

**EASTERN INDIA LPG COMPANY  
PRIVATE LIMITED**

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**ANNUAL REPORT 2018-19**

# **EASTERN INDIA LPG COMPANY PRIVATE LIMITED**

## **BOARD OF DIRECTORS**

Raj K. Chandaria  
Anish K. Chandaria  
Kanwaljit Nagpal

## **BANKERS**

Axis Bank Ltd.

## **AUDITORS**

J. A. Rajani & Co.  
Chartered Accountants  
Mumbai

## **REGISTERED OFFICE**

502, Skylon, G.I.D.C.,  
Char Rasta, Vapi – 396 195  
Dist. Valsad, Gujarat State

# **EASTERN INDIA LPG COMPANY PRIVATE LIMITED**

Regd. Off. : 502 Skylon, G.I.D.C., Char Rasta, Vapi – 396 195, Dist. Valsad, Gujarat

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## **DIRECTORS' REPORT**

To the Members of the Company

Your Directors present Annual Report and Audited Statement of Accounts of the Company for the year ended 31<sup>st</sup> March, 2019.

## **FINANCIAL RESULTS & DIVIDEND**

The Company incurred normal expenditure of Rs. 5.34 Lakhs during the year (previous year Rs. 4.80 Lakhs). The Company has not commenced any commercial operations as yet.

Your Directors do not recommend dividend for the financial year under review.

## **FIXED DEPOSITS**

No fixed deposits have been accepted by the Company.

## **DIRECTORS**

Pursuant to section 152 of the Companies Act, 2013, Mr. Anish K. Chandaria (DIN-00296538), Director of the Company retires by rotation and being eligible, offers himself for re-appointment.

Your Directors recommend the re-appointment of the Director at the ensuing Annual General Meeting.

## **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 28<sup>th</sup> July, 2014, approved the appointment of M/s. J. A. Rajani & Co., Chartered Accountants, Mumbai, (ICAI Firm Registration No. 108331W) to hold office till the conclusion of the fifth consecutive Annual General Meeting.

The Board of Directors of the Company at its meeting held on 28<sup>th</sup> May, 2019 have re-appointed J. A. Rajani & Co., Chartered Accountants, Mumbai, (ICAI Firm Registration No. 108331W) as statutory Auditors of the Company for a period of 5 years subject to the shareholders' approval in ensuing annual general meeting.

## **CONSERVATION OF ENERGY/TECHNOLOGY ABSORPTION/FOREIGN EXCHANGE EARNINGS & OUTGO**

The details regarding conservation of Energy and Technology Absorption are not applicable.

Foreign Exchange earnings and outgo – NIL.

#### **PARTICULARS OF EMPLOYEES**

The particulars of Employees as required under the provisions of section 197(12) of the Companies Act, 2013 read with the Companies (Appointment and Remuneration) Rules, 2014 as amended is not provided as there are no employees in the Company.

#### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

The Company has not given any Loans, Guarantees and Investments and hence the details required under section 186 of the Companies Act, 2013 is not provided.

#### **DISCLOSURE OF PARTICULARS OF CONTRACTS/ARRANGEMENTS WITH RELATED PARTIES**

All transactions entered into with the related parties are on arm's length basis and in compliance with the provisions of the Companies Act, 2013.

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 Board of Directors for approval.

#### **MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

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, 2019, 4 Board Meetings were held on the following dates:

1. 30<sup>th</sup> May, 2018
2. 8<sup>th</sup> August, 2018
3. 30<sup>th</sup> October, 2018
4. 31<sup>st</sup> January, 2019

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

#### **EXTRACT OF THE ANNUAL RETURN AS PROVIDED UNDER SECTION 92(3) OF COMPANIES ACT, 2013**

Extract of the annual return as provided under section 92(3) of Companies Act, 2013 as prescribed in Form MGT-9 is given in **Annexure 'A'** to the Directors' Report

## **DIRECTORS' RESPONSIBILITIES**

The Directors would like to inform the Members that the Audited Accounts for the financial year ended 31st March, 2019 are in full conformity with the requirement of the Companies Act, 2013.

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 and loss of the company for that period;
- c. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. The Directors had prepared the annual accounts on a going concern basis;
- 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 has not yet commenced any operations and accordingly there is no need for adoption of a risk management policy including identification therein of elements of risk, and action taken by the Company to mitigate those risks.

## **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 main thrust of internal controls is to test and review controls, appraisal of risks and business processes, besides benchmarking controls with best practices in the industry.

