



AEGIS GAS (LPG) PRIVATE LIMITED



AEGIS GAS (LPG) PRIVATE LIMITED

Board of Directors

Whole Time Director

Anish K. Chandaria

Directors

Raj K. Chandaria
Kanwaljit S. Nagpal
Poonam Kumar
Jaideep D. Khimasia

Chief Financial Officer

Srinivasan Radhakrishnan

Company Secretary

Rajesh A Solanki

Auditors

P. D. Kunte & Co.,
Chartered Accountants, Mumbai

Bankers

HDFC Bank
State Bank of India

Registered Office

1202, 12th Floor, Tower B,
Peninsula Business Park,
Ganpatrao Kadam Marg,
Lower Parel (West),
Mumbai - 400 013.

Tel: 022-6666 3666

Fax: 022-6666 3777

Gas Terminal

Gujarat Pipavav Port Limited,
Village Uchhaiya, Via Rajula,
Dist. Amreli – 365 560,
Gujarat.

AEGIS GAS (LPG) PRIVATE LIMITED

Regd. Off. : 1202, Tower B, Peninsula Business Park, G. K. Marg, Lower Parel (W), Mumbai –
400 013

DIRECTORS' REPORT

To the Members of the Company

The Directors have pleasure in presenting 16th Annual Report and Audited Statement of Accounts of the Company for the financial year ended 31st March 2017.

Financial Results

(Rs. in Lacs)

	Consolidated		Company Standalone	
	2016-17	2015-16	2016-17	2015-16
Revenue from Operations	15823.40	132066.36	11540.69	10509.42
Profit before Interest, Depreciation and Tax	4036.70	4468.36	4076.80	3213.32
Finance Cost	849.81	882.08	826.99	838.00
Depreciation	714.16	610.37	711.95	610.37
Profit before Tax	1075.86	2975.91	1140.99	1764.95
Provision for Taxation	(99.31)	200.83	(80.94)	200.83
Profit After Tax	1175.17	2775.06	1221.93	1564.12
Balance in the statement of Profit & Loss	(4680.71)	(6523.06)	704.41	-
Less: Appropriations	(261.53)	(859.72)	261.53	859.71
Balance at the end of the year	(1945.49)	(3120.66)	1664.81	704.40

Operational and Financial Performance

The revenue for the year has increased to Rs. 115.41 Crores as against Rs. 105.09 Crores of the previous year on account of increased volumes. Profit after tax was Rs. 12.22 Crores as compared to Rs. 15.64 Crores in previous year.

During the year under review, the Liquid storage terminal undertaking of the Aegis Gas (LPG) Private Limited located at Pipavav Port was acquired by the Company along with all assets and liabilities

Outlook for the Company

The Company is expected to commission of additional Gas storage capacity of 10300MT in 1st half of FY18 and generate additional terminating revenue during the ensuing year.

Dividend

The Directors have recommended Final Dividend of Re. 0.50 per equity share of face value Rs. 10/- each i.e. 5% for the year under review, which is subject to the approval of members at the ensuing Annual General Meeting.

EQUITY SHARES

During the year, the Company have obtained ISIN number (INE009S01015) for its Equity share to facilitate the shareholders who wants to hold their shares in Demat form.

Credit Rating

The credit rating agency, Credit Analysis and Research Ltd. (CARE) has assigned credit rating of "CARE AA-(SO)" {Double A minus Structured Obligation} and Indian Ratings and Research credited the Company as "IND AA(SO) / Stable"

Subsidiary Companies

The Company has three subsidiaries as on 31st March, 2017, whose details are given in the Annual Report and there has been no change in the nature of business of its subsidiaries during the year. For information of members, a separate statement containing salient features of the financial details of the Company's subsidiaries for the year ended 31st March, 2017 in Form AOC-1 is included along with the financial statement in this Annual Report. The operating & financial Performance of the subsidiary Companies are as provided below:

Hindustan Aegis LPG Ltd. (wholly owned subsidiary)

During the year under review, the operating revenue decreased to Rs. 42.83 Crores from Rs. 1215.59 Crores in previous year on account of lower volumes. Loss for the year ended 31st March, 2017 was Rs. 0.46 Crores as compared to profit of Rs. 11.38 Crores in previous year.

During the year, the under construction LPG Assets at Haldia Dock Complex, West Bengal of Aegis Logistics Limited the Holding Company was transferred to Hindustan Aegis LPG Limited.

Aegis LPG Logistics (Pipavav) Limited (wholly owned subsidiary)

The Company incurred normal expenditure of Rs. 0.22 Lakhs during the year (Previous year Rs. 0.20 Lakhs). The Company has not commenced any commercial operations as yet.

Aegis Terminal (Pipavav) Limited (wholly owned subsidiary)

The Company incurred normal expenditure of Rs. 0.22 Lakhs during the year (Previous year Rs. 0.20 Lakhs). The Company has not commenced any commercial operations as yet.

Fixed Deposits

No fixed deposits have been accepted by the Company.

Non- Convertible Debentures

During the year the Company have redeemed part of the its 9.90% Non-Convertible Debentures having Face Value of Rs. 10 Lacs each, which are listed on the Wholesale Debt Segment of National Stock Exchange of India Ltd. (NSE) and are secured by the first charge on the specific

movable Assets of the Company located at Pipavav, Gujarat and corporate guarantee from the holding Company.

Name and Contact information of Debenture Trustee :

IDBI Trusteeship Services Ltd.
Asian Building, Ground Floor,
17, R. Kamani Marg, Ballard Estate,
Mumbai – 400 001.
Contact Person: Ms. Swapnali Hirlekar
Contact no.: 22 4080 7000
Email: swapnali@idbitrustee.com

Directors and Key Managerial Personnel

Pursuant to section 152 of the Companies Act, 2013, Mr. Raj K. Chandaria (DIN - 00037518), Director of the Company retires by rotation and being eligible, offers himself for re-appointment.

Mr. Kapoorchand M. Chandaria, Chairman of the Company demise on 27th September, 2016.

Mr. Dineshchandra J. Khimasia (DIN – 00011970), Independent director resigned w.e.f 4th May, 2017 due to age and consistent ill health.

The Board on recommendation of Nomination and Remuneration Committee appointed Mr. Jaideep D. Khimasia (DIN - 07744224) as Additional Director (Independent Director) of the Company on 11th May, 2017 for terms of 5 year subject to approval of the Shareholders at ensuing Annual General Meeting. His candidature for appointment as an Independent Director has been included in the Notice convening the forthcoming Annual General Meeting of the Company.

Disclosure from Independent Directors

All the Independent Directors have given declarations that they meet the criteria of independence as laid down under section 149(6) of the Companies Act, 2013.

Auditors

As per the provisions of sections 139, 141 of the Companies Act, 2013 and rules made thereunder, the Company had, in its Annual General Meeting held on 30th July, 2014, approved the appointment of M/s. P. D. Kunte & Co., Chartered Accountants, Mumbai, (Firm Registration No. 105479W) to hold office till the conclusion of the fifth consecutive Annual General Meeting, subject to ratification by the members at every Annual General Meeting. In compliance with the same, the Directors do hereby place for ratification, the re-appointment of M/s. P. D. Kunte & Co., Chartered Accountants, Mumbai, until the conclusion of the next Annual General Meeting.

Health, Safety, Security & Environment (HSSE)

The Company continues to follow sound Health, Safety and Environment (HSE) policy and undertakes periodic programmes and regular seminars towards imparting required training to its personnel.

Conservation of Energy, Technology Absorption, Exports & Foreign Exchange Earnings and Outgo

Details of energy conservation, technology absorption, exports & foreign exchange earnings and outgo undertaken by the Company along with the information in accordance with the provisions of section 134 of Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules, 2014, the extent as are applicable to the Company, are given in **Annexure 'A'** to the Directors' Report.

Particulars of Employees

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

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

Directors' Responsibilities Statement

The Directors would like to inform the Members that the Audited Accounts for the financial year ended 31st March, 2017 are in full conformity with the requirement of the Companies Act, 2013. The Financial Accounts are audited by the Statutory Auditors, M/s. P. D. Kunte & Co., Chartered Accountants, Mumbai.

The Directors further confirm that:

- a. In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;
- c. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. The Directors had prepared the annual accounts on a going concern basis;
- e. The Directors, had laid down adequate internal financial controls to be followed by the company and that such internal financial controls including with reference to Financial Statements are adequate and were operating effectively; and
- f. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Development and implementation of Risk Management policy

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

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

Internal Control Systems and their Adequacy

The Company has an effective internal control and risk-mitigation system, which are constantly assessed and strengthened. The Company's internal control system is commensurate with its size, scale and complexities of its operations. The internal and operational audit is entrusted to Messrs Natvarlal Vepari & Company, a reputed firm of Chartered Accountants. The main thrust of internal audit is to test and review controls, appraisal of risks and business processes, besides benchmarking controls with best practices in the industry.

The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen the same. The Company has a robust Management Information System, which is an integral part of the control mechanism.

The Audit Committee of the Board of Directors, Statutory Auditors and the Business Heads are periodically apprised of the internal audit findings and corrective actions taken.

Significant and material orders

There are no significant and material orders passed by the Regulators / Courts / Tribunals impacting the going concern status and the Company's operations in future.

Composition of Audit Committee

The Company has an Audit Committee comprising of the following three Non-Executive Directors, out of which two are Independent Directors:

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

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

Extract of the annual return as provided under sub-section (3) of section 92

Extract of the annual return as provided under section 92(3) as prescribed in Form MGT-9 is given in **Annexure 'B'** to the Directors' Report.

Policy relating to remuneration of Directors, Key Managerial Personnel and other Employees

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

1. Mr. Kanwaljit S. Nagpal (Chairman)
2. Mr. Raj K. Chandaria
3. Ms. Poonam Kumar

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

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

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

Disclosure of Composition of the Corporate Social Responsibility Committee

Disclosure of the composition of the Corporate Social Responsibility Committee, contents of the CSR Policy and the format as provided under section 135 of the Companies Act, 2013 read along with Companies (Corporate Social Responsibility Policy) Rules, 2014 is given in '**Annexure C**' to the Directors Report.

Particulars of loans, guarantees or investments

The Company is engaged in the business of providing infrastructural facilities as specified under section 186(11)(a) of the Companies Act, 2013 read with Schedule VI to the Companies Act, 2013. However, details of Loans, Guarantees and Investments are given in the notes to the Financial Statements.

Disclosure of particulars of contracts/arrangements with related parties

All transactions entered into with the related parties are in the ordinary course of business and are on arm's length basis.

There are no significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

All Related Party Transactions are placed before the Audit Committee for approval. Prior omnibus approval of the Audit Committee is obtained on a yearly basis for the transactions which are of a foreseen and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted are audited and a statement giving details of all related party transactions is placed before the Audit Committee on a quarterly basis.

