



Lancer Container Lines Ltd.

Total Logistics Solution without Limits

ANNUAL REPORT 2016 -17

(CIN - L74990MH2011PLC214448)



Message from Managing Director



Mr. Abdul Khalik Chataiwala
Managing Director

Dear Members,

I am extremely pleased to share with you the Annual Report of our company for the financial year ended 31st March, 2017. During the financial year ended 31st March, 2017 your company clocked revenues of Rs.7776.74 lakhs, a growth of 80% over the previous financial year and a net profit of Rs.167.70 lakhs.

We have established 3 new branches at Ludhiana, Jaipur & Visakhapatnam. We now have in total 8 branches in India and 1 overseas branch at Port Klang, Malaysia. Your company hosted a Global Agents meet in the month of February 2017. The meeting saw over-whelming response with agents from Middle East, Indian Sub-Continent, South East Asia and also domestic agents. The event was featured in the EXIM and Daily Shipping Times (DST). Your company continues to scan the competitive landscape for identifying opportunities to expand footprint and network.

I thank all our customers, vendors, bankers, employees and all stakeholders for their whole hearted support and contributions in this journey and to all the members, I thank you for your support and faith placed in us and look forward for your continued support in future.

Thanking You,
Yours sincerely,

Sd/-

Abdul Khalik Chataiwala
Managing Director
DIN: 01942246



Registered Office

Lancer Container Lines Limited
 Shop No. 26/27, Arenja Tower CHS Ltd,
 Plot No. 49/50/51, Sector 11, CBD Belapur,
 Navi Mumbai, Maharashtra, India - 400614

Domestic Branches

NORTH

New Delhi Office No. 212, 2 nd Floor, Ansal Tower, 38 Nehru Palace, New Delhi, India - 110019	Ludhiana, Punjab 2 nd Floor, SCO-34-C, Fortune Tower, Jamalpur, Ludhiana, Punjab - 141010
Jaipur, Rajasthan 5th Floor, Office No. 511, Crown Square, At Gandhi path, Vaishali Nagar, Jaipur, Rajasthan- 302021	

SOUTH

Tuticorin 10A/1, Chidambara Nagar Main Road, Tuticorin, Tamil Nadu- 628008.	Chennai, Tamil Nadu No.20, Crescent Park Street, T Nagar, Chennai-600017
Visakhapatnam, Andhra Pradesh D.No:46-19-5/5, Cabin no. SF-5, 2nd Floor, Mandavari Street, Dondaparthi, Visakhapatnam-530016.	

EAST

Kolkata, West Bengal Room No.203, No.1, Cock Burn Lane, Kolkata, India - 700016

WEST

Gandhidham, Gujarat Office No. 203, 2nd Floor, Rishabh Corner, Plot No. 93, Sector -08 Gandhidham, Kutch, Gujarat- 370201
--

International Branch

Port Klang, Malaysia
 Suite-16, Level 16, Centro No. 8, Jalan Batu Tiga Lama,
 41300, Klang, Selangor, Malaysia.



Corporate Information

Registered Office

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

Website: www.lancermarine.in

Tel: 022 2756 6940/41/42

Fax: 022 2756 6939

Board of Directors

Name	Designation
Mr. Abdul Khalik Chataiwala	Managing Director
Mr. Fauzan Chataiwala	Executive Director
Mr. Harish Parameswaran	Executive Director
Mr. Vadakkath Sudhakaran Manesh	Executive Director
Mr. Suresh Babu Sankara	Independent Director
Mr. Gajanand Harivilas Ruia	Independent Director
Ms. Vijayshri Anup Krishnan	Independent Director

Statutory Auditor

- ❖ SMD & Company Chartered Accountants

Company Secretary and Compliance Officer

- ❖ Ms. Anchal Gupta

Banker's to the Company

- ❖ Axis Bank Ltd
- ❖ ICICI Bank Ltd
- ❖ Deutsche Bank

Registrar and Share Transfer Agent

- ❖ Bigshare Services Pvt Ltd

Investor help desk

<u>Registrar and Transfer Agent</u>	<u>Company Secretary & Compliance Officer</u>
Bigshare Services Pvt Ltd 1 st 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	Shop No. 26/27, Arenja Tower CHS Ltd, Plot No. 49/50/51, Sector 11, CBD Belapur, Navi Mumbai, Maharashtra, India - 400614 Tel: 022 2756 6940/41/42 Fax: 022 2756 6939 Website : www.lancermarine.in Email:- secretarial@lancermarine.in



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LANCER CONTAINER LINES LIMITED

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 6th Annual General Meeting (2nd AGM - Post IPO) of the members of **Lancer Container Lines Limited** will be held at the registered office at 26/27 Arenja Tower CHS Limited, Plot No.49/50/51, Sector 11, CBD Belapur, Navi Mumbai-400614 on Saturday, the 23rd day of September, 2017 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, 2017 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, 2017 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. Harish Parameswaran, (DIN-05249722) who retires by rotation and, being eligible, offers himself for re-appointment.

“**RESOLVED THAT** pursuant to provisions of Section 152 (6) (a) of the Companies Act, 2013, Mr. Harish Parameswaran, 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 re-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, **SMD and COMPANY** Chartered Accountants be and are hereby re-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

By order of the Board of Directors,

Date: 28th August, 2017

Sd/-

Abdul Khalik Chataiwala
Managing Director
DIN Number - 01942246



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 single proxy can be appointed for not more than 50 members and not exceeding 10% holding in aggregate. 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.
2. Electronic copy of the Annual Report for FY 2016-17 is being sent to all the members whose email IDs are registered with the Depository Participants(s) for communication purpose unless any member has requested for a physical copy of the same. Members may also note that the Notice of Annual General Meeting and Annual Report for FY 2016-17 will also be available on the Company's website www.lancermarine.in.
3. Corporate Members are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General 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. Members holding shares in physical form can submit their PAN details to the Registrar and Share Transfer Agent of the Company.
6. As per Notification issued by Ministry of Corporate Affairs dated 19th of March, 2015 with reference to the Companies (Management and Administration) Rules, 2014, Companies covered under Chapter XB as per SEBI (ICDR) Regulations, 2009 will be exempted from e-voting provisions. The company is listed on SME platform of BSE Limited and hence, covered under Chapter XB as per SEBI (ICDR) Regulations, 2009. In the light of above, there is no provision for E-Voting facility for the shareholders.
7. The Register of Members and Share Transfer Books will remain closed from **Friday, 15th September, 2017 to Saturday, 23rd September, 2017 (both days inclusive)**.
8. 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.
9. Members are requested to notify immediately any change in their address / bank mandate to their respective Depository Participant (DP) in respect of their electronic share accounts 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.
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.



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.

12. 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.

Place: Mumbai

By order of the Board of Directors,

Date: 28th August, 2017

Sd/-

**Abdul Khalik Chataiwala
Managing Director
DIN Number - 01942246**



Directors Report

To,

The Members,

Your Directors have pleasure in presenting the 6th Annual Report (2nd AGM - Post IPO) on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2017.

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	(Rs. in lakhs)	
	2016-2017	2015-2016
Revenue from Operations	7,759.6	4,312.9
Other Income	17.2	1.4
Total Income	7,776.7	4,314.3
Less: Expenses	7,571.4	4,236.9
Profit Before Tax	205.3	77.3
Net Profit After Tax	167.7	55.0
Earnings Per Share	2.94	1.32

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

During the year under review your Company has reported total income of Rs. 7,776.7 lakhs for current year as compared to Rs. 4,314.3 lakhs.

3. Dividend

Your Directors do not recommend any dividend for the financial year ended March 31, 2017.

