

AEGIS GROUP INTERNATIONAL PTE LTD.

A N N U A L R E P O R T 2 0 1 5 - 1 6

Independent Auditors' Report

THE MEMBERS OF AEGIS GROUP INTERNATIONAL PTE LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **Aegis Group International Pte Limited**("the Company"), which comprise the Balance Sheet as at 31st March 2016 the Statement of Profit and Loss, 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

Management is responsible for 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 Companies Act, 2013 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 accounting and auditing standards and matters which are required to be included in the audit report.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013. 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 standalone 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 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 2016, and its profit and its cash flows for the year ended on that date.

Report on other matters

We further report that:

1. 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.
2. 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.
3. 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.
4. 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.

Restriction on use:

This report along with the financial statements has been prepared solely to enable Deloitte, Haskins and Sells LLP, Chartered Accountants to audit consolidated financial statements of the holding Company viz. Aegis Logistics Limited and should not be used or distributed for any other purpose.

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

Place: Mumbai
Date: 30th May, 2016

D. P. Sapre
Partner
Membership No. 40740

AEGIS GROUP INTERNATIONAL PTE LIMITED

Balance Sheet as at 31st March, 2016

	Note	March 31, 2016 Rupees	March 31, 2015 Rupees
EQUITY AND LIABILITIES:			
Shareholders' Funds			
Share Capital	2	9,99,996	9,99,996
Reserves & Surplus	3	3074,97,890	1952,89,825
		3084,97,886	1962,89,821
Current Liabilities			
Trade Payables	4	4356,79,196	16247,50,018
Short Term Provisions	5	196,34,524	271,05,929
		4553,13,720	16518,55,947
TOTAL		7638,11,606	18481,45,768
ASSETS:			
Non - Current Assets			
Long Term Loans and Advances	6	5,00,638	4,54,402
Current Assets			
Trade Receivables	7	4222,91,830	13678,14,011
Cash & Bank Balances	8	3254,17,756	3975,58,145
Short-Term Loans and Advances	9	156,01,382	823,19,210
TOTAL		7638,11,606	18481,45,768

Notes 1 to 18 form an integral part of the Financial Statements.

In terms of our report dated 30th May, 2016 attached.

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

For and on behalf of the Board

D.P.Sapre
Partner
Membership no.: 40740

R.K.Chandaria
Director

A.K.Chandaria
Director

Mumbai, 30th May, 2016

AEGIS GROUP INTERNATIONAL PTE LIMITED

Statement of Profit & Loss for the period ended 31st March, 2016

	Note	March 31, 2016 Rupees	March 31, 2015 Rupees
INCOME:			
Revenue from operations	10	150043,82,296	337432,45,823
Other income	11	8,41,748	21,01,102
Total Revenue		150052,24,044	337453,46,925
EXPENDITURE:			
Material Cost	12	148694,61,112	335109,65,491
Employee Benefit Expense	13	9,84,920	10,95,756
Administrative, Selling and General Expenses	14	72,18,853	504,33,711
Foreign Currency Translation Adjustment		(130,56,041)	(136,69,304)
Total Expenses		148646,08,844	335488,25,654
Profit Before Interest, Tax, Depreciation & Amortisation		1406,15,200	1965,21,271
Finance Costs	15	6,35,348	48,72,522
Profit Before Tax, Depreciation & Amortization		1399,79,852	1916,48,749
Tax Expenses			
- Current tax		193,76,476	278,21,925
- Earlier Year tax		83,95,312	29,71,030
Total Tax Expenses		277,71,788	307,92,955
Profit for the year from Continuing Operations		1122,08,064	1608,55,794
Earnings per Equity Share of USD 1 each			
- Basic	16	5,257.12	7,536.35
- Diluted		5,257.12	7,536.35

Notes 1 to 18 form an integral part of the Financial Statements.

In terms of our report dated 30th May, 2016 attached.