Material changes and commitments, if any, affecting the financial position of the company from the end of financial year and till the date of this Report

There were no material changes and commitments, which affected the financial position of the company between the end of the financial year of the company to which the financial statements relates and the date of the report.

Number of meetings of the Board of Directors

During the year ended 31st March, 2017, 5 Board Meetings were held on the following dates:

1. 30th May, 2016
2. 4th August, 2016
3. 7th November, 2016
4. 2nd February, 2017
5. 9th March, 2017

The intervening gap between any two meetings was within the period prescribed under Companies Act, 2013.

Vigil Mechanism for Directors and Employees

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

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

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Your Company has always believed in providing a safe and harassment free workplace for every individual working in the Company's premises through various interventions and practices. The Company always endeavours to create and provide an environment that is free from discrimination and harassment including sexual harassment.

The policy on Prevention of Sexual Harassment at Workplace aims at prevention of harassment of employees and lays down the guidelines for identification, reporting and prevention of undesired behaviour.

During the year ended 31 March, 2017, there were nil complaints recorded pertaining to sexual harassment.

Secretarial Audit Report

Pursuant to the provisions of section 134(3) and section 204 of Companies Act, 2013 read along with the rules made thereunder, the Board of Directors of the Company appointed Mr. Prasen Naithani of P. Naithani & Associates, Company Secretaries in Practice, to conduct the

Secretarial Audit. The Secretarial Audit Report for the financial year ended 31st March, 2017 forms part of this Report and is annexed herewith as '**Annexure D**'.

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit and other Committees. A detailed discussion was done considering the inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

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

Appreciation

Your Directors place on the record their appreciation of the contribution made by the employees at all levels who, through their competence, diligence, solidarity, co-operation and support, have enabled the Company to achieve the desired results during the year.

The Board of Directors gratefully acknowledge the assistance, support and co-operation received from authorities of Port Trust, Bankers, Government Authorities, Shareholders and the Employees.

For and on behalf of the Board of Directors

Raj K. Chandaria
Director
DIN: 00037518

Anish K. Chandaria
Whole-Time Director
DIN: 00296538

Place: Mumbai
Dated: 30th May, 2017

Annexure A to the Directors Report

(Information under section 134 of Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules, 2014 and forming part of the Directors' Report for the year ended 31st March, 2017)

Conservation of Energy, Technology Absorption, Exports & Foreign Exchange Earnings and Outgo

(A) Conservation of energy-

(i) The steps taken or impact on conservation of energy:

a) Energy conservation measures taken and impact of the same for reduction of energy consumption:

1. Rain water harvesting: In order to save water, we have been provided with various water collection pits at different places in the terminal to collect rain water. The collected water is finally transferred to Fire Water Tanks for its utilization in fire fighting, watering plants and other usages.
2. Terminals/plants are provided with sufficient number of DG sets of different capacities which fulfil plant's requirements on need basis. DGs are in Auto mode.
3. Flow/Mass flow meters used to load accurate per compartment of TTS, thereby saving energy by avoiding repeated pump operation intervals.
4. Energy efficient ACs are being installed to replace older ones.
5. Offices are under the process of installing with LED and CFL lights for replacing conventional lights.
6. Regular preventive maintenance of pneumatic equipment to control on the air leakage and save the energy.
7. Pumps are loaded with 80-85% of rated capacity.
8. Installation of Automatic Power Factor Correction Panel.
9. Effluent Treatment Process system has been installed and functional which is not only saving energy but also helps in providing treated water for plantation. This is intern greatly helping in conservation of energy and water.

Benefits -

1. We maintain the Power Factor at Unity as per the requirement of Electricity Board.
2. We get Rebate on Monthly Electricity Bill because of approx. Unity Power Factor.
3. Reduction in Harmonics which leads to Safety of Electrical Appliances.
4. Conserving of energy and water is given utmost importance.

b) Additional investment and proposal being implemented for reduction of consumption of energy.

1. The company is regularly carrying out preventive Maintenance of Pneumatic equipment's to control the air leakage, and hence decrease the energy consumption by Air compressors.
2. Terminal/Factory is installed with the LED lights for Street/boundary lighting to reduce the energy consumption for illumination.
3. Terminal has installed APFC panel to avoid high current consumption losses.

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

The company is in the process of undertaking a comprehensive study on the usage of alternate green energy wherever possible in the terminal operations.

(iii) The capital investment on energy conservation equipments:

At the company's terminals, energy Consultants are delegated to evaluate and plan for getting the recommendations implemented.

(B) Technology absorption-

(i) The efforts being made towards technology absorption:

- a. Development Internal Floating roof tankages to avoid operational losses for volatile products.
- b. Automatic Power Factor Correction Panel etc. are provided to power saving.
- c. Preventive maintenance of the equipments.

The Company has taken action towards upgradation of plant automation system to improve upon efficiency and introduced Internal Floating Roof Tanks for avoiding energy losses.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution:

It reduces operating cost.

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):

- (a) The details of technology imported;
- (b) The year of import;
- (c) Whether the technology been fully absorbed;
- (d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and

No new Technology was imported during the financial year.

(iv) The expenditure incurred on Research and Development:

The Company is not engaged in manufacturing activities and as such there is no specific R&D Project undertaken.

(C) Foreign exchange earnings and Outgo

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.

The Foreign Exchange Earnings & Outgo are provided in the Notes forming part of the Accounts.

For and on behalf of the Board of Directors

Raj K. Chandaria
Director
DIN: 00037518

Anish K. Chandaria
Whole-Time Director
DIN: 00296538

Place: Mumbai
Dated: 30th May, 2017

Annexure-B' to the Directors Report

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31/03/2017

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

I. REGISTRATION AND OTHER DETAILS

- | | | |
|---|---|---|
| 1 | CIN | U23209MH2001PTC134329 |
| 2 | Name of the company | Aegis Gas (LPG) Private Limited |
| 3 | Registration Date | 26th December, 2001 |
| 4 | Category / Sub-Category of the | Company limited by shares |
| 5 | Address of the Registered office | 1202, 12th Floor, Tower B,
Peninsula Business Park,
Ganpatrao Kadam Marg,
Lower Parel (West), Mumbai-400 013
Tel : 022-6666 3666
Fax : 022-6666 3777
Email : secretarial@aegisindia.com
Website : www.aegisindia.com |
| 6 | Whether listed company | Yes - Only Secured
Redeemable Non-Convertible
Debentures (NCDs) are listed
on National Stock Exchange of
India Limited |
| 7 | Name, Address and Contact details
of Registrar and Transfer Agent, if
any | (Electronic Share)
Link Intime India Pvt. Ltd.
C 101, 247 Park,
L.B.S.Marg, Vikhroli (West),
Mumbai - 400083.
Tel : 022 - 4918 6270
Fax : 022 - 4918 6060

(Physical Shares)
The Company has an in-house
share transfer system. |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Sales – Traded good - Liquefied Petroleum Gas		
	Wholesale of solid, liquid and gaseous fuels and related products	46610 - Wholesale of solid, liquid and gaseous fuels and related products	55.32%
	Storage and warehousing n.e.c.[Includes general merchandise warehouses and warehousing of furniture, automobiles, gas and oil, chemicals, textiles etc. Also included is storage of goods in foreign trade zones]	52109 - Storage and warehousing n.e.c. [Includes general merchandise warehouses and warehousing of furniture, automobiles, gas and oil, chemicals, textiles etc. Also included is storage of goods in foreign trade zones	34.39%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMI

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Aegis Logistics Limited 502, 5th Floor, Skylon, GIDC, Char Rasta, Vapi – 396 195, Dist Valsad, Gujarat, India	L63090GJ1956PLC001032	Holding Company	100%	2(87)
2.	Hindustan Aegis LPG Limited 502, 5th Floor, Skylon, GIDC, Char Rasta, Vapi – 396 195, Dist Valsad, Gujarat, India	U23203GJ1994PLC021375	Wholly owned Subsidiary Company	100%	2(87)
3.	Aegis Terminal (Pipavav) Limited 502, 5th Floor, Skylon, GIDC, Char Rasta, Vapi – 396 195, Dist Valsad, Gujarat, India	U63030GJ2013PLC075305	Wholly owned Subsidiary Company	100%	2(87)
4.	Aegis LPG Logistics (Pipavav) Limited 502, 5th Floor, Skylon, GIDC, Char Rasta, Vapi – 396 195, Dist Valsad, Gujarat, India	U63030GJ2013PLC075304	Wholly owned Subsidiary Company	100%	2(87)

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

i) Category-wise Share Holding

Sr. No.	Category of Shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
A.	Promoter									
1	Indian									
	Individual/ HUF	0	0	0	0.00	0	0	0	0.00	0.00
	Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
	State Govt	0	0	0	0.00	0	0	0	0.00	0.00
	Bodies Corp.	0	32381000	32381000	100.00	0	32381000	32381000	100.00	0.00
	Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
	Any Other	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-total A(1)	0	32381000	32381000	100.00	0	32381000	32381000	100.00	0.00
2	Foreign									
	NRIs-Individuals	0	0	0	0.00	0	0	0	0.00	0.00
	Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
	Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
	Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
	Any other	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-total A(2)	0	0	0	0.00	0	0	0	0.00	0.00
	Total shareholding of Promoter= (A)=(A)(1)+(A)(2)	0	32381000	32381000	100.00	0	32381000	32381000	100.00	0.00
B.	Public Shareholding									
1	Institutions									
a	Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b	Banks / Financial Institutions	0	0	0	0.00	0	0	0	0.00	0.00
c	Central / State Government	0	0	0	0.00	0	0	0	0.00	0.00
d	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
e	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
f	Foreign Institutional Investors	0	0	0	0.00	0	0	0	0.00	0.00
g	Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
h	Foreign Portfolio Corp.	0	0	0	0.00	0	0	0	0.00	0.00
i	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
	Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-total (B)(1)	0	0	0	0.00	0	0	0	0.00	0.00
2	Non-Institutions									
a	a) Bodies Corp.									
i	Indian	0	0	0	0.00	0	0	0	0.00	0.00
ii	Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b	Individuals	0	0	0	0.00	0	0	0	0.00	0.00
i	Individual shareholders holding nominal share capital upto Rs. 1 lakh	0	0	0	0.00	0	0	0	0.00	0.00
ii	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	0	0	0	0.00	0	0	0	0.00	0.00
c	Others	0	0	0	0.00	0	0	0	0.00	0.00
	OCB/Non Domestic Company	0	0	0	0.00	0	0	0	0.00	0.00
	Non-Resident Individuals	0	0	0	0.00	0	0	0	0.00	0.00
	Any Other - Trust	0	0	0	0.00	0	0	0	0.00	0.00
	Foreign Company	0	0	0	0.00	0	0	0	0.00	0.00
	Foreign National	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-total (B)(2)	0	0	0	0.00	0	0	0	0.00	0.00
	Total Public Shareholding (B)=(B)(1)+ (B)(2)	0	0	0	0.00	0	0	0	0.00	0.00
C.	Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
	Grand Total (A+B+C)	0	0	32381000	100.00	0	0	32381000	100.00	