4. Transfer to Reserve and Surplus

The amount transferred to the reserve during the year ended 31st March, 2017 is Rs. 198.5 lakhs (Profit for the year Rs. 167.7 lakhs and Share premium on 15,40,000 shares @ of Rs. 2/- amounting to Rs. 30.8 lakhs).

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. 7,00,00,000/- (Rupees Seven crores) divided into 70,00,000 (Seventy lakhs) equity shares of Rs. 10/- (Rupees Ten only) each to Rs. 11,00,00,000/- (Rupees Eleven crores only) divided into 11,00,000 (Rupees One crore ten Lakh) 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 10th December, 2016.

6. Increase in Paid Up Share Capital

- a. During the year under review the company through an Initial Public Offer (IPO) issued 15,40,000 shares of face value Rs. 10 each at a premium of Rs. 2/share. Post this issue the paid up equity capital as on March 31, 2017 was Rs. 57,094,000.
- b. The Company has issued on preferential basis 5,70,000 warrants convertible into equivalent number of equity shares. Apart from that the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity.

7. Allotment of Shares

During the year under the review the company has allotted 15,40,000 shares and Company has allotted on preferential basis 5,70,000 warrants convertible into equivalent number of equity shares.

8. Committees

➤ **Audit Committee**

The Audit Committee comprises Mr. Suresh Babu Sankara as Chairman, Mr. Gajanand Harivilas Ruia 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, four (4) Audit Committee meetings were held on 12th July 2016, 8th November 2016, 28th February 2017 and 30th March 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 01st March 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, 2 (two) Nomination and Remuneration meetings were held on 28th July 2016 and 29th March 2017.



9. Directors and Key Managerial Personnel

Mr. Harish Parameswaran (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. 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.

10. Internal Control and Its adequacy

The Company has 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. 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.

11. 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, are not applicable to the company. So report on Annual performance of CSR activities is not applicable to the Company.

12. Particulars of Employees

The Company does not have any employee whose particulars are required to be given pursuant to Rule 5(2) of the companies (Appointment and Remuneration of managerial personnel) Rules, 2014 in respect to employees of the company.

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

The Company had conducted total 11 Board meetings on the following dates 04th April 2016, 09th April 2016, 09th May 2016, 28th May 2016, 01st August 2016, 19th August 2016, 08th November 2016, 23rd November 2016, 03rd January 2017, 27th March 2017 and 30th March 2017 during the financial year under review.

14. Statutory Auditors

SMD & COMPANY, who are the statutory auditors of the Company, hold office until the conclusion of this AGM and are eligible for re-appointment. They have confirmed their eligibility to the effect that their re-appointment, if made, would be within the prescribed limits under the Companies Act, 2013 and that they are not disqualified for re-appointment.

15. 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.



16. 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 I to this report. The report is self-explanatory and do not call for any further comments.

17. Vigil Mechanism

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established. 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.

18. 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 II.

19. 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

There have been no material changes occurred subsequent to the close of the financial year of the Company to which the balance sheet relates and the date of the report.

20. 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.

21. Deposits

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

22. 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.

23. Particulars of contracts or arrangements with related parties

There are no related parties as per Companies Act 2013; hence there is no related party contracts or arrangement entered during the year.

24. 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.

25. Management Discussion and Analysis

The Management Discussion and Analysis forms part of this Annual Report as **Annexure III** for the year ended 31st March, 2017.

26. 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 etc.

27. Obligation of Company under the Sexual Harassment of Women At Workplace (Prevention, Prohibition And Redressal) Act, 2013

In order to prevent sexual harassment of women at work place a new act, The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 has been notified on 9th December, 2013. The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under for prevention and redressal of complaints of sexual harassment at workplace. Company is committed to providing equal opportunities without regard to their race, caste, sex, religion, color, nationality, disability, etc. All women associates (permanent, temporary, contractual and trainees) as well as any women visiting the Company's office premises or women service providers are covered under this policy. All employees are treated with dignity with a view to maintain a work environment free of sexual harassment whether physical, verbal or psychological. The Company has adopted a policy for prevention of Sexual Harassment of Women at workplace and has set up Committee for implementation of said policy. During the year Company has not received any complaint of harassment.

28. 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 or outflow were as follows:

- 1) Earnings \$ 18,17,639
- 2) Outflow \$ 13,51,074



29. Human Resources

Your company treats its human resources as one of its most important assets. Your company continuously invests in attraction, retention and development of talent on an ongoing basis. Your company's thrust is on the promotion of talent internally through job rotation and job enlargement.

30. Directors' Responsibility Statement

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

31. Acknowledgements

Your Company and its directors wish to extend their sincerest thanks to the Members of the Company, Bankers, Local Bodies, Customers, Suppliers, Executives, Financial Institution and Central and State Governments for their continuous co-operation and assistance.

Place: Mumbai

By order of the Board of Directors

Date: 28th August, 2017

Sd/-

**Abdul Khalik Chataiwala
Managing Director
DIN Number - 01942246**



**Annexure - I to Director's Report
SECRETARIAL AUDIT REPORT**

for the financial year ended 31st March, 2017

[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, 2017 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, 2017 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 ("FEMA") and the rules and regulations made there under 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. During the year under review through an Initial Public Offer (IPO) issued and allotted 15,40,000 shares of face value Rs. 10 each at a premium of Rs. 2/share. Post this issue the paid up equity capital as on March 31, 2017 was Rs. 57,094,000.



- b. During the year under review the company has appointed Ms. Anchal Gupta as Company secretary and Compliance officer.
- c. The Company has issued on preferential basis 5,70,000 warrants convertible into equivalent number of equity shares.

For Geeta Canabar & Associates
Company Secretary

Sd/-

Place: Mumbai
Date: 27th July, 2017

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: 27th July, 2017

**Geeta Canabar
Proprietor
CP No. 8330**



**Annexure II to Directors Report
Form MGT-9**

Extract of Annual Return as on the Financial Year ended On 31st March, 2017

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

I. Registration and other details:

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	26/27, Arenja Tower CHS Ltd, Plot No: 49/50/51, 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	96.37%



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	2698890	407055	3105945	74.49	3105945	Nil	3105945	54.40	(20.09)
b) Central Govt.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0.00
c) State Govt(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0.00
d) Bodies Corp	Nil	771330	771330	18.50	771330	Nil	771330	13.51	(4.99)
e) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0.00
f) Any Other	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0.00
Sub-total(A)(1):-	2698890	1178385	3877275	92.99	3877275	Nil	3877275	67.91	(25.08)
2) Foreign									
g) NRI s-Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0.00
h) Other-Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0.00
i) Bodies Corp.	Nil	292125	292125	7.00	292125	Nil	292125	5.12	(1.88)
j) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0.00
k) Any Other....	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0.00
Sub-total(A)(2):-	Nil	292125	292125	7.00	292125	Nil	292125	5.12	(1.88)
B) Public Shareholding	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0.00
1. Institutions	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0.00
a) Mutual Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0.00
b) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0.00
c) Central Govt	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0.00



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d)State Govt(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0.00
e)Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0.00
f) Insurance Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0.00
g) FII's	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0.00
h)Foreign Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0.00
i)Others (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0.00
Sub-total(B)(1)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0.00
2. Non Institutions	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0.00
a)Bodies Corp. (i) Indian (ii) Overseas	Nil	Nil	Nil	Nil	105000	Nil	105000	1.84	1.84
b)Individuals (i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	Nil	Nil	Nil	Nil	545391	Nil	545391	9.55	9.55
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	Nil	Nil	Nil	Nil	774999	Nil	774999	13.57	13.57
c)Others(Specify)	Nil	Nil	Nil	Nil	114610	Nil	114610	2.01	2.01
Sub-total(B)(2)	Nil	Nil	Nil	Nil	1540000	Nil	1540000	26.97	26.97
Total Public Shareholding (B)=(B)(1)+(B)(2)	Nil	Nil	Nil	Nil	1540000	Nil	1540000	26.97	26.97
C. Shares held by Custodian for GDRs & ADRs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0.00
Grand Total(A+B+C)	2698890	1470510	4169400	100	5709400	Nil	5709400	100	0.00



ii. 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	51.51	Nil	21,47,575	37.61	Nil	(13.9)

iii) 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
	Abdul Khalik Chataiwala				
	At the beginning of the year	21,47,575	51.51	---	---
	Transfer	---	---	---	---
	Right Issue	---	---	---	---
	Further Allotment	---	---	---	---
	At the End of the year	---	---	21,47,575	37.61

