

CONTAINERWAY INTERNATIONAL LIMITED

Annual Report (2016-2017)

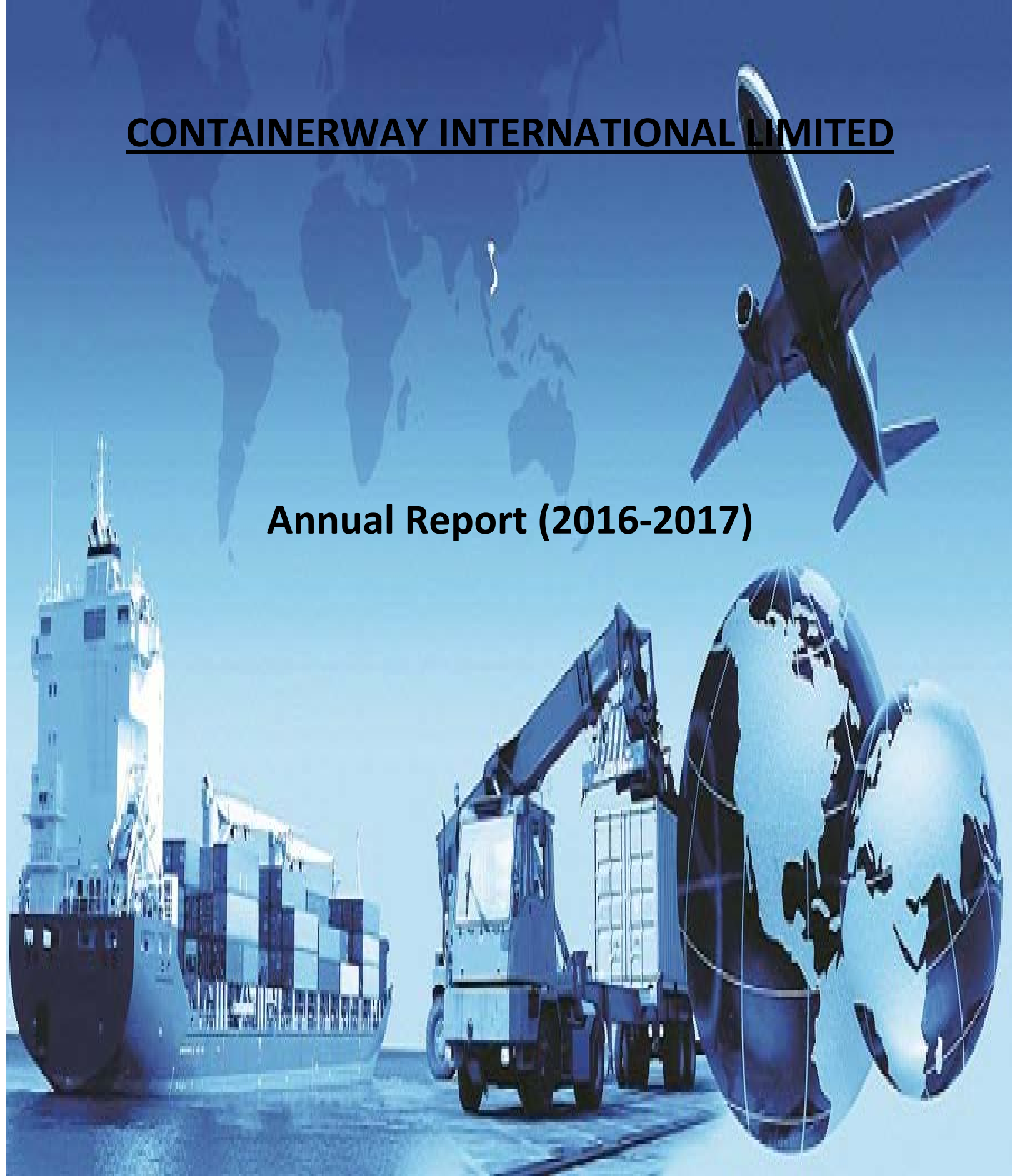


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CORPORATE INFORMATION		
Board of Directors		
Mr. Salem Lakshmanan Ganapathi (Director) DIN - 01151727	Ms. Supriya Chhikara (Whole Time Director) DIN- 02004381	Ms. Jayashree Ganapathi (Director) DIN - 01158489
Mr. Rohit Kumar Gupta (Independent Director) DIN - 03589691		Mr. Avinash Agarwal (Company Secretary cum Compliance Officer) M.No: A38814
Statutory Auditors		Registrar and Share Transfer Agent
B Aggarwal & Company (Chartered Accountants) Address: 8/19, GF, Smile Chamber, WEA, Karol Bagh, New Delhi-110005 Phone: +91 11 41451520 Fax: + 91 11 28751685 Email: info@bac.firm.in		Beetal Financial & Computer Services (P) Limited Address: Beetal House, 3rd Floor,99 Madangir, Behind Local Shopping Centre, Near Dada HarsukhdasMandir, New Delhi- 110062 Phone: 91-11-2996 1281-83 Fax: 91-11-2996 1284 Email: beetal@beetalfinancial.com
Registered Office		
2A, Ganesh Chandra Avenue, Commerce House, 9th Floor, Room No.8A, Kolkata-700013		
Corporate Office		
B-402, Rishi Apartments, Alaknanda, Kalkaji, New Delhi- 110019		

DIRECTOR'S REPORT

To,
The Members

The Directors submit 29th Annual Report of Containerway International Limited along with audited financial statements for the financial year ended March 31, 2017.

1. Financial Results

The Company's financial performance for the financial year ended March 31, 2017 is summarized below:

Particulars	As on March 31, 2017 (in Rs.)	As on March 31, 2016 (in Rs.)
Revenue from operations	17,20,000	9,25,000
Revenue from Other Income	12,40,440	-
Expenses	39,91,549	7,14,891
Gross Profit /Loss	(10,31,109)	2,10,109
Depreciation	-	-
Profit before tax	(10,31,109)	2,10,109
Earlier Tax	71,020	-
Current Tax	-	1,05,480
MAT Credit to be carried forward	-	-
Net Profit	(11,02,129)	1,04,629

Review of Performance

During the year 2015-2016, Company earned Revenue from operations amounting to Rs. 9,25,000/- while in current year operational revenue increased to Rs. 17,20,000/-. During the current year, Company earned other income amounting to Rs. 12,40,440/-.