The Company has a robust Management Information System, which is an integral part of the control mechanism.

## **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.

**DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE  
(PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The company is yet to start its business and there are no employees in the company, hence there are nil complaints recorded pertaining to sexual harassment for the year ended 31<sup>st</sup> March, 2019.

**COST AUDITOR**

During the year, maintenance of cost record as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, was not required by the company.

**APPRECIATION**

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

**For and on behalf of the Board**

**Raj K. Chandaria**  
Director

**Kanwaljit S. Nagpal**  
Director

DIN: 00037518

DIN: 00012201

Place: Mumbai  
Dated: 28<sup>th</sup> May, 2019

**Annexure A to the Directors Report****Form No. MGT-9****EXTRACT OF ANNUAL RETURN  
as on the financial year ended on 31/03/2019***[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	U23202GJ1994PTC022714
2	Name of the company	EASTERN INDIA LPG COMPANY PRIVATE LIMITED
3	Registration Date	09/08/1994
4	Category / Sub-Category of the Company	Company limited by shares
5	Address of the Registered office	502, 5th floor, Skylon, GIDC, Char Rasta, Vapi - 396195, Dist. Valsad, Gujarat State, India
6	Corporate & Administrative 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 E-mail - <a href="mailto:easternindia.lpg@gmail.com">easternindia.lpg@gmail.com</a>
7	Whether listed company	Yes / No
8	Name, Address and Contact details of Registrar and Transfer Agent, if any	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	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	No business transacted during the year

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

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 State, Gujarat, India	L63090GJ1956PLC001032	Holding Company	100.00	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	
<b>A.</b>	<b>Promoter</b>									
1	<b>Indian</b>									
	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	10007	10007	100.00	0	10007	10007	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	10007	10007	100.00	0	10007	10007	100.00	0.00
2	<b>Foreign</b>									
	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
	<b>Total shareholding of Promoter= (A)=(A)(1)+(A)(2)</b>	0	10007	10007	100.00	0	10007	10007	100.00	0.00
<b>B.</b>	<b>Public Shareholding</b>									
1	<b>Institutions</b>									
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	<b>Non-Institutions</b>									
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
	<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	0	0	0	0.00	0	0	0	0.00	0.00
<b>C.</b>	<b>Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Grand Total (A+B+C)</b>	<b>0</b>	<b>10007</b>	<b>10007</b>	<b>100.00</b>	<b>0</b>	<b>10007</b>	<b>10007</b>	<b>100.00</b>	<b>0.00</b>



(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Aegis Logistics Limited	10007	100.00	0.00	10007	100.00	0.00	0.00
	<b>Total</b>	<b>10007</b>	<b>100.00</b>	<b>0.00</b>	<b>10007</b>	<b>100.00</b>	<b>0.00</b>	<b>0.00</b>

(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		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	01/04/2018	10007	100.00	10007	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	31/03/2019	10007	100.00	10007	100.00

**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) as on 31/03/2019 :**

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	01/04/2018	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 Top Ten Shareholders 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)	31/03/2019				

**(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	01-04-2018	0	0	0	0
	Date wise Increase / Decrease in Directors and KMP 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	31-03-2019	0	0	0	0

## V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Rs. in Lakhs)

Sr. No.		Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
	<b>Indebtedness at the beginning of the financial year</b>				
i	Principal Amount	0	69.66	0	69.66
ii	Interest due but not paid	0	0	0	0
iii	Interest accrued but not due	0	0	0	0
	<b>Total (i+ii+iii)</b>	0	69.66	0	69.66
	<b>Change in Indebtedness during the financial year</b>				
	· Addition	0	1	0	1
	· Reduction	0	0	0	0
	<b>Net Change</b>	0	0	0	1
	<b>Indebtedness at the end of the financial year</b>				
i	Principal Amount	0	70.66	0	70.66
ii	Interest due but not paid	0	0	0	0
iii	Interest accrued but not due	0	0	0	0
	<b>Total (i+ii+iii)</b>	0	70.66	0	70.66

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

There are no Managing Director, Whole-time Directors and/or Manager in the Company.