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

Sl. No.	Name of the share holder	For Each of the Top 10 Shareholders	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		0	0	175,001	3.07
2	VIVEK KUMAR BHAUKA		0	0	90,000	1.58



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3	SUNIL KUMAR G MISHRA		0	0	60,000	1.05
4	SAHIL GUPTA		0	0	60,000	1.05
5	SASHI KIRAN BHAUKA		0	0	60,000	1.05
6	RAJNIKANT MOHANLAL SHAH		0	0	60,000	1.02
7	MAYANNK D SANGANI		0	0	50,000	0.88
8	USHA GUPTA		0	0	50,000	0.88
9	ASHISH CHUGH		0	0	50,000	0.88
10	AJIT KUMAR		0	0	30,000	0.53

v) Shareholding of Directors and Key Managerial Personnel:

	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
For Each of the Directors & KMP				
At the beginning of the year				
Mr.Abdul Khalik Chataiwala	2,147,575	51.51	--	--
Mr. Fauzan Chataiwala	65	0.00156	--	--
Mr.Deepak Gangadhar Sonar	5	Negligible	--	--
Mr. Parakattil Narayanan Kutty	5	Negligible	--	--
Transfer	--	--	--	--
Right Issue	--	--	--	--
Further Allotment	--	--	--	--
At the end of the year				
Mr. Abdul Khalik Chataiwala			2,147,575	37.61
Mr. Fauzan Chataiwala	--	--	65	0.00113
Mr. Deepak Gangadhar Sonar	--	--	5	Negligible
Mr. Parakattil Narayanan Kutty	--	--	5	Negligible



V 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	204,185,196	0.00	0.00	204,185,196
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ii+iii)	204,185,196	0.00	0.00	204,185,196
Change in Indebtedness during the financial year - Addition -	41,133,995	0.00	0.00	41,133,995
Reduction -	39,014,071	0.00	0.00	39,014,071
Net Change	2,119,924	0.00	0.00	2,119,924
Indebtedness at the end of the financial year i) Principal Amount	206,305,120	0.00	0.00	206,305,120
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
	206,305,120	0.00	0.00	206,305,120



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 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 u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	29,78,000	5,78,000	12,22,000	29,78,000	77,56,000
2.	Stock Option	--	--	--	--	
3.	Sweat Equity	--	--	--	--	
4.	Commission - as % of profit - others, specify...	--	--	--	--	
5.	Others, please specify	--	--	--	--	
6.	Total(A)	29,78,000	5,78,000	12,22,000	29,78,000	77,56,000
	Ceiling as per the Act					

**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 section17(1) of the Income-tax Act,1961 (b) Value of perquisites u/s17(2) Income-taxAct,1961 (c) Profits in lieu of salary under section17(3)Income-taxAct,1961	5,40,000	2,52,000	1,35,000	9,35,000

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2.	Stock Option	--	--	--	--
3.	Sweat Equity	--	--	--	--
4.	Commission - as% of profit -others, specify...	--	--	--	--
5.	Others, please specify		--	--	--
6.	Total	5,40,000	2,52,000	1,35,000	9,35,000

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 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	--	--	--	--	--



Annexure III to Directors Report

Management Discussion and Analysis

Industry and Business Overview

Logistics sector plays an important role in Trade & the linkages to economic growth is well known. One of the elements in the strategy of the Government of India to drive economic growth is to have infrastructure driven growth. The road construction activity picked up to building 22 kms of road every day in FY16-17. The government of India is focusing on increasing the contribution of inland waterways and coastal shipping to modal transportation from the current 6% to at least 10-12%. The year has also seen the establishment of funding and oversight mechanism for the Sagarmala port-led development program and also plans for 12 more port projects. All of this infrastructural push coupled with the campaigns like Make in India makes the logistics sector an important sector in the economy.

Lancer Container Lines is engaged in providing logistic services such as NVOCC, Freight Forwarding, Container Trading and Leasing and Container yard. We provide these services and product on worldwide basis and aim to emerge as a global logistic service provider. We believe in giving our customers “Total Logistics solutions without Limits”.

Key Demand drivers in Logistics Sector:

- Global Trade
- Economic Growth
- Growth in Manufacturing Sector

Our reading of the Competitive landscape:

The Logistics industry remains highly competitive and continues to be fragmented with lots of unorganized and organized players leading to pricing led differentiation from existing and new entrants. Global economic trends are beginning to look positive, but a full-fledged growth phase is still some time away. Given the linkages your company has with International trade; this global economic recovery factor plays an important role in future growth.

In the light of this landscape, the push by the government of India in Make in India and focus on improving International trade (both Exports and Imports) and increasing development of Infrastructure would be a positive for our business. From our company stand point we are focused on having a network (Branch and Agents) which can take advantage of the opportunities available. We have also focused on enhancing our fleet of containers should they be available at competitive price points.

Our Strategies:

Build relationships through flexibility to meet the customer’s changing needs. We constantly make an effort to add more value to our products and services, thereby providing ultimate customer satisfaction. Attract and retain efficient professional, which forms part of our core strength.

**Internal Control Systems and their Adequacy:**

Your company has adequate internal control systems and code of conduct, which is supplemented by regular management review, well documented policies and guidelines to ensure reliability of financial and all other records and to prepare financial statement and other data. The company has independent audit systems in place to monitor important functions and the audit committee of the board reviews the findings.

Financial Performance and Analysis:

(Rs.in lakhs)

Particulars	Year ended 31.03.2016	Year ended 31.03.2017
Sales and Other Income	4314.3	7776.7
PBT	77.3	205.3
Net Profit for the year	55.0	167.7

** 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.



INDEPENDENT AUDITOR'S REPORT

To,
The Members,
Lancer Container Lines Limited,
26/27, Arenja Towers CHS,
Plot No. 49/50/51, Sector 11,
CBD Belapur
Navi Mumbai, 400614

Report on the Financial Statements: -

We have audited the accompanying Financial Statements of Lancer Container Lines Limited, ("The Company"), which comprise of the Balance Sheet at 31st March, 2017, the Statement of Profit & Loss Account for the year ended on that date, and a Cash Flow Statement for the year ended on that date, and a summary of Significant Accounting Policies and other explanatory information, for the period under reference.

Management responsibility for the Financial Statements: -

The Company's Board of Directors is responsible for the matters stated in Section 134(5), of The Companies Act, 2013, ("The Act"), with respect to the preparation of these standalone Financial Statements, that give a true and Fair view of the Financial position, Financial performance of the activity of the Company in accordance with the Accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of The Companies (Accounts), Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds, and other irregularities, selection and application of appropriate accounting policies, making judgments and estimates that are reasonable and prudent , and design , implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy or completeness of the accounting records , relevant to the preparation and presentation of the Financial statements that give a True and Fair view and are free from material mismanagement , whether due to fraud and / or error.