For P.D.Kunte & Co. (Regd.)
Chartered Accountants
Firm Registration Numer: 105479W

For and on behalf of the Board

D.P.Sapre
Partner
Membership no.: 40740

R.K.Chandaria
Director

A.K.Chandaria
Director

Mumbai, 30th May, 2016

AEGIS GROUP INTERNATIONAL PTE LIMITED

CASH FLOW STATEMENT FOR THE PERIOD ENDED 31st March, 2016

	March 31, 2016 Rupees	March 31, 2015 Rupees
A. Cash Flow from Operating Activities:		
Profit Before Tax	1399,79,852	1916,48,749
Adjustments for:		
Interest Expenses (Net)	6,35,348	48,72,522
	6,35,348	48,72,522
Operating Profit Before Working Capital Changes	1406,15,200	1965,21,271
Decrease in Trade receivables	9455,22,178	8836,27,424
(Increase) / Decrease in Long term loans and advances	(46,236)	35,47,452
Decrease / (Increase) in Short-term loans and advances	667,17,828	(383,97,040)
(Decrease) in Trade Payables	(11890,70,821)	(650,64,581)
(Decrease) in Other current liabilities	-	(8,10,663)
(Decrease) / Increase in Short Term Provision	(74,71,405)	129,66,429
	(1843,48,456)	7958,69,021
Cash (used) in / generated from Operations	(437,33,256)	9923,90,292
Direct Taxes Paid	(277,71,787)	(307,92,954)
Net Cash Flow from Operating Activities - A	(715,05,043)	9615,97,338
B. Cash Flow from Investing Activities:	-	-
Net Cash from Investing Activities - B	-	-
C. Cash Flow from Financing Activities:		
(Decrease) in Short Term Borrowings (net)	-	(1201,99,600)
Interest & Finance Charges	(6,35,348)	(48,72,522)
Dividend Paid	-	(4891,76,695)
Net Cash from Financing Activities - C	(6,35,348)	(6142,48,817)
Net Increase / (Decrease) in Cash and Cash Equivalents -A+B+C	(721,40,390)	3473,48,521
Cash and Cash Equivalents as at the end of the year:		
- Cash & Balances in Current Accounts with Banks	3254,17,756	3975,58,145
- Deposits with Banks and Interest Accrued thereon	-	-
	3254,17,756	3975,58,145
Less: Cash and Cash Equivalents as at the beginning of the year	3975,58,145	502,09,624
Net Increase / (Decrease) in Cash and Cash Equivalents	(721,40,390)	3473,48,521

Note:

- 1 Cash and Cash Equivalents do not include Fixed Deposits with Banks kept as Margin Money and as Escrow
- 2 Figures in bracket denote outflow of cash.

In terms of our report dated 30th May, 2016 attached.

For P.D.Kunte & Co. (Regd.)
Chartered Accountants
Firm Registration Numer: 105479W

D.P.Sapre
Partner
Membership No.: 40740

Mumbai, 30th May , 2016

For and on behalf of the Board

R.K.Chandaria A.K.Chandaria
Director Director

AEGIS GROUP INTERNATIONAL PTE LIMITED

Notes to the financial statements for the period ended 31st March, 2016

Significant accounting policies and notes forming part of Balancesheet and Profit and Loss account for the year ended 31st March, 2016

A.1 Background and principal activities

Aegis Group International Pte Limited ("AGIPL" or "the Company") is a company incorporated in Singapore, on 1 July 2008. AGIPL is a subsidiary of an Indian company i.e. Aegis Logistics Limited ("Aegis").

AGIPL was incorporated with the objective to provide assistance to Aegis Group in sourcing of Liquefied Petroleum Gas (LPG) and Propane, to provide inputs on Port Infrastructure at various Ports and to explore opportunities of logistics business outside India.

A.2 Preparation of Financials Statement

The financial statements have been prepared under the historical cost convention on an accrual basis of accounting.

The financial statements have been prepared in accordance with accounting principles generally accepted in India.

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 on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known / materialise.

A.4 Operating Revenue

Sales turnover for the year is net of trade discounts and includes sales value of goods and other recoveries, such as insurance, transport and packing charges but excludes value added tax.

A.5 Revenue Recognition

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

A.6 Inventories

Inventories are valued at cost or Net Realisable Value whichever is less. Cost is determined by using the First In First Out formula. Cost comprises all costs of purchase and cost incurred to bring inventories to their present location and condition other than those subsequently recoverable by the Company from tax authorities.

AEGIS GROUP INTERNATIONAL PTE LIMITED

Notes to the financial statements for the period ended 31st March, 2016

A.7

The financial statements are reported in United States Dollars (USD) which is the functional currency of the company as that is the primary currency in which the Company conducts its operations. The reporting currency for these financial statements is also US Dollars.

The financial statements as at and for the year ended 31st March 2016 have been translated into Indian Rupees based at applicable Reserve Bank of India reference rates. As the Company is carrying out business as an extension of Aegis's operations, it is classified as an "integral foreign operation" in accordance with Accounting Standard (AS 11) "The Effects of Changes in Foreign Exchange Rates" notified under the Companies (Accounting Standards) Rules, 2006.