During the year 2015-2016, Company incurred total expenses of Rs. 7,14,891/- while in current year, the operating expenses incurred were Rs. 11,16,549/-, and additional Rs. 28,75,000/- was paid on account of the Processing Fee paid to BSE Ltd. for Direct Listing of the Company thereat.

Net Profit of the year 2015-2016 was Rs.1,04,629/-. Although, Company earned Total Income of Rs. 29,60,440 in current year but the expenses incurred by it in current year increased manifold as compared to last year on account of processing fee paid to BSE Ltd. for direct listing, thus company has incurred Net Loss of Rs. 11,02,129/- in current year.

2. Current Operations & Future Outlook (State of Company's affairs)

The company is presently earning its revenue in the form of Commission Income from the Logistics Industry. In near future, Company is planning to enhance its activities in the Logistics sector and to expand its business base.

3. Listing of Equity Shares of the Company

The company's equity shares have been listed on BSE Ltd. under its Direct Listing route and trading has been started since 30 June, 2017. Besides BSE Ltd.(BSE), Company's equity shares are listed on Calcutta Stock Exchange(CSE) as well.

BSE Scrip Code: 540597

CSE Scrip Code: 13081

Company's shares were earlier listed on Delhi Stock Exchange also, however, the recognition of Delhi Stock Exchange (DSE) has already been withdrawn by SEBI, vide its Order dated 19th November, 2014.

4. Performance and financial position of each of the subsidiaries

As on the date of this director's report, the Company has no subsidiary.

5. Change in the nature of business

There has been no change in the nature of business during the reporting Year.

6. Reserves & Dividend

The Company has accumulated losses amounting to Rs. 4,62,37,135/- and during the year under review, the Company has suffered a Net Loss of Rs.11,02,129/-. Consequently, it increased the debit balance of Profit & Loss account and the same has been adjusted against Reserves and Surplus.

Further, due to insufficient profit, company is not in a position to declare any dividend for the current financial Year.