Auditor's responsibility: -

Our responsibility is to express an opinion on these Financial Statements based on our audit. We have taken into account the Provisions of the Act, the Accounting and auditing Standards, and matters which are required to be included in the Audit Report under the provisions of the Act and the Rules made there under. We conducted our Audit in accordance with the Standards of Auditing specified under Section 143(10), of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material mismanagement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Financial Statements. The procedures selected depend upon the Auditor's judgment, including the assessment of material mismanagement of the Financial Statements, whether due to fraud and / or error. In making those risk assessments; the auditor considers the internal control relevant to the Company's preparation of the Financial Statements that give a True and Fair view in order to design audit procedures that are appropriate, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the Accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Financial



statements. We believe that the audit evidence, we have obtained is sufficient and appropriate to provide a basis of our audit opinion on the Financial Statements.

Opinion: -

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information as 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 on March 31st, 2017 and its Profit for the year ended on that date.

Report and the other Legal and Regulatory Requirements: -

1. As required by the Companies (Auditor's Report) Order, 2015, (the "Order"), issued by The Central Government in terms of Section 143(1), of the Act, we give in the Annexure a statement on the matters specified in paragraph 3 and 4 of the Order.
2. As required by Section 143(1), of the Act, we report that: -
 - We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - In our opinion, proper Books of accounts as required by law have been kept by the Company, so far as it appears from our examination of those books.
 - The balance Sheet, the Statement of Profit & Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of accounts.
 - In our opinion, the aforesaid reported financial statements comply with the accounting Standards specified under section 133 of the Act, read with rule 7 of The Companies (Accounts) Rules, 2014.
 - On the basis of written representations received from the Directors, as on March 31st, 2017, and taken on record by the Board of Directors, none of the Directors is disqualified as on March 31st, 2017, from being appointed as Director in terms of Section 164(2), of the Act.
 - With respect to the other matters to be included in the Auditor's Report, in accordance with Rule 11 of Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us: -
 1. The Company does not have any pending litigations which would impact its Financial position.
 2. The Company did not have any long term contracts inclusive derivative contracts, towards which, there were any material foreseeable losses.
 3. There were no amounts, which were required to be transferred to the Investor Education and Protective Fund by the management.

**For SMD and Company.
Chartered Accountants**

Sd/-

**(S M Dixit)
Proprietor**

**Place - Mumbai
Date: - 3rd May 2017**



ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT.

(Referred to in Para 1, under "Report and the Other Legal and regulatory requirements" of our report of even date.)

1. In respect of the Company's Fixed Assets

- The Company has maintained proper records showing full particulars, including quantitative details and situation of Fixed Assets.
- The Company has a program of verification of Fixed Assets to cover all the items, in a phased manner, over a period of three years, which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Assets were physically verified by the management during the year under reference. According to the information and explanations given to us no material discrepancies were noticed on such verification.
- The purchase of Containers, during the period under review, however not put to use, the same are not subjected to the Depreciation, at the prescribed rate of Depreciation applicable thereto, as the case may be, as a prudent approach and in line with Accounting Principles. The disposal/ sale of Fixed assets is accounted accordingly, in respect of Profit/ Loss on such disposal/ Sale as the case may be.

2. In respect of Inventories: -

- As explained to us, the Inventories were physically verified by the management, during the year at reasonable intervals.
- In our opinion and according to the information and explanations given to us, the procedures of verification of Inventories followed by the management were reasonable and adequate in relation to the size of the Company and nature of its business.
- In our opinion and according to the information and explanations given to us, the company has maintained proper records of its Inventories and no material discrepancies were noticed on physical verification.

3. According to information and explanations given to us, the Company has not granted any loans, secured and/ or unsecured to a Company covered in the Register maintained under Section 189 of the Companies Act, 2013.

4. In our opinion according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company, and the nature of its business for purchase of Fixed Assets and inventories and for the sale of services and goods. During the course of our audit, we have not observed any major weaknesses in such internal control system.

5. According to information and explanations given to us, the Company has not accepted any deposits in terms of Provisions of Section 73 and 76, or any other relevant provisions of the Companies Act, 2013, and the Companies (Acceptance of deposits), Rules 2014, as amended from time to time.



6. To the best of our knowledge and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of Cost Records under Sub Section (1) of section 148 of the Companies Act, 2013, and the Companies (Cost Records and Audit) Rules 2014, as amended for any services rendered by the Company.
7. According to the information and explanations given to us, in respect of Statutory dues: -
 - The Company has been regular in depositing undisputed dues in respect of Provident Fund, Income Tax, Professional Tax, Service Tax, and other material Statutory dues applicable to it, with the appropriate authorities.
 - There were no undisputed amounts payable in respect of Provident Fund, Income Tax, Professional Tax, Service Tax, duty of Customs, duty of Excise, Value added Tax, Cess and other material Statutory dues as on March 31st, 2017, for a period more than Six months from the date they became payable.
 - The Company ever since its inception has not followed the practice of providing for Bonus, Gratuity and Leave encashment, as was informed by the management. It is further informed by the management that since inception, the Company is following a practice of permitting its employees to avail Earned Leave/ Privilege Leave, there is no balance left to the credit of any of the employees as on March 31st, 2017 and as such no provision in respect thereof is warranted.
 - In respect of Gratuity, the Company has initiated the Scheme “Death Cum Retirement Gratuity with Life Insurance Corporation of India and the same is expected to be activated in the next Financial year 2017/2018., and accordingly the Gratuity Liability of Rs. 5,86,460/- is provided in the Accounts under reference.
 - There are no Income Tax, Sales tax, Wealth Tax, Service Tax, Value added Tax, Cess, and other statutory dues as applicable, which have not been deposited as on March 31st, 2017, on account of disputes.
 - There are no amounts payable in respect of Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, amendments and rules made there under.
8. The Company has not incurred Cash Loss during the Financial year under review, covered by our audit, and in the immediately preceding Financial Year.
9. In our opinion and according to the information and explanations given to us, the Company has been regular in depositing its installments and dues. The Company has not issued any Debentures, and it has not defaulted in repayment of dues to Banks / Financial Institutions/ NBFC.
10. The Company has issued on preferential basis warrants entitling the holder to equity shares in the year in accordance with the in principal approval to that effect from BSE Limited wide its approval Letter No. DCS/PREF/SD/PRE/1524/2016-17, dt.09 December,2016, for issue of 570,000 warrants of Rs. 10/- each at a Price not less than Rs. 30.50 per share to Promoters and Non Promoters, with a condition that those shall be converted into Equity Shares within a time period of 18 months from the date of allotment. As at March 31st, 2017, a Company has received a sum of Rs. 86,10,625/- towards issue of Warrants as partial payment, which has been treated as Share Application Money, in the Accounts under review.
11. In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for Loans taken by others from bank/ Financial Institutions / NBFC.



12. According to the information and explanations given to us, the Term loans / Buyer's Credit, taken by the Company, were applied for the purpose for which the said loans were granted and obtained.
13. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on the Company and / or no material fraud on the Company has been noticed and/ or reported during the year under review.

**For SMD and Company.
Chartered Accountants**

Sd/-

**(S M Dixit)
Proprietor
M No. 044363
FRN- 129582W**

**Place- Mumbai
Date: - 3rd May 2017**



LANCER CONTAINER LINES LIMITED
NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2017

Note 1: Significant accounting Policies

Accounting Conventions: -

The financial statements of the Company for the period under reference are prepared under the historical cost convention on an accrual basis in accordance with the generally accepted Accounting Principles in India (Indian GAAP), to comply with the Accounting Standards notified by the Government of India/ Institute of Chartered Accountants of India(AS), applicable and the relevant provisions of the Companies Act, 2013, and amendments as of date therein. The Accounting Policies adopted in preparation of the Financial Statements are consistent, with those followed and adopted/applied in the previous year.

