be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting.
- This form of proxy will be valid only if it is duly complete in all respects, properly stamped and submitted as per the applicable law. Incomplete form or form which remains unstamped or inadequately stamped or form upon which the stamps have not been cancelled will be treated as invalid.
- Undated proxy form will not be considered valid.
- If Company receives multiple proxies for the same holdings of a member, the proxy which is dated last will be considered valid; if they are not dated or bear the same date without specific mention of time, all such multiple proxies will be treated as invalid.
- Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes. When a member appoints a Proxy and both the member and Proxy attend the Meeting, the Proxy will stand automatically revoked.
- In the case of joint-holders, the signature of any one holder will be sufficient, but names of all the joint-holders should be stated.
- This form of proxy shall be signed by the appointer or his attorney duly authorized in writing, or if the appointer is a body corporate, be under its seal or be signed by an officer or an attorney duly authorized by it.
- A proxy need not be a member of the Company and shall prove his identity at the time of attending the Meeting.



Lancer Container Lines Limited

New registered office: Mayuresh Chambers Premises Co-Op. Society Ltd,
Unit Nos. H02-2, H02-3 & H02-4, Plot No. 60, Sector-11, CBD Belapur, Navi Mumbai - 400614
Maharashtra, India. (With effect from 25th August 2018)

Current office: Shop No. 26/27, Arenja Tower CHS Ltd, Plot No. 49/50/51, Sector 11,
CBD Belapur, Navi Mumbai - 400614, Maharashtra, India, Telephone: +91 022 27566940/41/42,
Website: www.lancermarine.in; Email: secretarial@lancermarine.in
CIN: L74990MH2011PLC214448

Road map to venue.