7. Share Capital

Authorized Share Capital of the Company

Authorised Share Capital of the Company is Rs.6,75,00,000/-(Rupees Six Crores Seventy Five Lacs) divided into 34,50,000 (Thirty Four Lakhs and Fifty Thousand) Equity Shares of Rs. 10/- (Rupees Ten only) each ("**Equity Shares**") and 33,00,000 (Thirty Three Lakhs) 0.01% Non-Convertible Redeemable Preference Shares of Rs.10/- (Rupees Ten only) each ("**Preference Shares**").

Paid up Share Capital of the Company

At present, paid up Share Capital of the Company stands at Rs. 6,56,86,000/- (Rupees Six Crores Fifty Six Lakhs Eighty Six Thousand) comprising of 32,68,600 (Thirty Two Lakhs Sixty Eight Thousand and Six Hundred) Equity Shares of Rs.10/- (Rupees Ten only) each ("**Equity Shares**") and 33,00,000 (Thirty Three Lakhs) 0.01% Non-Convertible Redeemable Preference Shares of Rs.10/- (Rupees Ten only) each ("**Preference Shares**").

8. Extracts of Annual Return

As provided under Section 92(3) of the Act, the extract of annual return is given in **Annexure I** in the prescribed Form MGT-9, which forms part of this report.

9. Directors & Key Managerial Personnel

Directors

Mrs. Jayashree Ganapathi is liable to retire by rotation at the ensuing Annual General Meeting for the financial year 2016-2017 and being eligible to be re-appointed has shown her willingness to be re-appointed as a Director of the Company.

Ms. Supriya Chhikara was appointed as Whole Time Director of the Company w.e.f. September 01, 2016 for a period of 5 years.

Mr. Rohit Kumar Gupta was appointed as an Independent Director of the Company for a period of 5 years w.e.f. September 01, 2016.

Ms. Jyoti Ganapathi retired by rotation in the last Annual General Meeting held on September 30, 2016.

Key Managerial Personnel:

Ms. Alka Goswami (Membership Number: ACS 43483) resigned from the office of Company Secretary and Compliance Officer of the Company on December 19, 2016. The Board thereafter appointed Mr. Avinash Agarwal (Membership No.: 38184) as Company Secretary of the Company in its meeting held on January 01, 2017 with effect from the date of Board Meeting.

10. Code of Conduct by Directors and Senior Management

The Board of Directors and Senior Management play key role in attaining the vision and mission of the Company. The business goals can be achieved only if the management works in a right direction and in correct manner. The working of management is required to be regulated, so that efficiency and effectiveness can be achieved. For regulating the working, code of conduct is required which should be strictly followed. For the said purpose, the Company has laid down a **Code of Conduct** for its Board of Directors and Senior Management which incorporates their responsibilities, duties, ethics and code which they have to follow while acting in their respective capacities. Every director and Senior Management of the Company complies with the code throughout the year. An affirmation by Whole Time Director on the compliance of code of conduct by all the Board Members and Senior Management forms part of Corporate Governance Report annexed herewith as Annexure II.

11. Independent Directors Declaration

Declaration pursuant to the provisions of Section 149(7) of Companies Act, 2013 has been taken from the Independent Director of the Company.

12. Familiarization Programme for Independent Directors

The Company has in place Familiarization Programme for Independent Director. At present, Company has one Independent Director in the board who is regularly kept informed of all ins and outs of the Company and market in which the Company is operating. The management keeps him informed of all the updation and changes in the rules, regulations and laws applicable on the company affecting the working of the Company, all the proposed plans and policies of the Company, so that he can take well informed independent decision while voting in board meeting.

13. Board Composition

The Company has following board composition:

Name	Category
Ms. Supriya Chhikara	Whole Time Director , Executive and Non-Independent Woman Director
Mr. Salem Lakshamanan Ganapathi	Promoter, Non-Executive and Non-Independent Director
Ms. Jayashree Ganapathi	Promoter Non-Executive and Non-Independent Director
Mr. Rohit Kumar Gupta	Non-Executive and Independent Director

14. Meetings of Board of Directors

During the year under review, the Board of Directors of the Company has met 10 times on April 09, 2016, May 30, 2016, August 12, 2016, August 17, 2016, September 01, 2016 (2 times), October 15, 2016, November 14, 2016, January 02, 2017, and February 13, 2017.