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of shares	% of total shares of the company	% of shares Pledged / encumbered to total shares	No. of shares	% of total shares of the company	% of shares Pledged/ encumbered to total shares	% change in shareholding during the year
1	Aegis Logistics Limited	32381000	100.00	0.00	32381000	100.00	0.00	0.00
	Total	32381000	100.00	0.00	32381000	100.00	0.00	0.00

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

Sl. No.		Date	Shareholding at the beginning of the year		Cumulative shareholding during the year	
			Aegis Logistics Limited			
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	01/04/2016	32381000	100.00	32381000	100.00
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)		There is no change in the shareholding during the year		There is no change in the shareholding during the year	
	At the end of the year	31/03/2017	32381000	100.00	32381000	100.00

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

Sl. No.	For Each of the Top 10 Shareholders	Date	Shareholding at the beginning of the year		Cumulative shareholding during the year	
			No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
	At the beginning of the year	01/04/2016	The Company is a 100% subsidiary of Aegis Logistics Limited.		The Company is a 100% subsidiary of Aegis Logistics Limited.	
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)					
	At the end of the year (or on the date of separation, if separated during the year	31/03/2017				

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Date	Shareholding at the beginning of the year		Cumulative shareholding during the year	
			No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
	At the beginning of the year	01/04/2016	0	0	0	0
	Date wise Increase / Decrease in Promoters shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)		0	0	0	0
	At the end of the year	31/03/2017	0	0	0	0

V. INDEBTEDNESS

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

Sr. No.		Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
	Indebtedness at the beginning of the financial year	0	3526	0	3526
i	Principal Amount	0	0	0	0
ii	Interest due but not paid	0	0	0	0
iii	Interest accrued but not due	0	0	0	0
	Total (i+ii+iii)	0	3526	0	3526
	Change in Indebtedness during the financial year	0	24624	0	24624
	· Addition	0	-24951	0	-24951
	· Reduction	0	-328	0	-328
	Net Change				
	Indebtedness at the end of the financial year	0	3198	0	3198
i	Principal Amount	0	0	0	0
ii	Interest due but not paid	0	0	0	0
iii	Interest accrued but not due	0	3198	0	3198
	Total (i+ii+iii)				

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Rs. in Lacs			
Sr. No.	Particulars of Remuneration	Name of MD/ WTD/ Manager	Total Amount
		Anish K. Chandaria	
1	Gross salary	Nil	Nil
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil	Nil
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil
(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil
2	Stock Option	Nil	Nil
3	Sweat Equity	Nil	Nil
4	Commission		
	- as % of profit	Nil	Nil
	#NAME?	Nil	Nil
5.	Others, please specify	Nil	Nil
	Total (A)	Nil	Nil
	Ceiling as per the Act (Being 5% of net profits of the Company calculated as per section 198 of the Companies Act, 2013 for each Managing Director)	Nil	Nil

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors					Total Amount	
		Kapoorchand M. Chandaria*	Raj K. Chandaria	Dineshchandra J. Khimasia	Kanwaljit S. Nagpal	Poonam Kumar		
		NED-NI-C	NED-NI	NED-I	NED-I	NED-I		
1	Independent Directors							
	Fee for attending board / committee meetings	N.A.	N.A.	10000	290000	6000	306000	
	Commission	N.A.	N.A.	0	0	0	0	
	Others, please specify	N.A.	N.A.	0	0	0	0	
	Total (1)	N.A.	N.A.	10000	290000	6000	306000	
2	Other Non-Executive Directors							
	Fee for attending board / committee meetings	2000	N.A.	N.A.	N.A.	N.A.	2000	
	Commission	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	
	Others, please specify	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	
	Total (2)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	
	Total Managerial Remuneration - Total (B) = (1+2)	2000	N.A.	10000	290000	6000	308000	
	Overall Ceiling as per section 197(5) of Companies Act, 2013 & Rule 4 of Companies (Appointment & Remuneration) Rules, 2014	Sitting fees upto Rs.1,00,000 per meeting.						

* Mr. Kapoorchand M. Chandaria passed away on 27th September, 2016

<i>NED-NI-C: Non-Executive Director - Non Independent - Chairman</i>
<i>NED-NI: Non-Executive Director - Non Independent</i>
<i>ED-NI-MD: Executive Director - Non Independent - Managing Director</i>
<i>NED-I: Non-Executive Director - Independent</i>

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Sr. No.	Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A.	COMPANY					
	Penalty					
	Punishment					
	Compounding					
B.	DIRECTORS					
	Penalty					
	Punishment					
	Compounding					
C.	OTHER OFFICERS IN DEFAULT					
	Penalty					
	Punishment					
	Compounding					

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

For and on behalf of the Board of Directors

Raj K. Chandaria
Director
DIN: 00037518

Anish K. Chandaria
Whole-Time Director
DIN: 00296538

'Annexure - C' to the Directors Report

Disclosure of composition of the Corporate Social Responsibility Committee and contents of the CSR Policy in the form of an annual report on CSR as per annexure attached to the Companies (Corporate Social Responsibility Policy) Rules, 2014

1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:

The Company is committed to make a sustainable positive impact on the communities it operates by actively contributing to their social and economic development. In doing so, the company is committed to build a better, sustainable way of life for the weaker sections of society and raise the country's human development index. The Company's aim is to be one of the respected Companies in India, delivering superior and sustainable value to all its customers, business partners, shareholders, employees. The Company's CSR initiatives focus on holistic development of communities and create social, environmental and economic value to the society.

The CSR Committee's Vision is "changing lives in pursuit of collective development and environmental sustainability". This vision should encompass all CSR activities of the Company.

The Company's holding Company, Aegis Logistics Limited (Aegis), has been associated with the CSR activities since past 38 years, even before the CSR term was coined. The Aegis's earliest initiatives date back in the year 1979 with 5 villages and with the mission to eradicate poverty through an integrated rural development approach addressing the multifaceted complexity of rural development. The Aegis is a proud sponsor of ANARDE, a government accredited NGO which was established in 1979. ANARDE now operates exclusively in Gujarat & Maharashtra states of India, where through its network of regional centers and field workers, it is involved in several initiatives such as the management of village water resources, skills training, self-help groups, empowerment of women, and entrepreneurship development. ANARDE also works closely with banks to promote the financial inclusion of the rural population in the formal financial sector. In association with Habitat for humanity, the foundation is actively engaged in the provision of low cost housing and has so far assisted rural families in its initiative and also participated in Sanitation project and assisted 1390 rural families. ANARDE has been empanelled by Ministry of Drinking Water and Sanitation, Government of India for undertaking CSR project in the field of Rural Drinking Water and Sanitation. Acting through this foundation, Aegis has continued to work actively in area of rural development and poverty alleviation. The foundation has also focused on three key areas: provision of clean drinking water, ANARDE has also installed 36 units of Drinking Water Ultra Filtration Plants, low cost housing and assistance to tribal areas. In association with various government bodies, ANARDE has procured and distributed agricultural tools and implements, seeds and fertilizers and arranged various training programs and seminars in rural areas to update farmers for better yield . The Company has since this year focused to contribute to ANARDE towards CSR activities.

2. The CSR Committee of the company comprises of the following Members:
 1. Mr. Raj K Chandaria(Chairman)
 2. Mr. Dineshchandra J. Khimasia
 3. Mr. Kanwaljit S. Nagpal
3. The Average net profit of the Company for last three financial years: **Rs. 966.59 Lacs**
4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above):

Prescribed CSR expenditure for FY 2016-17: **Rs. 19.33 Lacs**

5. Details of CSR spent during the financial year :

(a) Total amount spent for the financial year 2016-17: **Rs. 19.00 Lacs**

(b) Amount unspent, if any – Not Applicable

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

(Rs. in Lacs)							
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No	CSR project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads : (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto to the reporting period.	Amount spent: Direct or through Implementing agency
1	Water Management Development Prog.	Tribal / Rural Area of Gujarat & Maharashtra	We have implemented project in all Districts of Gujarat & Maharashtra	0	2.56	6.52	Amount spent through Anarde Foundation
2	Rural Housing & Sanitation Prog.			0	9.40	10.74	
3	Training of Rural Youth / Women / farmers			0	2.57	4.13	
4	Rural Insurance Project			0	0.92	1.42	
5	Salary			0	3.05	5.69	
6	Contribution towards cultural activity	Gujarat	Local area	0	0.50	0.50	Direct expenditure
			Total	0	19.00	29.00	

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

The Company is endeavored to ensure full utilization of the allocated CSR budget. However, the Board observed that there is marginal short fall of Rs. 33 thousand towards CSR contribution during Financial Year 2016-17. The Board also observed that the Company has excess contributed Rs. 46 thousand during Financial year 2015-16 as the same was considered necessary to meet the objective of the project undertaken by the ANARDE.

7. CSR Committee, in it's Responsibility Statement has mentioned that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

Raj K. Chandaria
(Chairman of the Corporate
Social Responsibility
Committee)
DIN: 00037518

Anish K Chandaria
Whole-time Director
DIN:00296538

Place: Mumbai
Date: 30th May, 2017

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017

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

To,

The Members,
AEGIS GAS (LPG) PRIVATE LIMITED

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

Based on my verification of the **Aegis Gas (LPG) Private Limited** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company (“the Company”) for the financial year ended on 31st March, 2017, according to the Provisions of:

- 1) The Companies Act, 2013 (the Act) and the rules made there under;
- 2) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- 3) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- 4) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External commercial Borrowings are not applicable.

- 5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - b) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - c) 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;
 - d) Chapter V of Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations 2015.
- 6) The Factories Act, 1948
- 7) The Petroleum Act, 1934
- 8) Explosives Act, 1884
- 9) The Indian Wireless Telegraphy Act, 1933
- 10) The Essential Commodities Act, 1955
- 11) Legal Metrology Act, 2009
- 12) Bombay Shops & Establishment Act, 1948
- 13) The Environment (Protection) Rules, 1986
- 14) The Electricity Act, 2003
- 15) Major Port Trusts Act, 1963/ Port servicing by other ports (minor port)
- 16) Standards of Weights and Measures (Enforcement) Rules, 1992
- 17) The Contract Labour (Regulation and Abolition) Act, 1970
- 18) Customs Act, 1962
- 19) Central Excise Act, 1944
- 20) Maharashtra Value Added tax, 2002
- 21) Income Tax Act, 1961

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) Debt Listing Agreement entered into by the Company with National Stock Exchange Limited and Chapter V of Securities and Exchange Board of India (Listing obligations and Disclosures 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.