As a result of the foreign operations being integral in nature, the monetary assets and liabilities are translated at exchange rate prevailing at the date of the balance sheet. Non- monetary items are translated at the historical rate. The items in the statement of profit and loss are translated at the average exchange rate during the period. The differences arising out of the translation are recognised in the statement of profit and loss.

A.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.

A.9 Provisions, Contingent Liabilities And Contingent Assets

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

A.10 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.

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 recognized and carried forward only if there is a reasonable certainty (virtual certainty in case of business loss) of its realisation.

AEGIS GROUP INTERNATIONAL PTE LIMITED
Notes to Financial Statement for the period ended 31st March, 2016

	March 31, 2016	31st March, 2015
	Rupees	Rupees
2 Share Capital :		
Authorised :		
21,344 Equity Shares of USD 1 each fully paid up	9,99,996	9,99,996
(Previous Year: 21,344 Equity Shares USD 1 each)		
TOTAL	9,99,996	9,99,996
Issued, Subscribed & Paid-up :		
21,344 Equity Shares of USD 1 each fully paid up	9,99,996	9,99,996
(Previous Year: Equity Shares USD 1 each)		
TOTAL	9,99,996	9,99,996

a Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

Equity Shares	March 31, 2016		USD	31st March, 2015	
	Number of Shares	Amount (Rs.)		Number of Shares	Amount (Rs.)
Opening Balance	21,344	9,99,996	21,344	21,344	9,99,996
Outstanding at the end of the period	21,344	9,99,996	21,344	21,344	9,99,996

b Terms/Rights attached to Equity Shares:

Fully paid equity shares, which have a par value of USD 1, carry one vote per share and carry a right to dividends.

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.

c 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.

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

Name of shareholder	March 31, 2016			31st March, 2015	
	Number of Shares	% of Holding		Number of Shares	% of Holding
Aegis Logistics Limited, Holding Company	12,806	60.00		12,806	60.00
ITOCHU PETROLEUM CO, (SINGAPORE) PTE LTD	8,538	40.00		8,538	40.00

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.

e Details of shares held by Holding Company:
Equity Shares

Name of shareholder	March 31, 2016			31st March, 2015	
	Number of Shares	% of Holding		Number of Shares	% of Holding
Aegis Logistics Limited	12,806	60.00		12,806	60.00

AEGIS GROUP INTERNATIONAL PTE LIMITED
Notes to Financial Statement for the period ended 31st March, 2016

3 Reserves and Surplus:

	March 31, 2016	March 31, 2015
	Rupees	Rupees
Profit and Loss account	3074,97,890	1952,89,825
TOTAL	3074,97,890	1952,89,825

3.1 Profit and Loss Account

Balance as per last year	1952,89,825	5236,10,727
Profit for the year from Continuing Operations	1122,08,064	1608,55,794
Less: Appropriations	-	(764,33,859)
Less: Appropriations	-	(4127,42,837)
Balance at end of year	3074,97,890	1952,89,825

Notes to Financial Statement for the period ended 31st March, 2016

4 Trade Payables:

	March 31, 2016	March 31, 2015
	Rupees	Rupees
Due to Micro, Small and Medium Enterprises	-	-
Others	4356,79,196	16247,50,018
TOTAL	4356,79,196	16247,50,018

5 Short Term Provisions:

	March 31, 2016	March 31, 2015
	Rupees	Rupees
Provision for Taxation - Foreign	196,34,524	271,05,929
TOTAL	196,34,524	271,05,929

6 Long Term Loans & Advances

	March 31, 2016	March 31, 2015
	Rupees	Rupees
Security Deposits	5,00,638	4,54,402
TOTAL	5,00,638	4,54,402

AEGIS GROUP INTERNATIONAL PTE LIMITED
Notes to Financial Statement for the period ended 31st March, 2016
7 Trade Receivables

	March 31, 2016	March 31, 2015
	Rupees	Rupees
Unsecured		
- Considered Good	-	-
- Considered Doubtful	-	-
	-	-
Other Debts - Considered Good (Refer note 20)	4222,91,830	13678,14,011
TOTAL	4222,91,830	13678,14,011