### B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors		
		Raj K. Chandaria	Anish K. Chandaria	Kanwaljit S. Nagpal
		Director	Director	Director
1	Independent Directors			
	Fee for attending board / committee meetings	0	0	0
	Commission	0	0	0
	Others, please specify	0	0	0
	Total (1)	0	0	0
2	Other Non-Executive Directors			
	Fee for attending board / committee meetings	0	0	0
	Commission	0	0	0
	Others, please specify	0	0	0
	Total (2)	0	0	0
	Total Managerial Remuneration - Total (B) = (1) + (2)	0	0	0
	Overall Ceiling as per the Act	Sitting fees upto Rs.1,00,000 per meeting as per the Act.		

### C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

There is no Key Managerial Personnel in the Company.

## 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)
<b>A.</b>	<b>COMPANY</b>					
	Penalty					
	Punishment					
	Compounding					
<b>B.</b>	<b>DIRECTORS</b>					
	Penalty					
	Punishment					
	Compounding					
<b>C.</b>	<b>OTHER OFFICERS IN DEFAULT</b>					
	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

Raj K. Chandaria      Kanwaljit S. Nagpal  
 Director                      Director  
 DIN: 00037518              DIN:00012201

## **INDEPENDENT AUDITOR'S REPORT**

To the members of **Eastern India LPG Company Private Limited**

### **Report on the audit of the standalone financial statements**

#### **Opinion**

We have audited the accompanying financial statements of **Eastern India LPG Company Private Limited** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2019, the Statement of Profit and Loss (including other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

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 Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit of standalone financial statements in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

#### **Information Other than the Standalone Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Director's Report but does not include the standalone financial statements and our auditor's report thereon. The Director's report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the

other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard on the even date.

### **Management's Responsibility for the Standalone Financial Statements**

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

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) of the Act, we are also

responsible for expressing our opinion on whether the company has adequate internal financial controls system, in relation to the standalone financial statements, in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with the Management, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit 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 including Other Comprehensive Income, Statement of change in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS 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 31<sup>st</sup> March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2019 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 in relation to the standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in **Annexure A**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting in relation to the standalone financial statements.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:  
According to information and explanations given to us, there no remuneration paid by the Company to its directors during the year .
- (h) 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company did not have any pending litigations which will have an impact on its financial position in its standalone financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were material foreseeable losses;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For J. A. Rajani & Co.  
Chartered Accountants  
Firm Registration No: 108331-W

Proprietor  
Membership No: 116740  
Place: Mumbai  
Date: 28<sup>th</sup> May 2019

## **ANNEXURE A TO INDEPENDENT AUDITORS' REPORT**

[Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **Eastern India LPG Company Private Limited** of even date]

### **Report on the Internal Financial Control over Financial Reporting under Clause (i) of Sub-section (3) of Section 143 of the Companies Act, 2013 ("The Act")**

We have audited the internal financial control over financial reporting of **Eastern India LPG Company Private Limited** ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Board of Directors of the Company 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 respective 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 Act.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting, in relation to the standalone financial statements, 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under section 143 (10) of the Act, to the extent applicable to an audit of internal financial controls. 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, in relation to the standalone financial statements, 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 control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone 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 control system over financial reporting in relation to the standalone financial statements of the Company.



## **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:

- (a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (b) 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 authorizations of management and directors of the company; and
- (c) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

## **Inherent Limitations of Internal Financial Controls over Financial Reporting.**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not to 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.

## **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting, in relation to the standalone financial statements, and such internal financial controls over financial reporting were operating effectively as at March 31,2019, 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 Control Over Financial Reporting issued by ICAI.

For J. A. Rajani & Co.  
Chartered Accountants  
Firm Registration No: 108331-W

Proprietor  
Membership No: 116740  
Place: Mumbai  
Date: 28<sup>th</sup> May 2019

**“Annexure B” to the Independent Auditors’ Report of even date on the Financial Statements of  
Eastern India LPG Company Private Limited**

Referred to in paragraph 2 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the financial statements of the Company for the year ended March 31, 2019:

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

The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

The title deeds of immovable property are held in the name of the Company.

- 2) The Company does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable to the Company and hence not commented upon.
- 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. Accordingly, the provisions of clause 3 (iii) (a) to (c.) of the Order are not applicable to the Company and hence not commented upon.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Income-Tax and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2019 for a period of more than six months from the date on when they become payable.  
  
b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public

offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.

- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, managerial remuneration has not been paid or provided during the year accordingly the provisions of clause 3 (xi) of the Order are not applicable to the Company and hence not commented upon.
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For J. A. Rajani & Co.  
Chartered Accountants  
Firm Registration No: 108331-W

Proprietor  
Membership No: 116740  
Place: Mumbai  
Date: 28<sup>th</sup> May 2019

**EASTERN INDIA LPG COMPANY PRIVATE LIMITED - Financial Statements**  
(All amounts are in INR lakhs, unless stated otherwise)

**Balance Sheet as at 31st March, 2019**

	Note	As at 31st March, 2019	As at 31st March, 2018
<b>Assets</b>			
<b>Non current assets</b>			
Property, plant and equipment	8	5.47	5.59
Capital work-in-progress		97.55	97.55
Other non current assets	9	6.32	6.32
<b>Total non current assets</b>		<b>109.34</b>	<b>109.46</b>
<b>Current assets</b>			
Financial assets			
i. Cash and cash equivalents	10	0.82	0.21
Other current assets	11	16.14	16.14
<b>Total current assets</b>		<b>16.96</b>	<b>16.35</b>
<b>Total assets</b>		<b>126.30</b>	<b>125.81</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Equity share capital	12	1.00	1.00
Other equity	13	10.17	15.51
<b>Total equity</b>		<b>11.17</b>	<b>16.51</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
(a) Borrowings	14	54.41	48.81
<b>Total non-current liabilities</b>		<b>54.41</b>	<b>48.81</b>
<b>Current liabilities</b>			
Financial liabilities			
ii. Trade payables			
Total outstanding dues of creditors other than micro enterprises and small enterprises	15	60.71	60.49
<b>Total current liabilities</b>		<b>60.71</b>	<b>60.49</b>
<b>Total liabilities</b>		<b>115.12</b>	<b>109.30</b>
<b>Total equity and liabilities</b>		<b>126.29</b>	<b>125.81</b>
See accompanying notes to the financial statements		0.01	(0.00)

**For J.A RAJANI & CO.**  
Chartered Accountants

**PRITESH RAJANI**  
Proprietor  
Place: Mumbai  
Date: 28th May,2019

**For and on behalf of the Board of Directors**

Raj Chandaria                      Kanwaljit S. Nagpal  
Director                                  Director  
DIN:00037518                      DIN:00012201

Place: Mumbai  
Date: 28th May,2019

**EASTERN INDIA LPG COMPANY PRIVATE LIMITED - Financial Statements**

(All amounts are in INR lakhs except for earning per share information)

**Statement of Profit and Loss for the period ended 31st March, 2019**

	Note	For the year ended 31st March, 2019	For the year ended 31st March, 2018
I Revenue from operations		-	-
II Other income		-	-
<b>III Total income ( I + II)</b>		<b>-</b>	<b>-</b>
<b>IV Expenses</b>			
Depreciation and amortisation expense	8	0.12	0.12
Finance costs	16	4.61	4.16
Other expenses	17	0.61	0.52
<b>Total expenses</b>		<b>5.34</b>	<b>4.80</b>
<b>V Profit before tax (III- IV)</b>		<b>(5.34)</b>	<b>(4.80)</b>
<b>VI Income tax expense</b>			
Current tax		-	-
Deferred tax		-	-
<b>Total tax expense</b>		<b>-</b>	<b>-</b>
<b>VII Profit for the year (V- VI)</b>		<b>(5.34)</b>	<b>(4.80)</b>
<b>VIII Other comprehensive income/(loss)</b>			
(i) Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit obligations		-	-
(ii) Income tax relating to above items that will not be reclassified to profit or loss		-	-
<b>Other comprehensive (loss) (Net of tax)</b>		<b>-</b>	<b>-</b>
<b>IX Total comprehensive income(VII+VIII) (Comprising profit and other comprehensive income for the</b>		<b>(5.34)</b>	<b>(4.80)</b>
<b>X Earnings per equity share for profit from continuing operation attributable to owners of ALL</b>	<b>18</b>		
Basic earnings per share (Rs.)		(0.53)	(0.48)
Diluted earnings per share (Rs.)		(0.53)	(0.48)

See accompanying notes to the financial statements

**For J.A RAJANI & CO.**

Chartered Accountants

**PRITESH RAJANI****Proprietor**

Place: Mumbai

Date: 28th May,2019

**For and on behalf of the Board of Directors**

Raj Chandaria

Director

DIN:00037518

Place: Mumbai

Date: 28th May,2019

Kanwaljit S. Nagpal

Director

DIN:00012201

**EASTERN INDIA LPG COMPANY PRIVATE LIMITED - Financial Statements**

(All amounts are in INR lakhs, unless stated otherwise)