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

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

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

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

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

- (i) Public/Right/Preferential Issue of Shares /Sweat Equity, etc.
- (ii) Redemption / Buy-Back of Securities, except for part redemption of Non-Convertible Debenture during the year under review.
- (iii) Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013, except approval of member under section 180(1)(a) for sell and transfer of Liquid Storage terminal undertaking of the company.
- (iv) Merger / Amalgamation / Reconstruction, etc.
- (v) Foreign technical collaborations

**For P. Naithani & Associates
Company Secretaries**

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

***Place: Mumbai
Date: 30th May, 2017***

Independent Auditors' Report

The Members of Aegis Gas (LPG) Private Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **Aegis Gas (LPG) Private Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017, its profits and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Audit Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations, if any, which would impact its financial position – refer note 30 to the financial statements;
 - ii. The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. The Company does not have any amounts which were liable to be transferred to the Investor Education and Protection Fund during the year.

iv. The Company has provided requisite disclosures in the financial statements as to holding as well as dealing in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management – Refer Note 40.

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

Firm Registration No. 105479W

D. P. Sapre

Place: Mumbai
Date: 30th May, 2017

Partner
Membership No. 40740

Annexure A to Independent Auditors' Report

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

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) Fixed assets have been physically verified by the management during the year as per regular program of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanation given to us, the discrepancies noticed on such verification, which have been properly dealt with in the books of account, were in our opinion not material.

(c) The title deeds of immovable properties are held in the name of the Company.
2. As explained to us, inventories have been physically verified by the Management during the year / at the year end. In our opinion, the frequency of verification is reasonable. The discrepancies noticed on physical verification of stocks as compared to book records, which have been properly dealt with in the books of account, are in our opinion, not material.
3. The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Hence sub clauses (a), (b) and (c) of clause (iii) are not applicable to the Company for the year under audit.
4. In respect of loans, investments, guarantees and security the Company has complied with the provision of section 185 and 186 of Companies Act, 2013.
5. As informed to us, the Central Government has not prescribed maintenance of cost records under section 148 of the Companies Act, 2013 for any of the products / activities of the Company.
6. In respect of statutory dues;
 - (a) The Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales-tax, wealth tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other statutory with appropriate authorities. There are no arrears

of undisputed statutory dues as at the 31st March, 2017 outstanding for a period for more than six months from the date they became payable.

(b) As at 31st March, 2017, there are no disputed statutory dues in respect of Income Tax, Sales Tax, Service Tax, Duty of Customs or Duty of Excise or Value Added Tax or Cess which have not been deposited with the appropriate authorities.

7. According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of loans and borrowings to financial institution, banks, govern mentor dues to debenture holders.
8. According to the information and explanations given to us, the term loans have been applied for the purpose for which these were raised.
9. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud by or on the Company by its officers or employees has been noticed or reported during the course of our audit.
10. To the best of our knowledge and belief and according to the information and explanations given to us, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
11. Considering the nature of activities undertaken by the Company during the year under audit, matters specified in clauses (v),(xi), (xii), (xiv), (xv) and (xvi)of paragraph 3 of the Companies (Auditors Report), 2016 do not apply to the Company for the year under audit.

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

Firm Registration No. 105479W

D. P. Sapre

Place: Mumbai
Date: 30thMay, 2017

Partner
Membership No. 40740

Annexure - B to the Auditors' Report

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

1. We have audited the internal financial controls over financial reporting of **Aegis Gas LPG Private Ltd.** ("the Company") as of 31 March 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

2. **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

3. **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

4. Meaning of Internal Financial Controls over Financial Reporting

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

5. Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

6. **Opinion**

According to the information and explanations given to us and on the basis of such checks as we considered appropriate, in our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Firm Registration No. 105479W

D. P. Sapre

Place: Mumbai
Date: 30th May, 2017

Partner
Membership No. 40740

AEGIS GAS (LPG) PRIVATE LIMITED

BALANCE SHEET AS AT 31st March,2017

Particulars	Note No.	As at 31st March,2017		As at 31st March, 2016
		Rupees in lakhs	Rupees in lakhs	Rupees in lakhs
<u>I. EQUITY AND LIABILITIES</u>				
(1) SHAREHOLDERS' FUNDS				
(a) Share Capital	2	3,238.10		3,238.10
(b) Reserves & surplus	3	2,949.81		1,727.88
			6,187.91	4,965.98
(2) NON-CURRENT LIABILITIES				
(a) Long-term borrowings	4	4,170.00		8,594.76
(b) Deferred tax liabilities (Net)	5	27.67		108.27
(c) Other Long term liabilities	6	975.65		878.07
(d) Long-term provisions	7	73.84		54.59
			5,247.16	9,635.69
(3) CURRENT LIABILITIES				
(a) Short-term borrowings	8	3,017.20		610.97
(b) Trade payables:	9			
- Total outstanding dues to other than micro and small enterprises		1,147.09		766.21
(c) Other current liabilities	10	4,101.40		2,708.03
(d) Short-term provisions	11	5.81		4.49
			8,271.50	4,089.70
		TOTAL	19,706.57	18,691.37
<u>II. ASSETS</u>				
(1) NON-CURRENT ASSETS				
(a) Fixed assets				
(i) Tangible assets	12	5,972.03		14,477.00
(ii) Intangible assets	12	1.21		6.06
(iii) Capital work-in-progress	12	4,663.99		626.14
		10,637.23		15,109.20
(b) Non-Current Investments	13	256.86		256.86
(c) Long-term loans and advances	14	1,487.16		1,265.15
			12,381.25	16,631.21
(2) CURRENT ASSETS				
(a) Inventories	15	371.60		249.93
(b) Trade receivables	16	560.34		617.78
(c) Cash and Cash equivalents	17	413.69		259.66
(d) Short-term loans and advances	18	2,071.93		930.55
(e) Other Current assets	19	3,907.76		2.24
			7,325.32	2,060.16
		TOTAL	19,706.57	18,691.37

See accompanying notes forming part of the financial statements

In terms of our report attached.

For and on behalf of the Board of Directors

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

Anish K.Chandaria
Director
(DIN: 00296538)

Kanwaljit S. Nagpal
Director
(DIN: 00012201)

D.P.Sapre
Partner
Membership no.: 40740
Mumbai
Dated : 30th May, 2017

Rajesh Solanki
Company Secretary

R.Srinivasan
CFO

Mumbai, Dated : 30th May, 2017

AEGIS GAS (LPG) PRIVATE LIMITED

Statement of Profit and Loss Account for the year ended 31st March,2017

Particulars	Note No.	Current Year		Previous Year ended
		Rupees in lakhs	Rupees in lakhs	31st March, 2016
				Rupees in lakhs
I. Revenue from operations	20		11,540.69	10,509.41
II. Other income	21		48.55	67.70
III. Total Revenue (I + II)			11,589.24	10,577.11
IV. Expenses:				
Purchases of Stock-in-Trade	22		5,411.56	5,286.90
Changes in Inventories of Stock-in-Trade	23		(144.97)	135.44
Employee benefits expense	24		464.87	412.97
Finance costs	25		826.99	837.99
Depreciation and amortization expense	26		711.95	610.37
Other Expenses	27		1,780.98	1,528.48
Total expenses			9,051.38	8,812.15
V. Profit before Exceptional Item (III-IV)			2,537.86	1,764.96
VI. Loss on disposal of Liquid Terminal Undertaking (refer note no.34)	28		1,396.87	-
VII. Profit after Exceptional item and before tax (V -VI)			1,140.99	1,764.96
VII. Tax expense:				
(1) Current tax - for the year			245.31	377.00
- for earlier year			(0.33)	(0.83)
- MAT Credit			(245.31)	(377.00)
(2) Deferred tax			(80.61)	201.66
			(80.94)	200.83
VIII. Profit after tax (VI-VII)			1,221.93	1,564.13
IX. Earnings per equity share before Exception in Rupees (Face Value of Rs. 10/- each): Basic and Diluted	29		8.09	4.83
X. Earnings per equity share after Exception in Rupees (Face Value of Rs. 10/- each): Basic and Diluted	29		3.77	4.83

See accompanying notes forming part of the financial statements

In terms of our report attached.

For and on behalf of the Board of Directors

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

Anish K.Chandaria
Director
(DIN: 00296538)

Kanwaljit S. Nagpal
Director
(DIN: 00012201)

D.P.Sapre
Partner
Membership no.: 40740
Mumbai
Dated : 30th May, 2017

Rajesh Solanki
Company Secretary

R.Srinivasan
CFO

Mumbai, Dated : 30th May, 2017

AEGIS GAS (LPG) PRIVATE LIMITED

Cash Flow Statement for the period ended 31st March,2017

Particulars	Current Year		Previous Year
	Rupees in lakhs	Rupees in lakhs	ended 31st March, Rupees in lakhs
A. Cash Flow from Operating Activities:			
Profit Before Tax		1,140.99	1,764.95
Adjustments for:			
Depreciation and amortization expense	711.95		610.37
Interest Expense	826.99		837.99
Interest Income	(35.57)		(46.23)
Profit on sale of Fixed Asset	(3.02)		
Loss on disposal of Liquid Terminal Undertaking	1,396.87		-
		<u>2,897.22</u>	<u>1,402.13</u>
Operating Profit Before Working Capital Changes		4,038.21	3,167.08
(Increase)/Decrease in Inventories	(220.93)		131.84
(Increase)/Decrease in Trade and Other Receivables	(5,288.82)		103.66
Increase in Trade payables and Other liabilities	2,092.05		1,716.10
Increase in Provisions	20.57		17.35
		<u>(3,397.13)</u>	<u>1,968.95</u>
Cash Generated from Operations		641.11	5,136.03
Direct Taxes Paid		23.63	(453.88)
Net Cash Flow from Operating Activities - A		<u>664.74</u>	<u>4,682.15</u>
B. Cash Flow from Investing Activities:			
Purchase of Fixed Assets	(4,859.77)		(2,668.81)
Proceeds from sale of Fixed Assets	3.60		-
Proceeds from disposal of Liquid Terminal Undertaking	3,716.94		
Deposits with Banks as Margin Monies and Securities against Borrowings	240.38		3.23
Interest Received	35.05		46.23
Net Cash used in Investing Activities - B		<u>(863.80)</u>	<u>(2,619.35)</u>