Presentation and Disclosure of Financial Statements: -

The presentation and disclosure made in the Financial Statements under review are in accordance with the requirement of Schedule III of Companies Act, 2013.

Current Assets and Liabilities: -

An asset, has been classified as Current Assets when it satisfies any of the following criteria: -

1. It is expected to be realized in, or is intended for sale/ or consumption in the Company's normal operating cycle.
2. It is held primarily for the purpose of being traded.
3. It is expected to be realized within twelve months after reporting date, or
4. It is cash or cash equivalent unless it is restricted from being encashed or used to settle liability for at least twelve months after the reporting date.

A liability has been classified as Current liability when it satisfies any one of the following criteria:

1. It is expected to be settled in the normal operating cycle of the Company.
2. It is held primarily for the purpose being traded.
3. It is due to be settled within twelve months after reporting date.
4. The company does not have an unconditional right to defer the settlement of the liability, for at least twelve months after the reporting date. The Terms of Liability that could at the option of the counter party result in its settlement by the issue of Equity Instruments do not affect its classification.

All other assets and Liabilities have been classified as "Non-Current". Accounts of certain debtors, creditors, advances and lenders are subject to confirmation/reconciliation and adjustments, if any. Management does not expect any material difference affecting the current year's financial statement.

Use of Estimates: -

The preparation of the financial statements in conformity with Indian GAAP requires the management to make estimates and assumptions considered in the reported amount as asset and liabilities (including Contingent liabilities) as of the date of the Financial statements and reported income and expenditure, like provisions for employee benefits, Provision for doubtful Trade receivables, Advances, Contingencies Provision for warranties, Allowances for Slow/ Non -moving Inventories, Useful life of Fixed assets, Provision for Taxation etc., during the reporting period . The management believes that the estimates used in the preparation of the Financial statements under review are prudent and reasonable, with future results may vary from these estimates.



Fixed assets: -

Fixed assets are stated at historical costs, less accumulated depreciation and impairment losses if any. Cost includes related Taxes, Duties, Freight, Insurance etc, attributable to the acquisition and installation of the Fixed assets, but excludes Duties and taxes that are recoverable from appropriate Authority. Exchange differences arising out of restatement/ settlement of Long Term Foreign Currency Borrowings relating to acquisition of depreciable Assets are recognized in the Statement of Profit and Loss. As informed by the management, there is no impairment of any of the assets in the year under review.

Depreciation: -

Depreciation on Fixed assets has been provided on Written Down value (WDV) Method, in accordance with Schedule II of The Companies Act, 2013., on the basis of days put to use. In respect of Containers purchased and acquired during the year under review, however not put to use, the Depreciation thereon is not charged to statement of Profit and loss, as a prudent business and accounting principle, as the case may be.

Related party transactions: -

The company does not have an entity as defined in the Companies Act and the related information thereof is forming part of Accounts. The related party Transactions during the year under review are:

<u>Name of the person / Entity</u>	<u>Relation/ Position</u>	<u>Nature</u>	<u>Amount -Rs (Lakhs)</u>
Abdul Khalik Chataiwala	Managing Director	Remuneration	29.78
Tarannum Chataiwala	Relative of MD	Remuneration	5.78
Fauzan Chataiwala	Director and Son of MD	Remuneration	5.78
Harish Parameswaran	Director	Remuneration	12.22
Vadakkath S Manesh	Director	Remuneration	29.78

Contingent Assets and Liabilities: -

Provisions are recognized when there is present obligation as a result of past events, and when a reliable estimate of the amount of obligation can be made. Contingent liabilities are disclosed for: -

1. Possible obligation which will be conferred only upon the happening of the future event, not wholly within the control of the Company.
2. Present obligations arising from past events where it is not possible that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount thereof cannot be made.

Employee benefits

The Company ever since its inception has not followed the practice of providing for Bonus, Gratuity and Leave encashment, as was informed by the management. It is further informed by the management that since inception, the Company is following a practice of permitting its employees to avail Earned Leave/ Privilege Leave, there is no balance left to the credit of any of the employees as on March 31st, 2017 and as such no provision in respect thereof is warranted. In respect of Gratuity, the Company has initiated the Scheme "Death Cum Retirement Gratuity with Life Insurance Corporation of India and the same is expected to be activated in the next Financial year 2017/2018., and accordingly the gratuity liability of Rs 5,86,460/- is provided in Accounts under reference.



Borrowing Costs: -

Borrowing cost include interest, and ancillary costs incurred in connection with the arrangement of Borrowing. Borrowing costs that are attributable to the acquisition, and /or construction of qualified Fixed assets, is one that essentially takes substantial period of time to get ready for intended use. All other costs are charged to revenue.

Taxes on income: -

Current tax is the amount of Tax payable on the Taxable Income, as determined in accordance with the Provisions of Income Tax Act, 1961. Deferred Tax is recognized on timing difference between the difference between Taxable income and accounting Incomes that originate in one period and are capable of reversal in one or more subsequent period. Deferred Tax assets is a result of difference in the depreciation provision.

Operating Leases: -

Leases where Company effectively retains substantially all the Risks and Benefits of ownership of Leased assets, i.e. Containers are classified as operating Leases, the receipt thereof is recognized as Income as per Lease Terms.

Revenue and Other income: -

Revenue/ income / Costs and expenditure are generally associated on accrual basis, as they are earned or incurred. Service revenue is recognized as and when the services are rendered, and interest income is recognized on time proportion basis.

Auditor's remuneration: -

<u>Particulars</u>	<u>FY 2016/2017 - (Rs)</u>	<u>FY 2015/2016 - (Rs)</u>
Statutory / Tax Audit Fees	1,25,000/-	1,25,000/-

Earnings per Share: -

Basic earnings per share is calculated by dividing the Net Profit and/ or Loss for the period attributable to the Equity Shareholders by weighted average of number of Equity shares outstanding during the period. The weighted average number of Equity Shares outstanding during the period is adjusted for events, such as Bonus issue, Bonus element in the Right Issue and share split, that have changed the number of Equity Shares, outstanding, without a corresponding change in resources.

For the purpose of calculating Diluted Earnings per Equity Share the Net Profit/ Loss for the period, attributable to the Equity Shareholders and the weighted average number of Equity Shares outstanding during the period is adjusted for the effects of all dilutive potential Equity Shares.

- Figures of Previous year are regrouped/ Recast whenever necessary.

Place- Mumbai
Date: - 3rd May 2017

For SMD and Company.
Chartered Accountants
Sd/-
(S M Dixit)
Proprietor
M No. 044363
FRN- 129582W



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, 2017			
Particulars	Note No.	As at 31.03.2017 Rs.	As at 31.03.2016 Rs.
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	2	57,094,000	41,694,000
(b) Reserves and surplus	3	42,329,095	22,478,589
(c) Money received against share warrants		8,610,625	
2 Share application money pending allotment		-	
3 Non-current liabilities			
(a) Long-term borrowings	4	160,210,600	161,147,426
(b) Deferred tax liabilities (Net)			
(c) Other Long term liabilities			
(d) Long-term provisions		-	
4 Current liabilities			
(a) Short-term Borrowings	5	1,329,502	11,172,964
(b) Trade Payables	6	66,646,914	57,614,023
(c) Other Current liabilities	7	52,435,996	36,363,606
(d) Short Term Provisions	8	14,580,173	13,730,173
TOTAL		403,236,905	344,200,781
II. ASSETS			
1 Non-current assets			
(a) Fixed assets			
(i) Tangible Assets	9	278,456,516	259,854,260
(ii) Intangible Assets			
(iii) Capital Work-in-progress			
(iv) Intangible assets under development			
(b) Non-current investments		-	
(c) Deferred tax assets (net)	10	(883,237)	2,030,263
(d) Long-term loans and advances		-	
(e) Other non-current assets - IPO EXPS		-	
2 Current assets			
(a) Current investments		-	
(b) Inventories	11	9,142,403	14,378,565
(c) Trade Receivables	12	47,150,361	24,689,619
(d) Cash and Cash equivalents	13	38,256,814	26,320,233
(e) Short-term Loans and Advances	14	10,203,094	3,612,390
(f) Other Current Assets	15	20,910,954	13,315,451
TOTAL		403,236,905	344,200,781
Significant Accounting Policies	1		
See accompanying notes forming part of Financial Statements			
In terms of our report attached.			
For M/s SMD & Company Chartered Accountants		For and on behalf of the Board of Directors LANCER CONTAINER LINES LIMITED	
		Sd/-	Sd/-
Sudhir M Dixit Proprietor M. No. 044363 FRN. 139582W Place: Mumbai Date: 3rd May 2017		Abdul Khalik Chataiwala Managing Director DIN: 01942246	Harish Parameswaran Director DIN: 05249722