**Cash Flow Statement for the period ended 31st March, 2019**

	<b>For the year ended 31st March, 2019</b>	<b>For the year ended 31st March, 2018</b>
<b><u>Cash flow from operating activities</u></b>		
Profit before tax	(5.34)	(4.80)
<u>Adjustments for:</u>		
Depreciation and amortisation	0.12	0.12
Finance costs	4.61	4.16
<b>Operating profit before working capital changes</b>	<b>(0.61)</b>	<b>(0.52)</b>
<b>Adjustments for changes in working capital:</b>		
(Decrease) / Increase in trade payables	0.22	0.01
<b>Cash generated from operations</b>	<b>(0.39)</b>	<b>(0.51)</b>
Income tax paid	-	-
<b>Net cash from operating activities</b>	<b>(0.39)</b>	<b>(0.51)</b>
<b><u>Cash flow from investing activities</u></b>		
Purchase of property, plant and equipment including capital advances	-	-
<b>Net cash flow from / (used in) investing activities</b>	<b>-</b>	<b>-</b>
<b><u>Cash flow from financing activities</u></b>		
Proceeds from borrowings	1.01	0.50
Interest paid	(0.01)	(0.01)
<b>Net cash generated from / (used in) financing activities</b>	<b>1.00</b>	<b>0.49</b>
Net increase/ (decrease) in cash and cash equivalents	0.61	(0.02)
Cash and cash equivalents as at the beginning of the year	0.21	0.24
<b>Cash and cash equivalents as at the end of the year</b>	<b>0.82</b>	<b>0.22</b>
<b>Cash and cash equivalents includes:</b>		
<b><u>Cash and cash equivalents (refer note 17)</u></b>		
In current accounts	0.82	0.21
	<b>0.82</b>	<b>0.21</b>

1. Figures in bracket indicate cash outflow

**For J.A RAJANI & CO.**

Chartered Accountants

**PRITESH RAJANI****Proprietor**

Place: Mumbai

Date: 28th May,2019

**For and on behalf of the Board of Directors**

Raj Chandaria

Director

DIN:00037518

Place: Mumbai

Date: 28th May,2019

Kanwaljit S. Nagpal

Director

DIN:00012201

**EASTERN INDIA LPG COMPANY PRIVATE LIMITED - Financial Statements**  
(All amounts are in INR lakhs, unless stated otherwise)

**Statement of changes in equity**

**A. Equity share capital**

Particulars	Balance as at April 1, 2018	Issue of share	Balance as at March 31, 2018	Issue of share	Balance as at 31st March, 2019
Equity share capital	1.00	-	1.00	-	1.00

**B. Other equity**

Particulars	Reserves and surplus						Other comprehensive income	Total equity
	Securities premium	Capital reserves	Capital redemption reserves	General Reserves	Debenture Redemption Reserves	Retained earnings/ (accumulated deficit)	Remeasurement of defined benefit obligations	
<b>Balance as at April 1, 2017</b>	-	-	-	(0.22)	-	20.39	-	20.17
Profit for the year	-	-	-	-	-	(4.80)	-	(4.80)
Addition/ reduction during the year	-	-	-	-	-	0.14	-	0.14
Other comprehensive income	-	-	-	-	-	-	-	-
<b>Balance at March 31, 2018</b>	-	-	-	(0.22)	-	15.73	-	15.51
Profit for the year	-	-	-	-	-	(5.34)	-	(5.34)
Addition/ reduction during the year	-	-	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	-	-	-	-
<b>Balance at March 31, 2019</b>	-	-	-	(0.22)	-	10.39	-	10.17

The above statement of changes in equity should be read in conjunction with the accompanying notes.

For J.A RAJANI & CO.  
Chartered Accountants

For and on behalf of the Board of Directors

**PRITESH RAJANI**  
Proprietor  
Place: Mumbai  
Date: 28th May, 2019

Raj Chandaria                      Kanwaljit S. Nagpal  
Director                              Director  
DIN:00037518                      DIN:00012201  
Place: Mumbai  
Date: 28th May, 2019

## **EASTERN INDIA LPG COMPANY PRIVATE LIMITED - Financial Statements**

(All amounts are in INR lakhs, unless stated otherwise)

### **Notes to Financial Statements**

#### **1 General information**

EASTERN INDIA LPG COMPANY PRIVATE LIMITED ('the Company') having its registered office at 502, 5th Floor, Skylon GIDC, Char Rasta, Vapi - 396195, was incorporated on 09th August, 1994 vide certificate of incorporation No U23202GJ1994PTC022714 issued by the Registrar of Companies, Gujarat.