AEGIS GAS (LPG) PRIVATE LIMITED

Cash Flow Statement for the period ended 31st March,2017

Particulars	Current Year		Previous Year
	Rupees in lakhs	Rupees in lakhs	ended 31st March, Rupees in lakhs
C. Cash Flow from Financing Activities:			
Increase/(Decrease) in Short Term Borrowings (net)	2,406.23		(87.23)
Repayment of Long Term Borrowings	(969.79)		(1,181.27)
Proceeds from Long Term Borrowings	-		-
Interest Paid	(842.97)		(837.99)
Net Cash from Financing Activities - C		<u>593.47</u>	<u>(2,106.49)</u>
Net (Decrease) / Increase in Cash and Cash Equivalents - A+B+C		<u>394.41</u>	<u>(43.69)</u>
Cash and cash equivalents at the beginning of the year		19.28	62.97
Cash and cash equivalents at the end of the year (refer reconciliation below)		413.69	19.28
Net (Decrease) / Increase in Cash and Cash Equivalents		<u>394.41</u>	<u>(43.69)</u>
Reconciliation of Cash and cash equivalents with the Balance Sheet:			
Cash and cash equivalents as per Balance Sheet (Refer Note 19)		413.69	259.66
Less: Bank balances not considered as Cash and cash equivalents as defined in AS 3 Cash Flow Statements		-	(240.38)
Cash and cash equivalents at the end of the year	TOTAL	<u>413.69</u>	<u>19.28</u>
Cash and cash equivalents at the end of the year *			
* Comprises:			
Cash on hand		2.83	2.70
Balances with banks			
(i) In current accounts		18.32	16.58
(ii) Cheques on hand			
(iii) In deposit accounts		392.54	
TOTAL		<u>413.69</u>	<u>19.28</u>

Notes:

- (1) Cash and Cash Equivalents do not include Fixed Deposits with Banks kept as Margin Money and as Escrow Account.
- (2) Figures in bracket denote outflow of cash.
- (3) The above Cash Flow Statement has been prepared under the "Indirect Method" set out in Accounting Standard (AS - 3) "Cash Flow Statements".
- (4) The earmarked account balances with banks can be utilized only for the specific identified purposes.

In terms of our report attached.

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

D.P.Sapre
Partner
Membership no.: 40740
Mumbai
Dated : 30th May, 2017

For and on behalf of the Board of Directors

Anish K.Chandaria
Director
(DIN: 00296538)

Kanwaljit S. Nagpal
Director
(DIN: 00012201)

Rajesh Solanki
Company Secretary

R.Srinivasan
CFO

Mumbai, Dated : 30th May, 2017

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

1 Significant Accounting Policies:

A.1 Background and Principal Activities

Aegis Gas (LPG) Private Limited ("AGPL" or "the Company") is a Company incorporated in India, on 26th December 2001. AGPL is a subsidiary of Aegis Logistics Limited ("Aegis").

AGPL is engaged interalia in the business of trading of LPG, storage , terminalling and distribution of LPG, Oil and chemical products.

A.2 Basis Of Preparation Of Financial Statements

The Financial Statements have been prepared to comply in all material respects with the Accounting Standards notified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and other relevant provisions of the said Act. The accounting policies adopted in the preparation of Financial Statements are consistent with those of the previous year.

A.3 Use of Estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) in India requires management to make estimates and assumptions that affect the reported amount of assets and liabilities (including contingent liabilities) on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates and the difference between the actual results and estimates are recognised in the period in which the results are known / materialise.

B.1 Fixed Assets

Tangible Fixed Assets:

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

Intangible Assets

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

B.2 Investments

Long Term Investments are stated at cost. However, when there is a decline, other than temporary, in the value of a long term investment, the carrying amount is reduced to recognise the decline. Current Investments are carried at lower of cost and fair value, computed category wise.

B.4 Revenue Recognition

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

B.5 Operating Revenue

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

B.6 Depreciation

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

Lease hold land is amortised over the period of the lease on straight line basis.

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

B.7 Employee Benefits

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

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

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

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

B.8 Earning Per Share

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

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

B.9 Foreign Currency Transactions

Transactions in foreign currencies are recorded at the rate of exchange prevailing on the date of the transactions.

Monetary items denominated in foreign currencies are restated at the exchange rate prevailing on the balance sheet date. Exchange differences arising on settlement of the transactions and on account of restatement of monetary items are dealt with in the statement of profit and loss.

Forward exchange contracts entered into hedge the foreign currency risk and outstanding as on balance sheet date are translated at the year end exchange rates. The premium or discount arising at the inception of such forward exchange contracts are amortised as income or expense over the life of the contract.

Gain / losses on settlement of transactions arising on cancellation / renewal of forward exchange contracts are recognised as income or expense.

B.10 Impairment of Assets

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

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

B.11 Operating Lease Rentals

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

B.12 Borrowing Cost

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

B.13 Taxes on Income

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

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

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

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

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

B.14 Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Claims in respect of which the company is of the opinion that they are frivolous or is legally advised that they are unsustainable in law are not considered as contingent liability as the possibility of an outflow of resource embodying economic benefits is remote. Contingent Assets are neither recognised nor disclosed in the financial statements.

AEGIS GAS (LPG) PRIVATE LIMITED
Notes on the Financial Statements for the year ended 31st March,2017

	As at 31st March,2017	As at 31st March, 2016	As at 31st March,2017	As at 31st March, 2016
2 Share capital:				
	Number of shares		Rupees in lakhs	<i>Rupees in lakhs</i>
2.1 Authorized :				
Equity Shares of Rs. 10 (Previous Year Rs.10) each	450,00,000	400,00,000	4,500.00	4,000.00
			TOTAL	4,000.00
			<u>4,500.00</u>	<u>4,000.00</u>
2.2 Issued, Subscribed and Fully Paid-up :				
Equity Shares of Rs.10 (Previous Year Rs.10) each	323,81,000	323,81,000	3,238.10	3,238.10
			TOTAL	3,238.10
			<u>3,238.10</u>	<u>3,238.10</u>

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

	Number of shares		Share Capital Rupees in lakhs	
	Current Year	<i>Previous Year ended 31st March, 2016</i>	Current Year	<i>Previous Year ended 31st March, 2016</i>
Shares outstanding as at the beginning of the year	323,81,000	323,81,000	3,238.10	3,238.10
Add: Increase on account of share split	-	-	-	-
Shares outstanding as at the end of the year	<u>323,81,000</u>	<u>323,81,000</u>	<u>3,238.10</u>	<u>3,238.10</u>

2.4 Terms/Rights attached to Equity Shares:

- a) The Company has only one class of equity shares having a par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share. The dividend, if proposed by the Board of Directors , is subject to the approval of the shareholders in the ensuing Annual General Meeting.
- b) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

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

2.6 Details of shareholders holding more than 5% shares in the Company:
Equity Shares

Name of shareholder	March 31, 2017		March 31, 2016		
	Number of Shares	% of Holding	Number of Shares	% of Holding	
Aegis Logistics Ltd - Holding Company & nominees	-	323,81,000	100.00	323,81,000	100.00

2.7 Details of shares held by holding company

Name of shareholder	March 31, 2017		March 31, 2016		
	Number of Shares	% of Holding	Number of Shares	% of Holding	
Aegis Logistics Ltd - Holding Company & nominees	-	323,81,000	100.00	323,81,000	100.00

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

AEGIS GAS (LPG) PRIVATE LIMITED

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

	As at 31st March,2017	As at 31st March, 2016
	<i>Rupees in lakhs</i>	<i>Rupees in lakhs</i>
3 Reserves and surplus:		
3.1 Debenture redemption reserve:		
Opening Balance	1,023.47	163.75
Add: Transferred from the Statement of Profit and Loss	261.53	859.72
Closing Balance	<u>1,285.00</u>	<u>1,023.47</u>
3.2 General Reserve		
Opening Balance	<u>-</u>	<u>-</u>
3.3 Balance in Statement of Profit and Loss:		
Opening Balance - Surplus/ (Deficit)	704.41	-
Add: Profit after Tax	1,221.93	1,564.13
Less: Appropriations:		
Transferred to General Reserve	-	-
Transferred to Debenture Redemption Reserve	(261.53)	(859.72)
Closing Balance	<u>1,664.81</u>	<u>704.41</u>
TOTAL	<u>2,949.81</u>	<u>1,727.88</u>

AEGIS GAS (LPG) PRIVATE LIMITED

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

	As at 31st March,2017	As at 31st March, 2016
	Rupees in lakhs	Rupees in lakhs

4 Long term borrowings:

4.1 Secured Loans:

A) Debentures:

<p>1 514 - 9.90% Non-Convertible, Redeemable Privately Placed Debentures of Rs. 10,00,000 each totalling to Rs 51,40,00,000 which comprises of Rs 34,20,00,000 (Previous Year: Rs 51,40,00,000) classified as long term borrowing & Rs 17,20,00,000 being current maturities of long term borrowings included under other current liabilities (Note 10). (Also refer Note A.1 below)</p>	<p>3,420.00</p>	<p>5,140.00</p>
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Note:

A.1 The debentures were allotted on 20th January 2015. These debentures are redeemable in 14 quarterly instalments (13 instalments of Rs. 4,30,00,000 each and 1 instalment of Rs. 4,10,00,000 starting from the end of 21 months from the date of allotment). These debentures carry a put option for the holder and a call option to the Company to get it redeemed at par at the end of 3 years from the date of allotment.

Instalment	Redemption Date
14th	20-01-2020
13th	20-10-2019
12th	20-07-2019
11th	20-04-2019
10th	20-01-2019
9th	20-10-2018
8th	20-07-2018
7th	20-04-2018
6th	20-01-2018
5th	20-10-2017
4th	20-07-2017
3rd	20-04-2017

The above debentures are secured by hypothecation by way of first charge on specific movable assets located at Pipavav, Gujarat and Coporate Guarantee from the Holding Company.