The number of Board meetings attended by the Directors, during the financial year ended on March 31, 2017, as required in accordance with Secretarial Standard-1 are given below:

Date of Meeting	Attendance				
	Mr. Salem Lakshmanan Ganapathi (Non-Independent & Non-Executive Director)	Ms. Jayashree Ganapathi (Non-Independent & Non-Executive Director)	Ms. Jyoti Ganapathi (Non-Independent & Non-Executive Director)	Ms. Supriya Chhikara (Whole Time Director & Non-Independent & Executive Director)	Mr. Rohit Kumar Gupta (Independent and Non-Executive Director)
April 09, 2016	✓	✓	✓	Appointed on Board on Aug 17, 2016	Appointed on Board on Aug 17, 2016
May 30, 2016	✓	✓	✓	-do-	-do-
August 12, 2016	✓	✓	✓	-do-	-do-
August 17, 2016	✓	✓	✓	-do-	-do-
September 01, 2016	✓	✓	✓	✓	✓
September 01, 2016	✓	✓	✓	✓	✓
October 15, 2016	Absent	✓	Vacated office due to Retiring by Rotation at 28 th AGM of Company	✓	✓
November 14, 2016	✓	Absent	-Do-	Absent	✓
January 02, 2017	✓	✓	-Do-	✓	Absent
February 13, 2017	✓	✓	-Do-	✓	✓

15. Audit Committee and Vigil Mechanism

Your Directors wish to inform that in Compliance with Section 177 of the Companies Act, 2013, an Audit Committee has been duly constituted. The Audit Committee composition as on March 31, 2017 is as follows:

Mr. Salem Lakshmanan Ganapathi	Non-Independent Director, Chairman
Ms. Jayashree Ganapathi	Non-Independent Director, Member
Ms. Supriya Chhikara	Non-Independent and Executive Director, Member
Mr. Rohit Kumar Gupta	Independent Director, Member

The audit committee reviews reports submitted by the management and audit reports submitted by the statutory auditors. Suggestions for improvement are considered and the audit committee follows up on corrective action.

During the year under review, the Audit Committee of the Board has met 6 times on May 30, 2016, August 01, 2016, August 12, 2016, August 22, 2016, November 14, 2016, and February 13, 2017

The number of Committee Meetings attended by the members, during the financial year ended on March 31, 2017, as required in accordance with Secretarial Standard-1 are given below:

Date of Meeting	Attendance				
	Mr. Salem Lakshmanan Ganapathi	Ms. Jayashree Ganapathi	Ms. Jyoti Ganapathi	Ms. Supriya Chhikara	Mr. Rohit Kumar Gupta
May 30, 2016	✓	✓	✓	Appointed on Board on Aug 17, 2016	Appointed on Aug 17, 2016
August 01, 2016	✓	✓	Absent	-do-	-do-
August 12, 2016	✓	✓	✓	-do-	-do-
August 22, 2016	✓	✓	✓	Not became Member	Not became Member
November 14, 2016	✓	✓	Vacated office due to Retiring by Rotation at 28 th AGM of Company	✓	✓
February 13, 2017	✓	Absent	-do-	✓	✓

The Audit Committee has constituted a vigil mechanism and also framed **Whistle Blower Policy ("Policy")** to deal with instance of unethical practices, fraud and mismanagement or gross misconduct by the employees of the Company, if any, that can lead to financial loss or reputational risk to the organization. The Policy is available on the website of the Company under the heading "Policies" of Investor's Relation Tab (URL - http://containerway.in/investor's_relation.html).

The Board hereby confirms that no personnel has been denied access to the Audit Committee.

16. Nomination & Remuneration Committee

The Board of the Company has constituted a policy on the Nomination and Remuneration of the KMP's and Senior Management of the Company. The Policy is available on the website of the Company under the heading 'Policies' of Investor's Relation Tab (URL - http://containerway.in/investor's_relation.html). In terms of the provisions of Section 178 of the Companies Act, 2013, the composition of Nomination & Remuneration Committee as on March 31, 2017 is as follows:

Mr. Salem Lakshmanan Ganapathi	Non-Independent, Non-Executive Director, Chairman
Ms. Jayashree Ganapathi	Non-Independent, Non-Executive Director, Member
Ms. Supriya Chhikara	Non-Independent, Executive Director, Member
Mr. Rohit Kumar Gupta	Independent, Non-Executive Director, Member

During the year under review, Nomination & Remuneration Committee of the Board met 4 times on April 19, 2016, July 26, 2016, August 08, 2016 and December 23, 2016.