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				
Profit and loss statement for the year ended 31st March, 2017				
	Particulars	Refer Note No.	As at 31.03.2017 Rs.	As at 31.03.2016 Rs.
I.	Revenue from operations	16	775,958,008	431,285,110
II.	Other income	17	1,716,444	142,661
III.	Total Revenue (I + II)		777,674,452	431,427,771
IV.	Expenses:			
	Purchases of Stock-in-Trade & Direct Cost of services provided	18	636,779,305	330,360,918
	Changes In Stock-in-Trade	19	9,142,403	(14,378,565)
	Employee benefits expense	20	37,326,035	36,161,226
	Finance costs	21	19,527,872	16,323,719
	Depreciation and amortization expense		41,467,746	36,546,096
	Other expenses	22	12,897,086	18,681,240
IV.	Total Expenses		757,140,447	423,694,634
V.	Profit before exceptional and extraordinary items and tax (III-IV)		20,534,005	7,733,137
VI.	Exceptional items			-
VII.	Profit before extraordinary items and tax (V - VI)		20,534,005	7,733,137
VIII.	Extraordinary Items		-	-
IX.	Profit before tax (VII- VIII)		20,534,005	7,733,137
X	Tax expense:			
	(1) Current tax		850,000	3,000,000
	(2) Deferred tax		2,913,500	(768,478)
XI	Profit (Loss) for the period from continuing operations (VII-VIII)		16,770,505	5,501,615
XII	Profit/(loss) from discontinuing operations		0	0
XIII	Tax expense of discontinuing operations		0	0
XIV	Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		0	0
XV	Profit (Loss) for the period (XI + XIV)		16,770,505	5,501,615
XVI	Earnings per equity share:			
	(1) Basic		2.94	1.32
	(2) Diluted		2.94	1.32
Significant Accounting Policies		1		
See accompanying notes forming part of Financial Statements				
In terms of our report attached. For M/s SMD & Company Chartered Accountants		For and on behalf of the Board of Directors LANCER CONTAINER LINES LIMITED		
		Sd/-	Sd/-	
Sudhir M Dixit Proprietor M. No. 044363 FRN. 139582W Place: Mumbai Date: 3rd May 2017		Abdul Khalik Chataiwala Managing Director DIN: 01942246	Harish Parameswaran Director DIN: 05249722	



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		
Particulars	Rupees	As at 31 March 2017
CASH FLOW FROM OPERATION		
Net Profit before Tax		16,770,506
Add : Provision for Taxation		3,763,500
Add/Less: Non Operating Expenses/Items:		
Depreciation on Fixed Assets	41,467,746	-
Disposal of fixed assets	19,255,852	-
Profit on sale of Fixed Assets	(193,045)	60,530,553
Operating Profit before charging working capital		81,064,558
Adjustments for :		
Add: Decrease in Inventories	5,236,162	
Less: Increase in Debtors and advances	(29,051,447)	
Less: Increase in other current assets	(7,595,503)	
Add: Decrease in Non-current assets	2,913,500	
Add: Increase in creditors and payables	25,105,281	
Less: Decrease in short term borrowings	(9,843,462)	
Add: Increase in other current Liabilities	(2,913,500)	(16,148,968)
Operating profit after charging working capital		64,915,589
Less: Income tax paid (Net of Tax refund received)		-
Cash Flow from operating activities (A)		64,915,589
CASH FLOW FROM INVESTING ACTIVITIES		
Add: Proceeds from sale of Fixed assets	-	
Less: Purchase of Fixed assets	(79,132,808)	
Cash from investing activities (B)		(79,132,808)
CASH FLOW FROM FINANCING ACTIVITIES		
Add: Proceeds from Issue of Share and Debenture	24,010,625	
Add: Proceeds from Issue of Shares at Premium	3,080,000	
Add: Proceeds from Other Long-term Borrowings	(936,826)	
Cash from Financing Activities (C)		26,153,799
A+B+C		11,936,580
Add: Opening Cash and Cash Equivalents as on 01.04.2016		
Add: Cash in hand	1,931,792	
Add: Balances with Bank	24,388,441	26,320,233
		38,256,813
Closing Cash and Cash Equivalents as on 31.03.2017		
Add: Cash in hand	1,340,678	
Add: Balances with Bank	36,916,136	38,256,814
Place: Mumbai		
Date: 3rd May 2017		



LANCER CONTAINER LINES LIMITED

Notes forming part of the financial statements for the year ended 31st March, 2017.

Note : 2 Share Capital		
Particulars	As at 31 March 2017 (Rs.)	As at 31 March 2016 (Rs.)
AUTHORISED SHARE CAPITAL		
11,000,000 Equity Shares Of Rs. 10/- each	110,000,000	70,000,000
(Previous Year - 7,000,000) Equity Shares Of Rs. 10/- each)		
ISSUED, SUBSCRIBED & PAID UP CAPITAL		
5,709,400 Equity Shares of Rs. 10/- fully paid	57,094,000	41,694,000
(Previous Year - 4,169,400 Equity Shares of Rs. 10/- fully paid)		
	57,094,000	41,694,000
2.1 The Company has only one class of shares having par value of Rs.10/- per share		

2.2 Details of Number of Shares during the year :-		
Particulars	As at 31 March 2017	
	No. of shares	Amount in Rupees
Balance as on 31 March 2016	4,169,400	41,694,000
Addition during the year	1,540,000	15,400,000
Total	5,709,400	57,094,000

2.3 Details of Shareholding in the company		
Name of Share Holder	Equity Shares as on 31 March 2017	
	No. of Shares Held	% of Holding
Mr. Abdul Khalik Chataiwala	2,147,575	37.61
M/s Ashwamedh Enterprises Pvt Ltd	771,330	13.51
Mr. Deepak Rajani	407,045	7.13
Ms. Tarannum Chataiwala	551,250	9.66
M/s Badoor Textiles LLC	292,125	5.12
Mr. Parakattil Narayanan Kutty	5	0.00
Mr. Deepak Gangadhar Sonar	5	0.00
Mr. Fauzan Chataiwala	65	0.00
Public	1,540,000	26.97
Total	5,709,400	100.00



Note : 3 Reserves & Surplus		
Particulars	As at 31 March 2017 (Rs.)	As at 31 March 2016 (Rs.)
Profit & Loss		
Opening Balance	14,100,994	8,599,379
Add: Profit/(Loss) for the year	16,770,506	5,501,615
Closing Balance (A)	30,871,500	14,100,994
Share Premium Account		
Opening Balance	8,377,595	8,377,595
Additions during the Year	3,080,000	-
Closing Balance (B)	11,457,595	8,377,595
Total (A+B)	42,329,095	22,478,589

Note : 4 Long Term Borrowings		
Particulars	Non- Current Portion	
	As at 31 March 2017 (Rs.)	As at 31 March 2016 (Rs.)
Secured Borrowings (Except Vehicle Loans all other loans are secured by specific asset and personal guarantee of Promoters)		
i) FCDL/FCTL from Axis Bank	65,179,775	60,907,057
ii) ICICI Bank - Buyers Credit	35,962,911	49,984,861
iii) Deutsche Bank - LAP	45,786,885	
iv) Deutsche Bank - Buyers Credit	10,766,275	2,529,981
v) Term Loan from Banks and NBFC - Vehicle and Trailors	2,018,736	47,725,527
vi) NBFC - Against Forklift	496,018	
Total	160,210,600	161,147,426
The company does not have any continuing default in repayment of loans and interest as at the reporting date.		