B) Term Loans from Banks:

<p>Loan from HDFC Bank (Refer Notes below)</p>	<p>750.00</p>	<p>1,812.50</p>
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AEGIS GAS (LPG) PRIVATE LIMITED

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

	As at 31st March,2017	As at 31st March, 2016
	Rupees in lakhs	<i>Rupees in lakhs</i>
Notes:		
(i) Term Loan from HDFC Bank of Rs. 3,12,50,000 (Previous Year: Rs. 15,62,50,000) comprises Rs. Nil (Previous Year: Rs. 3,12,50,000) classified as long term borrowing and Rs. 3,12,50,000 (Previous Year: Rs. 12,50,00,000) being current maturities of long term borrowings included under other current liabilities (Note 10). The same is secured by first exclusive charge on specific moveable assets located Pipavav, Gujarat and Corporate Guarantee from Holding Company.		
(ii) Interest payable at Base rate plus 0.25% and repayable after a moratorium of 12 months commencing from 9th September, 2015 in 8 equal quarterly installments of Rs 3,12,50,000.		
(iii) Term Loan from HDFC Bank of Rs.15,00,00,000 (Previous Year: Rs. 15,00,00,000) comprises Rs. 7,50,00,000 (Previous Year: Rs. 15,00,00,000) classified as long term borrowing and Rs. 7,50,00,000 (Previous Year: Rs. N.A) being current maturities of long term borrowings included under other current liabilities (Note 10). The same is secured by first exclusive charge on specific moveable assets located Pipavav, Gujarat and Corporate Guarantee from Holding Company.		
(iv) Interest is payable on monthly basis at base rate of 9.30% commencing from 31st March, 2016 on outstanding principal amount. Principal is repayable in 4 equal quarterly installment of Rs 3,75,00,000 to be paid on 31st October 2017, 31st January 2018, 31st Arpil 2018 and 31st July 2018.		
Unsecured:		
Loan from Related Party * (Refer Note 32 & 34)	-	1,642.26
Total	4,170.00	8,594.76

AEGIS GAS (LPG) PRIVATE LIMITED

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

	As at 31st March,2017	As at 31st March, 2016
	Rupees in lacs	<i>Rupees in lacs</i>
5 Deferred tax liabilities (Net):		
Major components of deferred tax are:		
Deferred tax liabilities :		
On fiscal allowance on fixed assets	<u>27.77</u>	<u>161.64</u>
Sub total	<u>27.77</u>	<u>161.64</u>
Deferred Tax Assets :		
On provision for doubtful debts	<u>(32.92)</u>	<u>(32.92)</u>
On fiscal allowance on expenditures etc.	<u>(22.52)</u>	<u>(20.45)</u>
Sub total	<u>(55.44)</u>	<u>(53.37)</u>
Deferred Tax Liability (Net)	<u><u>27.67</u></u>	<u><u>108.27</u></u>
6 Other Long-term Liabilities:		
Deposits from Dealers	<u>975.65</u>	<u>878.07</u>
Total	<u><u>975.65</u></u>	<u><u>878.07</u></u>

AEGIS GAS (LPG) PRIVATE LIMITED**Notes on the Financial Statements for the year ended 31st March,2017**

	As at 31st March,2017	As at 31st March, 2016
	Rupees in lacs	Rupees in lacs

7 Long-term provisions:

Provision for Compensated Absences	36.06	30.41
Provision for Gratuity	37.78	24.18
Total	73.84	54.59

**8 Short-term borrowings:
(Secured)**

Buyer's Credit from Banks	694.07	610.97
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(Secured by charge on movable properties of the Company and further secured by second charge on specific immovable properties)

Overdraft from Banks (Secured by lien on Fixed Deposits placed by the Company)	96.32	-
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Short Term Loan from Banks	2,226.81	-
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Short Term Loan from HDFC Bank of Rs. 2226,80,965 (Previous Year: Rs. NA) (Repayment in Two equal installment to be done at the end of 9th month & twelfth month from date of disbursement).
(Secured by charge over the machinery financed by Term Loan followed by Corporate guarantee from Aegis Logistics Ltd.)

Total	3,017.20	610.97
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9 Trade payables:

There are no Micro, Small and Medium Enterprises, as defined in the Micro, Small, Medium Enterprises Development Act, 2006, to whom the Company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made.

Others	1,147.09	766.21
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Total	1,147.09	766.21
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AEGIS GAS (LPG) PRIVATE LIMITED**Notes on the Financial Statements for the year ended 31st March,2017**

	As at 31st March,2017	As at 31st March, 2016
	Rupees in lacs	Rupees in lacs
10 Other current liabilities:		
Current maturities of Secured NCD (See 4.1(A) above)	1,720.00	860.00
Current maturities of long-term Secured Loan (See 4.1(B) above)	1,062.50	1,250.00
Interest accrued but not due on borrowings	100.22	116.20
Deposits from Customers	60.01	51.00
Advance Storage Rentals	-	1.59
Advance from Customers	75.75	40.51
Amounts Payable under Capital Contracts	994.76	305.43
Other Payables:		
(i) Statutory Dues	88.16	83.30
Total	4,101.40	2,708.03
There is no amount due and outstanding to be credited to the Investor		
10.1 Education & Protection Fund.	-	-
11 Short-term provisions:		
Provision for Compensated Absences	5.81	4.49
Total	5.81	4.49

AEGIS GAS (LPG) PRIVATE LIMITED

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

12 Fixed Assets:

Rupees in lakhs

	Gross Block (at Cost)				Accumulated Depreciation					Net Block	
	As at 1st April, 2016	Additions	Deletions	As at 31st March,2017	As at 1st April, 2016	Charge for the year	Transition adjustment	On Disposals	As at 31st March,2017	As at 31st March,2017	As at 31st March, 2016
a) Tangible Assets:											
Land - Freehold	387.33 (387.33)	76.34 -	- (-)	463.67 (387.33)	- -	- -	- (-)	- (-)	- -	463.67	387.33
Land - Leasehold	44.63 (44.63)	- -	- (-)	44.63 (44.63)	20.27 (18.05)	2.22 (2.22)	- (-)	- (-)	22.49 (20.27)	22.14	24.36
*Buildings	829.00 (764.92)	- (64.08)	632.36 (-)	196.64 (829.00)	91.35 (68.00)	24.99 (23.35)	- -	60.23 (-)	56.11 (91.35)	140.53	737.65
*Plant and Equipment	14,247.39 (11,135.28)	90.61 (3,112.10)	8,562.35 (-)	5,775.64 (14,247.39)	1,246.31 (786.10)	546.55 (460.20)	- -	953.26 (-)	839.59 (1,246.31)	4,936.05	13,001.08
Furniture and Fixtures	28.04 (7.43)	- (20.62)	- (-)	28.04 (28.04)	5.11 (4.73)	2.17 (0.38)	- -	- (-)	7.28 (5.11)	20.76	22.93
Vehicles	84.07 (84.07)	26.78 -	11.55 -	99.30 (84.07)	44.29 (34.96)	10.43 (9.32)	- -	10.97 -	43.75 (44.29)	55.55	39.79
Office Equipment	57.89 (56.20)	6.34 (1.68)	- (-)	64.23 (57.89)	49.85 (48.61)	2.22 (1.24)	- -	- (-)	52.07 (49.85)	12.16	8.04
Computers	89.54 (87.08)	1.89 (2.47)	- (-)	91.43 (89.54)	79.49 (75.07)	2.57 (4.42)	- -	- (-)	82.06 (79.49)	9.37	10.06
Cylinders	632.70 (632.70)	180.78 -	- (-)	813.48 (632.70)	386.94 (289.75)	114.74 (97.19)	- -	- (-)	501.68 (386.94)	311.80	245.76
TOTAL	16,400.59 (13,199.64)	382.74 (3,200.95)	9,206.26 -	7,577.06 (16,400.59)	1,923.59 (1,325.27)	705.89 (598.32)	- -	1,024.46 -	1,605.03 (1,923.59)	5,972.03	14,477.00
b) Intangible Assets :											
Computer Software - Acquired	60.28 (60.28)	1.21 -	- (-)	61.49 (60.28)	54.23 (42.17)	6.06 (12.06)	- (-)	- (-)	60.29 (54.23)	1.21	6.06
TOTAL	60.28 (60.28)	1.21 -	- (-)	61.49 (60.28)	54.23 (42.17)	6.06 (12.06)	- (-)	- (-)	60.29 (54.23)	1.21	6.06
c) Capital Work-in-Progress										4,663.99	626.14
* refer note 32 for disposals/deletions (Figures in brackets represent those of the previous year)										10,637.23	15,109.20

AEGIS GAS (LPG) PRIVATE LIMITED

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

		As at 31st March,2017	As at 31st March, 2016
		Rupees in lakhs	Rupees in lakhs
13	Non-current Investments: (Fully Paid Up, At Cost)		
1	Trade Investments:		
	(a) Investments in Equity instruments of Subsidiaries (Refer Note 34):		
	Equity Shares of Hindustan Aegis LPG Limited 9,78,000 shares of face value Rs. 10 each (Previous Year: 9,78,000 Shares)	246.26	246.26
	(b) Equity Shares of Aegis LPG Logistics (Pipavav) Limited 50,000 (Previous year 50,000) shares of Rs. 10 each of Aegis LPG Logistics (Pipavav) Limited	5.00	5.00
	(c) Equity Shares of Aegis Terminal (Pipavav) Limited 50,000 (Previous year 50,000) shares of Rs. 10 each of Aegis Terminal (Pipavav) Limited	5.00	5.00
2	Investment in Government Securities (Unquoted):		
	National Savings Certificates*	0.60	0.60
		Total	Total
		256.86	256.86

*Pledged with Sales Tax Authorities

AEGIS GAS (LPG) PRIVATE LIMITED

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

	As at 31st March,2017	As at 31st March, 2016
	Rupees in lakhs	<i>Rupees in lakhs</i>
14 Long-term loans and advances: (Unsecured and considered good)		
Deposits with Government Authorities and Others	173.92	173.92
Advance Tax (Net of Provision for Tax)	175.07	198.37
MAT Credit	1,061.02	815.71
Other Long Term advances recoverable in cash or kind	77.15	<i>77.15</i>
Total	<u>1,487.16</u>	<u><i>1,265.15</i></u>

AEGIS GAS (LPG) PRIVATE LIMITED**Notes on the Financial Statements for the year ended 31st March,2017**

	As at 31st March,2017	As at 31st March, 2016
	Rupees in lakhs	Rupees in lakhs
15 Inventories:		
(At cost and the net realizable value whichever is lower)		
Stock-in-Trade		
- Liquefied Petroleum Gas	307.09	162.12
Stores and Spare Parts	64.51	87.81
Total	371.60	249.93
16 Trade receivables (Unsecured):		
Outstanding for a period exceeding six months from the date they are due for payment:		
Considered Good	27.27	2.32
Considered Doubtful	-	-
	27.27	2.32
Less: Provision for Doubtful Trade Receivables	-	-
	27.27	2.32
Other Trade Receivables - Considered Good	533.07	615.46
Total	560.34	617.78
17 Cash and Cash equivalents:		
Cash in Hand	2.83	2.70
Balances with banks		
(i) In current accounts	18.32	16.19
(ii) Cheques on Hand	-	0.39
(iii) In deposit accounts (Refer Note 17.2)	392.54	240.38
Total	413.69	259.66

AEGIS GAS (LPG) PRIVATE LIMITED**Notes on the Financial Statements for the year ended 31st March,2017**