#### **2 Statement of Compliance**

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015.

#### **3 Basis of preparation and presentation**

The Financial Statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between the market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement or disclosure purposes in these standalone financial statements is determined on such a basis, except for share based payment transactions that are within scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 inputs are unobservable inputs for the asset or liability.

#### **4 Functional and presentation currency**

These standalone financial statements are presented in Indian rupees, which is the Company's functional currency. All amounts have been rounded to the nearest crore, unless otherwise indicated.

#### **5 Statement of significant accounting policies**

##### **i) Foreign currencies**

##### **i) Foreign currency transactions**

###### **Initial recognition**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.



**Notes to Financial Statements**

**Subsequent measurement**

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at the fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

**ii) Embedded derivatives**

Embedded derivatives are carried at fair value and the resultant gains and losses are recorded in the Statement of Profit and Loss.

**ii) Property, plant and equipment**

**i)** Items of property, plant and equipment are stated at cost, less accumulated depreciation and impairment losses, if any. Cost comprises

- a) the purchase price including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.,
- b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and
- c) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Income and expenses related to the incidental operations, not necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by management, are recognised in Statement of Profit and Loss.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in Statement of Profit and Loss.

Capital work-in-progress in respect of assets which are not ready for their intended use are carried at cost, comprising of direct costs, related incidental expenses and attributable interest if any.

**ii) Transition to IND AS**

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

**iii) Subsequent expenditure:**

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the reporting period in which they are incurred.

**EASTERN INDIA LPG COMPANY PRIVATE LIMITED - Financial Statements**

(All amounts are in INR lakhs, unless stated otherwise)

**Notes to Financial Statements****iv) Depreciation / amortization**

Depreciation is recognised so as to write off the cost of assets (other than freehold land) less their residual values over their

Assets	Useful life
Buildings (Other than factory building)	60 years
Factory building	30 years
Servers and computer networks	6 years
Office equipment	5 years
Furniture and fixtures	10 years
Plant and machinery	15 years
Vehicles	8 years
Computers	3 years

Leasehold assets are amortized over the primary period of lease or its useful life, whichever is shorter.

**III) Intangible assets**

Intangible assets are recognized, only if it is probable that the future economic benefits that are attributable to the assets will flow to the enterprise and the cost of the assets can be measured reliably. The intangible assets are recorded at cost and are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Intangible assets are amortised so as to reflect the pattern in which the asset's economic benefits are consumed over a period of 5 to 7 years.

Company capitalises the cost incurred to develop computer software for internal use during the application development stage of the software whereas cost incurred during the preliminary project stage along with post-implementation stages of internal use computer software are expensed as incurred.

**Transition to IND AS**

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as at April 1, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

**IV) Impairment of tangible and intangible assets other than goodwill**

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Intangible assets with indefinite useful life and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in statement of profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss has been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in Statement of Profit and Loss.

**V) Financial Instruments**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and liabilities are initially measured at fair value. Transactions costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in Statement of Profit and Loss.

**Financial Assets**

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

**i) Classification of financial assets**

**Debt Instruments at Amortised Cost**

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

**Debt Instruments at FVOCI**

A 'debt instrument' is measured at the fair value through other comprehensive income(FVOCI) if both the following conditions are met:

- a) The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

For assets classified as subsequently measured at FVOCI, interest revenue, expected credit losses, and foreign exchange gains or losses are recognised in Statement of Profit and Loss. Other gains and losses on remeasurement to fair value are recognised in OCI. On derecognition, the cumulative gain or loss previously recognised in OCI is reclassified from equity to Statement of Profit and Loss.

**Debt instrument at fair value through profit and loss (FVTPL)**

Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL. In addition, the Company may elect to classify a debt instrument, which otherwise meets amortized cost or FVOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

**Notes to Financial Statements**

**iii) Equity investments**

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Further, Company has elected to apply the exemption available under Ind AS 101 to continue the carrying value for its investments in subsidiaries and associates as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP as at the date of transition (April 1, 2016). Also, in accordance with Ind AS 27 company has elected the policy to account investments in subsidiaries and associates at cost.