Note : 4 A Long Term Borrowings		
Particulars	Current Portion	
	As at 31 March 2017 (Rs.)	As at 31 March 2016 (Rs.)
Secured borrowings		
i) FCDL/FCTL from Axis Bank	24,350,847	14,647,200
ii) ICICI Bank - Buyers Credit	13,273,372	14,688,000
iii) Deutsche Bank - LAP	1,829,188	1,066,730
iv) Deutsche Bank - Buyers Credit	2,525,423	1,462,876
v) Term Loan from Banks and NBFC - Vehicle and Trailors	1,731,539	
vi) NBFC - Against Forklift	1,054,649	



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The above amount is included under the head "other current liabilities"	44,765,018	31,864,806
Total	44,765,018	31,864,806

Note : 5 Short Term Borrowings		
Particulars	As at 31 March 2017 (Rs.)	As at 31 March 2016 (Rs.)
Axis Bank Overdraft	1,329,502	11,172,964
Loan from related parties	-	-
Total	1,329,502	11,172,964
Primarily secured by first charge over the entire current assets of the company present and future, and collateral secured by commercial premises i.e. shop No. 12,13,202,203 Kukreja center (owned by Tarannum chataiwala and Khalik Chataiwala), Shop No. 26,27 Arenja Tower and Shop No. 3,16,17,18 Parsik Hill (owned by Lancer Container). Residential Property at Parsik Hill, plot No. 90 (owned by peiko) and Plot No. 95 (owned by green reality).		

Note : 6 Trade Payables		
Particulars	As at 31 March 2017 (Rs.)	As at 31 March 2016 (Rs.)
Due to MSE	-	-
Due to others	66,646,914	57,614,023
Total	66,646,914	57,614,023

Note : 7 Other Current Liabilities		
Particulars	As at 31 March 2017 (Rs.)	As at 31 March 2016 (Rs.)
Current Maturities of Long term debt (note 4A)	44,765,018	31,864,806
Other Payables	7,224,237	5,378,280
Gratuity Provision	586,460	-
Statutory Dues	(139,719)	(879,480)
Income Tax Provision	-	-
Total	52,435,996	36,363,606

Note : 8 Short Term Provisions		
Particulars	As at 31 March 2017 (Rs.)	As at 31 March 2016 (Rs.)
Provision for Income Tax net of tax paid	14,580,173	13,730,173
Total	14,580,173	13,730,173



Note: 10 Deferred Tax Assets/Liability		
Particulars	As at 31 March 2017 (Rs.)	As at 31 March 2016 (Rs.)
On account of difference in WDV of fixed assets as per books & income tax	(883,237)	2,030,263
Total	(883,237)	2,030,263

Note : 11 Inventories		
Particulars	As at 31 March 2017 (Rs.)	As at 31 March 2016 (Rs.)
Containers	9,142,403	14,378,565
Total	9,142,403	14,378,565

Note : 12 Trade Receivables		
Particulars	As at 31 March 2017 (Rs.)	As at 31 March 2016 (Rs.)
Outstanding for a period exceeding six months from the date they are due for payment		
- Considered Good	2,056,481	2,136,903
Others		
- Considered Good	45,093,880	22,552,717
- Unsecured, considered doubtful	-	-
Total	47,150,361	24,689,620

Note : 13 Cash & Cash Equivalents		
Particulars	As at 31 March 2017 (Rs.)	As at 31 March 2016 (Rs.)
Balances with banks	36,916,136	24,388,442
Cash in hand	1,340,678	1,931,792
Total	38,256,814	26,320,234

Note : 14 Short Term Loans & Advances		
Particulars	As at 31 March 2017 (Rs.)	As at 31 March 2016 (Rs.)
<u>other Loan and advances</u>		
Prepaid Expenses	81,760	210,149
Interest Receivable on Fixed Deposits	745,663	-
Unsecured, considered good	-	-
- Advances and security deposits	7,059,531	3,106,000
- other Advances	2,316,140	296,241
Total	10,203,094	3,612,390



Note : 15 Other current Assets		
Particulars	As at 31 March 2017 (Rs.)	As at 31 March 2016 (Rs.)
<u>Others (specify nature)</u>		
Secured, considered good	-	841,645
Unsecured, considered good - Advance Income Tax and TDS & Others	20,910,954	12,473,806
Total	20,910,954	13,315,451

Note : 16 Revenue from operations		
Particulars	As at 31 March 2017 (Rs.)	As at 31 March 2016 (Rs.)
Sale of Products	28,138,788	40,904,970
Sale of Services	747,819,220	390,380,140
Total	775,958,008	431,285,110

Note : 17 other Income		
Particulars	As at 31 March 2017 (Rs.)	As at 31 March 2016 (Rs.)
Interest on Fixed Deposit	1,275,367	9,111
Insurance Claim	-	97,002
Profit on sale of assets	193,045	
Other Non-operating income	248,032	-
Discount	-	36,548
Total	1,716,444	142,661

Note : 18 Purchases & Operating Expenses		
Particulars	As at 31 March 2017 (Rs.)	As at 31 March 2016 (Rs.)
Purchase of containers	15,933,839	31,794,377
<u>Direct Expenses :</u>		
Agency Handling Fees	7,564,928	1,432,726
Documentation charges Exp	1,200,125	990,889
Custom Duty	802,020	-
Freight Charges	19,022,153	5,260,807
Operating Expenses	50,620,374	65,288,844
Slot Hire Charges	319,718,277	111,139,122
PHC Charges Paid	188,232,624	97,892,179
Stuffing & clearing	139,801	90,275
Terminal Handling Exp	29,091,416	6,831,055
Diesel Expenses	-	4,252,550
Transport Charges	4,453,749	5,388,094



Total	636,779,305	330,360,918
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Note : 19 Change in inventories		
Particulars	As at 31 March 2017 (Rs.)	As at 31 March 2016 (Rs.)
Inventories at the beginning of the year	14,378,565	-
Stock in portable cabin transferred to yard	-	-
Containers	-	-
Less : Capitalized during the year	5,236,162	-
Inventories at the end of the year		
Containers	9,142,403	(14,378,565)
Total	9,142,403	(14,378,565)

Note : 20 Employee benefits expenses		
Particulars	As at 31 March 2017 (Rs.)	As at 31 March 2016 (Rs.)
(a) Salaries and incentives	28,189,285	22,005,688
(b) Directors remuneration	7,756,000	12,884,561
(c) Contribution to provident fund	1,130,063	1,102,504
(d) Staff welfare expenses	250,687	168,473
Total	37,326,035	36,161,226

Note : 21 Finance Cost		
Particulars	As at 31 March 2017 (Rs.)	As at 31 March 2016 (Rs.)
Interest Expense	16,499,136	16,311,704
Net gain/loss on foreign currency transactions	2,506,580	-
Other borrowing costs	-	-
Bank charges	522,156	12,015
Total	19,527,872	16,323,719