8 Cash & Bank Balances:

	March 31, 2016	March 31, 2015
	Rupees	Rupees
Cash and Cash Equivalents:		
Balance with Banks on Current Accounts	342,16,325	3975,58,145
Balance with Banks on Fixed Deposit Accounts	2912,01,431	-
TOTAL	3254,17,756	3975,58,145

9 Short Term Loans and Advances:

	March 31, 2016	March 31, 2015
	Rupees	Rupees
Unsecured, considered good:		
Prepaid Expenses	2,51,791	2,51,347
Advances Recoverable in cash or in kind or for value to be received	153,49,592	820,67,863
TOTAL	156,01,383	823,19,210

9.1 Advances receivable denotes interest and demurrage claim receivable from fellow subsidiary company (Hindustan Aegis LPG Limited)

Notes to Financial Statement for the period ended 31st March, 2016

	March 31, 2016	March 31, 2015
	Rupees	Rupees
10 Revenue from Operations:		
Sale of Products		
Traded Products	149951,52,403	337432,45,823
Commission Income	92,29,893	-
TOTAL	150043,82,296	337432,45,823
10.1 Details of Product Sold:		
Liquified Petroleum Gas	149951,52,403	337432,45,823
11 Other Income:		
Interest on others	8,35,441	20,92,550
Exchange Gain	-	8,552
Miscellaneous Income	6,307	-
TOTAL	8,41,748	21,01,102
12 Material Cost:		
Purchase of Trading Products	148694,61,112	335109,65,491
TOTAL	148694,61,112	335109,65,491
12.1 Details of Trading Purchases		
Liquified Petroleum Gas	148694,61,112	335109,65,491
13 Employee Benefit Expense		
Salaries and And Allowances	9,84,920	10,95,756
TOTAL	9,84,920	10,95,756
14 Administrative, Selling and General Expenses		
Communication Expenses	13,831	23,883
Rent	20,29,729	19,73,933
Rates & Taxes	-	2,398
Legal and Professional charges	48,93,503	53,99,112
Travelling Expenses	15,887	667
Demurrage Claim (Net of recovery)	-	429,56,926
Printing and Stationery	1,14,675	9,647
Exchange Loss	1,45,513	-
Miscellaneous Expenses	5,715	67,145
TOTAL	72,18,853	504,33,711
15 Finance Costs:		
Interest on Borrowings	-	22,32,363
Bank / Finance Charges	6,35,348	26,40,159
TOTAL	6,35,348	48,72,522

Notes to Financial Statement for the period ended 31st March, 2016

16 Earnings Per Share:

	March 31, 2016	March 31, 2015
	Rupees	Rupees
Profit for the year	1122,08,064	1608,55,794
Weighted average number of Equity Shares (Nos)	21,344	21,344
Earning per share basic and diluted	5,257.12	7,536.35
Face value per equity share (USD)	1.00	1.00

17 Related Party Disclosures

As per the Accounting Standard 18, issued by the Institute of Chartered Accountants of India (ICAI), the disclosure of transactions with the related parties as defined in the Accounting Standard are given below:

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

Name of the Related Party	Relationship
Aegis Logistics Limited (ALL)	Holding Company
Aegis International Marine Services Pte.Ltd. (AIMS)	Fellow Subsidiary
Hindustan Aegis LPG Ltd (HALPG)	Fellow Subsidiary

(b) Transactions during the year with related parties:

(In INR)

S No	Nature of transaction	Holding Company	Fellow Subsidiary	Fellow Subsidiary
		ALL	AIMS	HALPG
1	Loan given		- (1224,74,548)	- -
2	Refund of Loan given		- (1273,37,092)	- -
3	Sale of Goods		- -	107404,65,330 (278861,11,501)
4	Demurrage Recovered		- -	- (620,82,373)
5	Amount paid to third party on behalf			- (489,78,970)
6	Interest Received		- -	- (22,96,379)
7	Dividend Paid	- (4891,76,695)		
	Balances at 31st March			
8	Trade Receivables		- -	4083,90,776 (10167,35,593)
9	Short Term Loans & Advances		- -	95,58,183 (820,67,863)
10	Standby Letter of Credit given in connection with our borrowings	- (6259,08,000)	- -	- -

Note: Figures in brackets represent previous year's figures

18 The figures of the previous year have been regrouped / reclassified so as to confirm to those of the current year.

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

For and on behalf of the Board

D.P.Sapre
Partner
Membership no.: 40740

R.K.Chandaria A.K.Chandaria
Director Director

Mumbai, 30th May, 2016