**iv) Derecognition**

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in the Statement of Profit and Loss if such gain or loss would have otherwise been recognised in Statement of Profit and Loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of the transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in Statement of Profit and Loss if such gain or loss would have otherwise been recognised in Statement of Profit and Loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

**v) Impairment of financial assets**

Financial assets of the company comprise of trade receivable and other receivables consisting of debt instruments e.g., loans, debt securities, deposits, and bank balance. An impairment loss for trade and other receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. Impairment losses if any, are recognised in Statement of Profit and Loss for the year.

**Financial liabilities and equity instruments**

Financial instruments with a contractual obligation to deliver cash or another financial assets is recognised as financial liability by the Company.

**i) Classification as debt or equity**

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

**Notes to Financial Statements**

**ii) Equity Instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

**iii) Financial liabilities**

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

**Financial liabilities at FVTPL**

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short term profit taking; or
- it is derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies, may be designated as at FVTPL upon initial recognition if:

- such designation eliminated or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in Statement of Profit and Loss. The net gain or loss recognised in Statement of Profit and Loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

**Financial liabilities subsequently measured at amortised cost**

Financial liabilities that are not held for trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and financial guarantee contracts.

Financial liabilities of the Company also include gold loans where company buys gold from authorised bank with deferred payment. Interest rate on such loan is dependent on gold lease market and other market specific factors (Linked to international gold interest rate). Gold loan is repaid considering the gold spot rate on the day of repayment. Since repayment of loan and interest payment is linked to the movement in gold price, this makes the arrangement a hybrid contract which will be fair valued at each reporting date.

## **EASTERN INDIA LPG COMPANY PRIVATE LIMITED - Financial Statements**

(All amounts are in INR lakhs, unless stated otherwise)

### **Notes to Financial Statements**

#### **iv) Derecognition**

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

#### **v) Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

#### **VI) Borrowing cost**

Borrowing costs are interest and other costs that the Company incurs in connection with the borrowing of funds and is measured with reference to the effective interest rate applicable to the respective borrowing. Borrowing costs include interest costs measured at EIR and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs that are attributable to acquisition or construction of qualifying assets are capitalized as a part of cost of such assets till the time the asset is ready for its intended use. A qualifying assets is the one that necessarily takes substantial period of time to get ready for intended use. Other borrowing costs are recorded as an expense in the Profit and loss account in the year in which they are incurred.

#### **VII) Leases**

Assets taken on lease under which all risks and rewards of ownership are effectively retained by the lessor are classified as operating lease. Rental expenses from operating leases is generally recognised on a straight line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increase, such increase are recognised in the year in which such benefit accrue. Contingent rentals arising under operating lease are recognised as an expenses in the period in which they are incurred.

Assets held by the Company under leases that transfer to the Company substantially all of the risks and rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to that asset.

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

#### **VIII) Inventories**

Inventories are carried at lower of cost and net realizable value. Cost of raw materials, finished goods, stock in trade and packing materials is determined on weighted average basis.

Costs comprise all cost of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.

Cost of finished goods include costs of raw material, direct labour and other directly attributable expenses incurred in bringing such goods to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

## EASTERN INDIA LPG COMPANY PRIVATE LIMITED - Financial Statements

(All amounts are in INR lakhs, unless stated otherwise)

### Notes to Financial Statements

#### IX) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

#### X) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for rebates.

##### Sale of goods

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Company; and
- the cost incurred or to be incurred in respect of the transaction can be measured reliably.

##### Consignment sales

The Company has consignment sales agreements with certain parties. The Company does not record revenue on consignment merchandise until the merchandise is reported to be sold by these parties to customers.

#### XI) Other income

##### Dividend and Interest income

Dividend income is recognised in statement of profit and loss on the date on which the company's right to receive payment is established.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

##### Rental Income

Rental income arising from operating leases on investment properties is accounted for on an accrual basis as per the terms of the lease contract and is included in other income in the Statement of Profit and Loss.

#### XII) Retirement and other employee benefits

##### i) Short term employee benefits

Short-term employee benefits are expensed as the related service is provided at the undiscounted amount of the benefits expected to be paid in exchange for that service. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

**Notes to Financial Statements**

**ii) Post Employment Employee Benefits**

Retirement benefits to employees comprise payments to government provident funds, gratuity fund, leave encashment and superannuation fund.

**Defined contribution plans**

Retirement benefits in the form of provident fund and superannuation fund are a defined contribution scheme and the contributions are charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective trusts.

**Defined benefit plans**

Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in OCI. Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in Statement of Profit and Loss. The company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Short term compensated absences are provided for based on estimates.