Note : 22 Other Expenses		
Particulars	As at 31 March 2017 (Rs.)	As at 31 March 2016 (Rs.)
Electricity Expenses	851,742	600,087
Advertisement Expenses	158,155	7,613
Audit Fees	125,000	125,000
Repairs and Maintenance	848,789	705,073
Bad Debts W/off	(34)	-
IPO Expenses W/off	822,008	-
SME Registration charges	-	-
Insurance Premium	205,404	884,137
Common Expenses	2,304,500	-

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Directors Sitting Fees	9,000	-
Interest on late payment of statutory dues	52,305	188,566
Travelling and Conveyance Expenses	1,688,756	1,759,549
Foreign travel	849,203	-
Telephone & Internet charges	1,150,657	935,300
Printing & Stationery	821,598	331,303
Postages & courier charges	572,802	277,956
Vehicle charges	435,762	-
Toll charges	-	241,780
Professional fees	419,533	3,017,281
Foreign currency fluctuation - gain /loss	-	41,364
Donation	5,100	200
Swatch Bharat Cess	975,252	436,353
Malaysia office expenses	-	252,779
Membership & subscription	98,299	-
Listing & IPO fees	842,795	-
Loss on sale of assets	-	3,838,222
Sundry Expenses	8,584,893	2,076,859
Sundry balances W/off	(15,769,763)	(790,148)
Custom License renewal fees	219,350	-
Rent, Rates & Taxes	4,604,756	3,255,462
Computer Consumables	150,801	-
Society Maintenance charges	172,884	-
Business promotion	1,353,728	74,305
Commission/Brokerage	343,812	422,198
Total	12,897,086	18,681,240



LANCER CONTAINER LINES LTD												
Note 9 Fixed Assets as on 31st March, 2017												
Depreciation as per Schedule II of Companies Act, 2013												
Fixed Assets	Dep. Rate (WDV)	GROSS BLOCK			ACCUMULATED DEPRECIATION				NET BLOCK			
		Balance as at 01.04.2016	Additions	Disposal	Balance as at 31.03.2017	Balance as at 01.04.2016	Depreciation charge for the year	Elimination on Disposal	Balance as at 31.03.2017	Balance as at 31.03.2017	Balance as at 31.03.2016	
a	Tangible Assets											
1	Computers	63.16%	1,591,585	1,012,301	2,603,886	1,167,432	721,637		1,889,069	714,817	424,153	
2	Printers	63.16%	117,907	27,260	145,167	114,319	39,088		153,407	(8,240)	3,588	
3	Software	63.16%	2,113,482	1,015,833	3,129,315	759,681	1,061,988		1,821,669	1,307,646	1,353,801	
4	Server & Networks	39.30%	179,823		179,823	96,955	32,568		129,523	50,300	82,868	
5	Furniture & Fixture	25.89%	3,765,620	283,603	4,049,223	1,902,127	307,658		2,209,785	1,839,438	1,863,493	
6	Mobile Instruments	18.10%	266,879		266,879	112,314	24,317		136,631	130,248	154,565	
7	Air Conditioner	18.10%	1,181,412	60,200	1,241,612	460,982	139,503		600,485	641,127	720,430	
8	Television	18.10%	17,990		17,990	15,155	513		15,668	2,322	2,835	
9	Camera (CCTV)	18.10%	162,313		162,313	68,713	14,334		83,047	79,266	93,600	
10	Invertor	18.10%	55,000		55,000	22,482	5,886		28,368	26,633	32,518	
11	Generator	18.10%	363,316		363,316	202,186	29,165		231,351	131,965	161,130	
12	Electrical Welding Equipments	25.89%	574,552		574,552	290,912	73,434		364,346	210,206	283,640	
13	Hydraulic Mobile Crane	31.23%	5,235,725		5,235,725	1,731,429	1,094,392		2,825,821	2,409,905	3,504,296	
14	Scorpio Car	39.30%	1,107,774		1,107,774	882,718	35,057		917,775	189,999	225,056	
15	Mercedes Car	39.30%	2,756,907	4,724,713	7,481,620	1,806,753	1,976,187		3,782,940	3,698,681	950,155	
16	Motor Car - Gandhidham	39.30%		822,869	822,869		23,667			822,870		
17	Bike and Activa	25.89%	109,508		109,508	59,925	12,837		72,762	36,746	49,583	
18	Trailors	31.23%	-		-	-	-		-	-	-	
18	Rolling Shutter	63.16%	120,000		120,000	109,585	6,578		116,163	3,837	10,415	
19	Offices											
	Parsik Hills Shop no-16	4.87%	1,562,494		1,562,494	148,485	68,862		217,347	1,345,147	1,414,009	
	Parsik Hills Shop no-17 & 18	4.87%	7,966,633		7,966,633	757,078	351,105		1,108,183	6,858,450	7,209,555	
	Parsik Hills Shop No-3	4.87%	1,132,533		1,132,533	107,626	49,913		157,539	974,994	1,024,907	
	Palaspe Land Development	0%	2,073,403		2,073,403	-	-		-	2,073,403	2,073,403	
	Arenja Tower -Office	4.87%	17,387,655		17,387,655	1,652,367	855,926		2,508,293	14,879,362	15,735,288	
	Interiors - Arenja Office	63.16%	1,330,863		1,330,863	864,446	294,589		1,159,035	171,828	466,417	
20	Container	13.91%	254,373,565	71,186,029	19,086,476	306,473,118	32,359,010	35,570,729	1,322,187	66,607,552	239,865,566	
	Total		305,546,939	79,132,808	19,086,476	365,593,271	45,692,682	42,789,933	1,322,187	87,136,761	278,456,516	259,854,260
b	Intangible Assets											
	Total		-	-	-	-	-	-	-	-	-	
c	Capital Work In Progress											
	Total		-	-	-	-	-	-	-	-	-	
d	Intangible assets under Development											
	Total		-	-	-	-	-	-	-	-	-	
	Total		305,546,939	79,132,808	19,086,476	365,593,271	45,692,682	42,789,933	1,322,187	87,136,761	278,456,516	259,854,260
	Previous year		209,698,692	130,337,415	34,489,168	305,546,939	27,876,282	36,546,096	18,729,696	45,692,682	259,854,260	181,822,411



Certificate from Managing director

I, Abdul Khalik Chataiwala, Managing Director 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;

Place: Mumbai

For Lancer Container Lines Ltd,

Date: 28th August 2017

Sd/-

Abdul Khalik Chataiwala
Managing Director
DIN - 01942246



Lancer Container Lines Limited

Registered 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 6th Annual General Meeting (2nd AGM Post IPO) of the Company being held on **Saturday, the 23rd day of September, 2017 at 11:00 A.M.** at the registered office 26/27, Arenja Tower CHS Ltd, Plot No.49/50/51, 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.

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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 6th Annual General Meeting (2nd AGM post IPO) of the Company to be held on **Saturday, the 23rd day of September, 2017 at 11:00 A.M.** at registered office, 26/27 Arenja Tower CHS Limited, Plot No.49/50/51, Sector 11, CBD Belapur, Navi Mumbai-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 31st March, 2017 and Profit and Loss Account and annexures thereto for the year ended on that date together with Reports of the Directors and Auditors.
2.	To appoint a Director in place of Mr. Harish Parameswaran, (DIN-05249722) who retires by rotation and, being eligible, offer himself for reappointment.
3	To re-appoint Statutory Auditors and to fix their remuneration.

Signature of Shareholder

Revenue
Stamp of
Re. 1/-

Signature of first proxy holder

Signature of second proxy holder

Signature of third proxy holder

Date: _____, 2017



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

Registered 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.