Date of Meeting	Attendance				
	Mr. Salem Lakshmanan Ganapathi	Ms. Jayashree Ganapathi	Ms. Jyoti Ganapathi	Ms. Supriya Chhikara	Mr. Rohit Kumar Gupta
April 19, 2016	✓	✓	✓	Appointed on Board on Aug 17, 2016	Appointed on Board on Aug 17, 2016
July 26, 2016	✓	✓	✓	-do-	-do-
August 08, 2016	✓	✓	✓	-do-	-do-
December 23, 2016	✓	✓	Vacated office due to Retiring by Rotation at 28 th AGM of Company	✓	✓

The performance evaluation criteria for Independent directors is determined by the Nomination and Remuneration Committee. An indicative list of factors that may be evaluated include participation and contribution by a director, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behavior and judgment.

17. Shareholders Grievance Committee

Pursuant to Section 178 of Companies Act, 2013, the Company has constituted Shareholders Grievance Committee with following composition:-

Mr. Salem Lakshmanan Ganapathi	Non-Independent, Non-Executive Director, Chairman
Ms. Jayashree Ganapathi	Non-Independent , Non-Executive Director, Member
Ms. Supriya Chhikara	Non-Independent Director, Executive Director, Member
Mr. Rohit Kumar Gupta	Independent Director, Non-Executive Director, Member

During the year under review, there was no meeting of Shareholders Grievance Committee of the Board.

18. Risk Management Policy

The Company appreciates the fact that management of risk is an essential element of growth and for the same, assessing risk and taking steps to control and curb it is necessary. Thus the Board has implemented a well laid out risk management plan in the company and suitably incorporated procedures in it for assessing and minimizing the prospective risks to which the company may be exposed. The Audit Committee also monitors and evaluates the risk management plan placed in the company from time to time in order to review if it is working properly and if it needs any kind of modification. The board has not identified any element of risk which can create a threat to the company's business or its existence during the period under review.

19. Policy on Insider Trading

The Company follows a strict code on prohibition of Insider Trading and the same has been detailed to all the directors, senior management and employees of the Company.

For ensuring the same, the Company has adopted a code of fair disclosure of Unpublished Price Sensitive Information in accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015. The Code is available on the website of the Company under the heading policies of Investor's Relation Tab (URL - http://containerway.in/investor's_relation.html).

20. Directors Responsibility Statement

- The annual accounts for the financial year ended March 31, 2017 has been prepared as per the applicable Accounting Standards along with proper explanations relating to material departures;
- The Directors have selected such accounting policies & applied them consistently & made judgments & estimates that are reasonable & prudent so as to give a true & fair view of the state of affairs and losses of the Company at the end of the financial year and of the profit and loss of the company for the same period;
- The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities
- The Annual Accounts of the Company for the Financial Year ended March 31st, 2017 have been prepared on a going concern basis.
- The Directors has laid down internal financial controls to be followed by the company and that such internal controls are adequate and were operating effectively.
- The directors has devised proper system to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively

21. Statutory Disclosures

- No frauds were reported by auditors or reported to Central Government in the Financial year ended on March 31, 2017
- None of the Directors of your Company is disqualified as per the provisions of section 164(2) of the Act. The Directors of the Company have made necessary disclosures, as required under various provisions of the Act.

22. Subsidiaries, Joint Venture and Associate Companies

As at March 31, 2017, your Company has no Subsidiary, Associate and Joint Venture Company. Hence, there is no requirement to annex AOC-1.

23. Details of Managerial Remuneration

As on the date, none of the director is being paid any remuneration.

24. Deposits

Your Company has not accepted any deposits during the period under review within the meaning of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposit) Rules, 2014.

25. Particulars of Employees

The Company is in the process of appointing more Employees on its rolls. During the period under review, the Company has 4 permanent employees on the pay roll of the Company.

Remuneration paid to Whole Time Company Secretary is as per Remuneration Policy laid down by Nomination and Remuneration Committee of the Company

As no remuneration is being paid to any Key Managerial Personnel of the Company except Company Secretary, therefore the provisions of Rule 5 (1), (2) & (3) are not applicable on the Company to that extent.