	As at 31st March,2017	As at 31st March, 2016
	Rupees in lakhs	<i>Rupees in lakhs</i>
17.1 Of the above, the balances that meet the definition of Cash and cash equivalents as per Accounting Standard (AS - 3)"Cash Flow Statements" are	413.69	259.66
17.2 Deposits placed with the bank as security against borrowings (includes deposit having maturity of more than 12 months, Rs. 1.12 lakhs (Previous Year Rs.1.12 Lakhs)	1.12	1.12
Loan amounting outstanding against above at the year end	-	-
18 Short-term loans and advances: (Unsecured and considered good)		
Advances to Suppliers	19.68	46.67
Other Advances Recoverable in cash or kind	1,995.35	126.95
Advances to Employees	4.78	2.93
Prepaid Expenses	15.64	5.70
Cenvat Credit and Service tax Setoff (net)	36.48	748.30
Total	2,071.93	930.55
19 Other current assets:		
Interest accrued on Fixed deposits with bank / Debentures	2.76	2.24
Unbilled Revenue	-	-
Foreign Exchange Gain - Mark-to-Market Basis (Net)	-	-
Unamortized Premium on Shares and Debentures	-	-
Other receivables (refer note.32)	3,905.00	
Income tax refund Due		
Total	3,907.76	2.24

AEGIS GAS (LPG) PRIVATE LIMITED

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

	Current Year	Previous Year ended 31st March, 2016
	Rupees in lakhs	Rupees in lakhs
20 Revenue from operations:		
Sales - Traded Goods:		
- Liquefied Petroleum Gas	6,383.92	6,638.76
	<u>6,383.92</u>	<u>6,638.76</u>
Service Revenue:		
- Liquid Terminal Division	155.12	1,209.79
- Gas Terminal Division	3,813.83	1,787.54
	<u>3,968.95</u>	<u>2,997.33</u>
Other Operating Revenue:	1,187.82	873.32
	<u>1,187.82</u>	<u>873.32</u>
Total	<u><u>11,540.69</u></u>	<u><u>10,509.41</u></u>
21 Other income:		
Interest on deposit with banks, income tax refund etc.	35.57	46.23
Miscellaneous Receipts	9.96	21.47
Profit on sale of Fixed Assets	3.02	-
	<u>48.55</u>	<u>67.70</u>
Total	<u><u>48.55</u></u>	<u><u>67.70</u></u>

AEGIS GAS (LPG) PRIVATE LIMITED

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

	Current Year	Previous Year ended 31st March, 2016
	Rupees in lakhs	Rupees in lakhs
22 Purchases of Traded Goods:		
Liquified Petroleum Gas	5,411.56	5,286.90
Others - Machinery for Autogas Dispensing Station	-	-
Total	5,411.56	5,286.90
23 Changes in Inventories of Traded Goods:		
Inventories at the end of the year		
Liquified Petroleum Gas	307.09	162.12
Others - Machinery for Autogas Dispensing Station	-	-
Sub-total (A)	307.09	162.12
Inventories at the beginning of the year		
Liquified Petroleum Gas	162.12	297.56
Others - Machinery for Autogas Dispensing Station	-	-
Sub-Total (B)	162.12	297.56
(B) -(A)	(144.97)	135.44
24 Employee benefits expense:		
Salaries and Wages	389.27	346.80
Contribution to Provident and Other Funds	41.46	37.24
Staff Welfare Expenses	34.14	28.93
Total	464.87	412.97
25 Finance costs:		
Interest Expense	811.72	829.39
Other Borrowing Cost (Bank charges, charges for letter of credit, etc.)	15.27	8.60
Total	826.99	837.99
26 Depreciation and amortization expense:		
Depreciation of Tangible Assets	705.89	610.37
Amortization of Intangible Assets	6.06	-
Total	711.95	610.37

AEGIS GAS (LPG) PRIVATE LIMITED

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

	Current Year	Previous Year ended 31st March, 2016
	Rupees in lakhs	Rupees in lakhs
27 Other Expenses:		
(a) Stores and Spare parts consumed	32.41	17.34
Power and Fuel	61.09	55.57
Labour and Other Charges	397.46	317.15
Repairs - Others	27.03	25.23
Repairs to Machinery	40.05	38.58
Water Charges	24.31	4.59
Tankage Charges	125.19	159.98
Rates and Taxes	26.64	68.44
Rent	11.54	10.05
Lease Rentals	70.53	66.12
Insurance	81.10	89.17
Legal and Professional charges	51.09	38.86
Printing and Stationery	8.67	6.81
Communication Expenses	17.70	16.27
Travelling, Conveyance and Vehicle Expenses	96.20	75.88
Exchange difference and Amortization of Premium on Forward Contracts	49.13	60.03
Advertisement	0.28	1.94
Commission on Sales	191.34	82.27
Sales Promotion Expenses	321.62	279.71
Directors' Sitting Fees	5.47	3.08
Donations (Refer note below)	19.00	10.00
*Miscellaneous Expenses (including Security services, Books, Subscription, Selling expenses etc.)	123.13	101.41
Total	1,780.98	1,528.48
27.1 *Miscellaneous expenses includes security services of Rs.96,99,678 (Previous year Rs.73,26,772)		
27.2 Expenditure towards Corporate Social Responsibility as per Section 135 of the Companies Act, 2013 (read with schedule VII) thereof:		
a) Gross amount required to be spent by the Company during the year	19.33	9.54
b) Amount spent and paid during the year by way of donations to charitable trusts	19.00	10.00
28 Loss on disposal of Liquid Terminal Undertaking	1,396.87	-
	1,396.87	-
29 Earnings per share:		
The Numerators and denominators used to calculate Earnings per Share:	Current Year	Previous Year ended 31st March, 2016
Nominal Value of Equity Share (Rs.)	Rs. 10/-	10/-
Net Profit available before exceptional item for equity shareholders(Rs. In lakhs) - (A)	2618.8	1564.13
Net Profit available after exceptional item for equity shareholders(Rs. In lakhs) - (B)	Rs. 1,221.93	1,564.13
Weighted Average number of shares outstanding during the year - (C)	Nos. 323,81,000	323,81,000
Basic and Diluted before Exceptional item Earnings Per Share (Rs.) - (A) / (C)	8.09	4.83
Basic and Diluted after Exceptional item Earnings Per Share (Rs.) - (B) / (C)	Rs. 3.77	4.83

AEGIS GAS (LPG) PRIVATE LIMITED**Notes on the Financial Statements for the year ended 31st March,2017**

	Current Year	<i>Previous Year ended 31st March, 2016</i>
	Rupees in lakhs	Rupees in lakhs
30 Contingent liabilities and commitments:		
a) Income Tax demands disputed by the Company relating to disallowances.	-	-
b) Sales Tax demands disputed by the Company relating to forms etc.	3.04	3.04
c) Claims against the Company not acknowledged as debts	5.15	5.15
d) Estimated amount of contracts remaining to be executed on Capital Account and not provided for (Net of Advances)	4021.17	174.16
e) Outstanding Letters of Credit	1031.78	94.73
31 Payments to Auditors for the year:		
(a) As Auditors	2.00	2.00
(b) For tax audit	0.75	1.75
(c) For Other services - Limited Review, Certification Work and Tax matters	0.30	0.30
(d) For reimbursement of expenses	0.10	0.10
Total	3.15	4.15
(Excludes service tax)		

Aegis Gas (LPG) Pvt.Ltd.

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

32 During the year, vide Business Transfer Agreement dated 16th March 2017, the Company transferred its Liquid Terminal Undertaking at Pipavav(including assignment of leasehold rights in land) by way of slump sale to its holding Company for a total consideration of Rs.37,17,00,000/-.

The details of net tangible assets transferred are as under:

Particulars	Rs.	Rs.
Fixed Assets (written down value)	818121758	
Capital work in progress	43796668	
Current Assets	15383425	
Total Assets		877301851
Less:		
Current Liabilities	824401	
Borrowings	365095801	365920202
Net assets transferred by way of slump sale		511381649

The excess of assets transferred over the net sales consideration (after reducing expenses in relation to the said transfer) has been shown as an Exceptional Item in the Statement of Profit & Loss under the heading 'Loss on sale of Liquid Terminal Undertaking'

The amount of consideration receivable in respect of the above transaction as at 31st March 2017 has been included under the head Other Receivables in Note No. 34.

AEGIS GAS (LPG) PRIVATE LIMITED

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

33 Segment Reporting - Basis of preparation:

The Company has identified two reportable business segments (Primary Segments) viz. Liquid Terminal

Liquid Terminal Division undertakes storage & terminalling facility of Oil & Chemical products.

Gas Terminal Division relates to imports, storage & distribution of Petroleum products viz. LPG, Propane etc.

Segments have been identified and reported taking into account, the nature of products and services, the differing risks and returns and the internal business reporting systems.

The accounting policies adopted for the segment reporting are in line with the accounting policies of the company with the following additional policies for the segment reporting :

(a) Revenue and expenses have been identified to segment on the basis of their relationship to the operating activities of the segment. Revenue and expenses which relate to the enterprise as a whole and are not allocable to segment on a reasonable basis have been disclosed as "Other unallocable expenditure (net)".

(b) Segment assets and segment liabilities represent assets and liabilities in respective segments. It excludes investments, tax related assets and other assets and liabilities which cannot be allocated to a segment on a reasonable basis and hence have been disclosed as "Other unallocable assets / liabilities".

(c) The Company does not have material earnings emanating from outside India. Hence, the company is considered to operate in only the domestic geographical segment.

AEGIS GAS (LPG) PRIVATE LIMITED

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

Information about the Company's business segments (Primary Segments) is given below:

	Liquid Terminal Division Rupees in <u>lakhs</u>	Gas Terminal Division Rupees in <u>lakhs</u>	Total Rupees in <u>lakhs</u>
Segment Revenue	155.12	11,385.57	11,540.69
	<i>9,136.04</i>	<i>1,394.85</i>	<i>10,530.89</i>
Segment Results	(325.75)	3,679.50	3,353.75
	<i>1,688.45</i>	<i>881.34</i>	<i>2,569.79</i>
Add : Interest Income			35.57
			<i>46.23</i>
Less : (1) Interest Expenses			826.99
			<i>837.99</i>
(2) Other unallocable expenditure (net)			24.47
			<i>13.07</i>
Profit before Exceptional items			2,537.86
Less : Exceptional items			<i>1,396.87</i>
Profit before tax			1,140.99
			<i>1,764.96</i>
Less : Taxation			(80.94)
			<i>200.83</i>
Profit after Tax			1,221.93
			<i>1,564.13</i>
Segment Assets	-	19,706.57	19,706.57
	<i>7,522.76</i>	<i>9,641.34</i>	<i>17,164.10</i>
Total Assets			19,706.57
			<i>18,691.37</i>
Segment Liabilities	-	6,331.46	6,331.46
	<i>1,976.99</i>	<i>153.58</i>	<i>2,130.57</i>
Total Liabilities			6,331.46
			<i>4,519.66</i>
Segment Capital Expenditure	-	4,421.80	4,421.80
	<i>1,737.22</i>	<i>931.60</i>	<i>2,668.82</i>
Total Capital expenditure	-	4,421.80	4,421.80
			<i>2,668.82</i>
Depreciation	373.09	338.86	711.95
	<i>262.80</i>	<i>347.57</i>	<i>610.37</i>
Other unallocable Depreciation			-
			-
Total Depreciation			711.95
			<i>610.37</i>

Note: Figures in *italics* represent those of the previous year.

AEGIS GAS (LPG) PRIVATE LIMITED

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

34 Related Party Disclosures:

As per the Accounting Standard 18, the disclosure of transactions with the related parties as defined in the Accounting Standard are given below:

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

	Name of the Related Party	Relationship
1	Aegis Logistics Ltd	Holding Company
2	Hindustan Aegis LPG Co.Ltd	Sudsiary Company
3	Aegis Logistics LPG (PIPAVAV) Ltd.	Sudsiary Company
4	Aegis Terminal (PIPAVAV) Ltd.	Sudsiary Company

(b) Transactions during the year with related parties:

S No	Nature of transaction	ALL	H LPG	ALLP	ATPL
1	Loan taken during the year	6962,15,000 (67455400)			
2	Loan repaid during the year	5099,50,000 (731482765)			
3	Throughput charges paid* (*Excludes service tax)	105,60,000 (13740000)			
4	Sales of LPG**	480,38,965 (28084374)			
5	Purchase of LPG**	180,02,329 (9157702)			
6	Expenses reimbursement	211,93,946 (20182464)			
7	Other Sales (LTD Unit slum sale)	3716,84,578 -			
8	Balances as on 31st March:				
9	Long Term Borrowings	- 1642,25,632			
10	Amount receivable from AEGIS Logistics Ltd	3904,97,137			
11	Corporate Guarantee given in connection with our borrowings outstanding as at the year end.	15000,00,000 (1020000000)			

** Excludes Sales Tax

Note: Figures in brackets represent previous year's figures

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

35 Employee Benefits:

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

a. Defined Contribution Plan:

The Company makes contributions towards provident fund and other retirement benefits to a defined contribution retirement benefit plan for qualifying employees. The Company has recognised Rs.41,51,147/- (Previous year Rs. 37,24,308) towards Provident Fund, ESIC and Super annuation contributions in the Statement of Profit and Loss.

b. Defined Benefits Plan:

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

Particulars	Current Year	Previous Year ended 31st March, 2016
Components of employer expense		
Current service cost	5.07	5.34
Interest cost	4.45	5.19
Expected return on plan assets	(3.01)	(4.19)
Actuarial losses/(gains)	7.27	3.22
Total expense recognized in the Statement of Profit and Loss	13.78	9.56
Actual contribution and benefit payments for year		
Actual contributions	0.18	-
Net asset / (liability) recognized in the Balance Sheet		
Present value of defined benefit obligation	74.79	71.43
Fair value of plan assets	(37.02)	(47.26)
Net asset / (liability) recognized in the Balance Sheet	37.77	24.17
Change in defined benefit obligations (PBO) during the year		
Present value of PBO at beginning of the year	71.43	63.59
Current service cost	5.07	5.34
Interest cost	4.45	5.19
Benefit Paid	(12.71)	(5.42)
Actuarial (gains) / losses	6.55	2.73
Present value of PBO at the end of the year	74.79	71.43
Change in fair value of assets during the year		
Plan assets at beginning of the year	47.26	48.98
Expected return on plan assets	3.01	4.19
Actual company contributions	0.18	-
Benefit Paid	(12.71)	(5.42)
Actuarial gain/(loss) on Plan Assets	(0.72)	(0.49)
Plan assets at the end of the year	37.02	47.26
Actual return on plan assets	2.29	4.19

AEGIS GAS (LPG) PRIVATE LIMITED

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

Actuarial assumptions		
Discount rate	6.80%	7.75%
Expected return on plan assets	7.50%	8.35%
Salary escalation	5.00%	5.00%
Mortality tables	IALM (2006-08) Ultimate	IALM (2006-08) Ultimate

Experience adjustments

Gratuity	2016-17	2015-16	2014-15	2013-14	2012-13
Present value of PBO	74.79	71.43	38.10	357.50	290.22
Fair value of plan assets	37.02	47.26	33.59	39.80	18.31
Funded status [Surplus / (Deficit)]	(37.77)	(24.17)	(4.51)	(317.70)	(271.91)
Experience gain / (loss) adjustments on plan liabilities	(6.55)	(2.73)	6.89	-	-
Experience gain / (loss) adjustments on plan assets	-	-	-	-	-

	Current Year	<i>Previous Year ended 31st March, 2016</i>
Actuarial assumptions for long-term compensated absences		
Discount rate	6.80%	7.75%
Salary escalation	5.00%	5.00%

Notes:

- (i) The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations.
- (ii) The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.
- (iii) In absence of specific details of plan assets from LIC, the details of plan assets have not been furnished. The details of experience adjustment relating to Plan assets are not readily available in valuation report and hence are not furnished.
- (iv) The Company's best estimate of contributions expected to be paid to the plan during the annual period beginning after 31st March, 2017 is **Rs. 5.00 Lakhs** (Previous Year Rs. 5 lakhs)

AEGIS GAS (LPG) PRIVATE LIMITED

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

36 VALUE OF IMPORTS CALCULATED ON C.I.F. BASES IN RESPECT OF:

	Current Year	<i>Previous Year ended 31st March, 2016</i>
	Rupees in lacs	<i>Rupees in lacs</i>
(i) Trading Goods	3,888.47	<i>10,002.67</i>

37 EXPENDITURE IN FOREIGN CURRENCY ON ACCOUNT OF:

	Current Year	<i>Previous Year ended 31st March, 2016</i>
	Rupees in lacs	<i>Rupees in lacs</i>
Interest Expense	9.54	<i>7.28</i>

38 VALUE OF STORES AND SPARES CONSUMED:

	Current Year		<i>Previous Year ended 31st</i>	
	Rupees in lacs	Percentage of Total Consumption	<i>Rupees in lacs</i>	<i>Percentage of Total Consumption</i>
Imported	-	0.00%	-	0.00%
Indigenous	32.41	100.00%	17.34	100.00%
TOTAL	32.41	100.00%	<i>17.34</i>	<i>100.00%</i>

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

AEGIS GAS (LPG) PRIVATE LIMITED**Notes on the Financial Statements for the year ended 31st March,2017**

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

The Company enters into forward, future contracts in order to hedge and manage its foreign currency exposures towards imports and borrowings. Such derivative contracts (including contracts for a period extending beyond the financial year 2016-17) are entered into by the Company for hedging purposes only. Derivative instruments outstanding as at 31st March, 2017 are as follows:

Particulars	Currency	March 31, 2017	March 31, 2016
		Rupee	Rupee
I Forward & Futures Contracts:	-		
a Imports		297,08,755	271,42,890
b Borrowings including interest payable		721,09,176	611,62,342
II Option Contracts:	-		

Foreign Currency exposure not hedged by a derivative contract or otherwise as at 31st March, 2017 - Nil

Aegis Gas (LPG) Pvt.Ltd.

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

40 Disclosure as per notification, dated March 30th, 2017 issued by Ministry of Corporate Affairs, are as follows;

Particulars	SBNs	Other Denomination Notes	Total
Closing cash in hand as on 08.11.2016	6,02,500	724	6,03,224
(+) Permitted receipts	-	6,80,135	6,80,135
(-) Permitted payments	-	4,15,283	4,15,283
(-) Amount deposited in Banks	6,02,500	-	6,02,500
Closing cash in hand as on 30.12.2016	-	2,65,576	2,65,576

Aegis Gas (LPG) Pvt.Ltd.

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

- 41 The Board of Directors of the Company have proposed a dividend of Rs. 0.50 per equity share for the year ended 31st March, 2017 (Previous Year Rs.Nil). The dividend will be paid after the approval of shareholders at the Annual General Meeting. As per the requirements of revised AS 4, the Company is not required to provide for dividend proposed/ declared after the balance sheet date. Consequently, no provision has been made in respect of the aforesaid dividend proposed by the Board of Directors for the year ended 31st March, 2017. Had the Company continued with creation of provision for proposed dividend, as at the balance sheet date, its Balance in Statement of Profit and Loss would have been lower by Rs. 194.87 lacs and Short Term Provision would have been higher by Rs. 194.87 lacs (including dividend distribution tax of Rs. 32.96 lacs).
- 42 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

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

For and on behalf of the Board of Directors

**Anish K.Chandaria
Director
(DIN: 00296538)**

**Kanwaljit S. Nagpal
Director
(DIN: 00012201)**

**D.P.Sapre
Partner
Membership no.: 40740
Mumbai**

**Rajesh Solanki
Company Secretary**

**R.Srinivasan
CFO**

Mumbai, Dated : 30th May, 2017

Mumbai, Dated : 30th May, 2017

Form AOC-I (Part "A": Subsidiaries)
(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of Subsidiaries
Notes to the consolidated financial statements for the year ended 31st March, 2017

(Rs. In Lacs)

Sr. No.	Particulars	Hindustan Aegis LPG Limited	Aegis LPG Logistics (Pipavav) Limited	Aegis Terminal Pipavav Limited
	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	-	-	-
	The date since when subsidiary was acquired/ commenced	01-02-2011	28-05-2013	28-05-2013
1	Share Capital	3,997.80 (3,997.80)	5.00 (5.00)	5.00 (5.00)
2	Reserves & Surplus (Including Debit Balance in the Statement of Profit and Loss)	(4,892.70) (-4846.40)	(1.29) (-1.06)	(1.30) (-1.07)
3	Total Assets	13,404.83 (6,994.17)	3.83 (4.05)	3.82 (4.04)
4	Total Liabilities	14,299.73 (7,842.77)	0.12 (0.11)	0.12 (0.11)
5	Investments	- (-)	- (-)	- (-)
6	Turnover	4,290.98 (1,21,632.91)	- (-)	- (-)
7	Profit / (Loss) Before Tax	-64.67 (1,211.45)	(0.23) (-0.20)	(0.23) (-0.20)
8	Provision for Tax (Including Deferred Tax)	(18.37) (-73.1)	- (-)	- (-)
9	Profit / (Loss) After Tax	(46.30) (1,138.35)	(0.23) (-0.20)	(0.23) (-0.20)
10	Proposed Dividend	- (-)	- (-)	- (-)
	% of shareholding	100.00	100.00	100.00

Note:1. Figures in brackets represent previous year's amounts.

2. Aegis LPG Logistics (Pipavav) Limited and Aegis Terminal (Pipavav) Limited are yet to commence operations.

For and on behalf of the Board of Directors

Raj K. Chandaria Anish K. Chandaria
Director Whole-Time Director
DIN: 00037518 DIN: 00296538