**Other long term benefits**

Long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method. Actuarial gains/losses are recognized in the other comprehensive income.

**XIII) Taxation**

Income tax expenses represents the sum of the tax currently payable and deferred tax.

**i) Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.



**Notes to Financial Statements**

**ii) Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amount of assets and liabilities in the standalone financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Company is able to control the reversal of temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflect the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

**iii) Current and deferred tax for the year**

Current and deferred tax are recognised in Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

**iv) Minimum alternate tax credit**

Minimum alternate tax credit is recognized 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. Such asset is reviewed at each balance sheet date and the carrying amount of the MAT credit is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

**XIV) Provisions, contingent liabilities and contingent assets**

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the notes to the financial statements. Contingent assets are not recognized in the financial statements

Further, long term provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost. A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

**Notes to Financial Statements**

**6 First-time adoption of Ind AS**

The Company has prepared the opening balance sheet as per Ind AS as of April 1, 2016 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to the certain exceptions and certain optional exemptions availed by the Company as detailed below:

i. **Deemed cost:** The Company has elected to continue with the carrying value of all of its property, plant and equipment and intangible assets recognised as on transition date measured as per the previous GAAP and use that carrying value as deemed cost.

ii. **Derecognition of financial assets and financial liabilities:** The Company has opted to apply the exemption available under Ind AS 101 to apply the derecognition criteria of Ind AS 109 prospectively for the transactions occurring on or after the date of transition to Ind AS.

iii. **Classification and measurement of financial assets:** The Company has classified the financial assets in accordance with Ind AS 109 on the basis of facts and circumstances that exist on the date of transition to Ind AS.

**7 Critical accounting judgements and key sources of estimation uncertainty**

The preparation of financial statements in accordance with Ind AS requires use of estimates and assumptions for some items, which might have an effect on their recognition and measurement in the balance sheet and statement of profit and loss. The actual amounts realised may differ from these estimates.

**Key source of estimation uncertainty**

The following are the key assumption concerning the future and other key sources of estimations uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

**a) Property, plant and equipment :**

Determination of the estimated useful lives of tangible assets and the assessment as to which components of the cost may be capitalized. Useful lives of tangible assets are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support. Assumptions also need to be made, when the Company assesses, whether an asset may be capitalised and which components of the cost of the asset may be capitalised.

**b) Inventories :**

The measurement of inventory including the determination of its net realizable value, involves the use of estimates. The significant sources of estimation uncertainty include diamond prices, production grade and expenditure and determining the remaining costs of completion to bring inventory into its saleable form. The Company uses historical data on prices achieved, grade and expenditure in forming its assessment.

**c) Recognition and measurement of defined benefit obligations :**

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation and vested future benefits and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations.

**d) Recognition of deferred tax assets :**

A deferred tax asset is recognised for all the deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. The management assesses that there will be sufficient taxable profits against which to utilise the benefits of temporary differences and they are expected to reverse in the foreseeable future.

**EASTERN INDIA LPG COMPANY PRIVATE LIMITED - Financial Statements**

(All amounts are in INR lakhs, unless stated otherwise)

**Notes to Financial Statements**

**Note 8**

**Property, plant and equipment - As at 31st March, 2019**

	Gross block			Accumulated depreciation				Net block	
	As at April 1, 2018	Additions/ adjustments	Deductions/ adjustments	As at 31st March, 2019	As at April 1, 2018	Charge for the year	Deductions/ adjustments	As at 31st March, 2019	As at 31st March, 2019
Building	8.10	-	-	8.10	2.59	0.12	-	2.71	5.39
Office equipment	3.02	-	-	3.02	2.96	-	-	2.96	0.06
Furniture and fixtures	1.65	-	-	1.65	1.63	-	-	1.63	0.02
<b>Total</b>	<b>12.77</b>	<b>-</b>	<b>-</b>	<b>12.77</b>	<b>7.18</b>	<b>0.12</b>	<b>-</b>	<b>7.30</b>	<b>5.47</b>

**Property, plant and equipment - As at March 31, 2018**

	Gross block			Accumulated depreciation				Net block	
	As at April 1, 2017	Additions/ adjustments	Deductions/ adjustments	As at March 31, 2018	As at April 1, 2017	Charge for the year	Deductions/ adjustments	As at March 31, 2018	As at March 31, 2018
Building	8.10	-	-	8.10	2.47	0.12	-	2.59	5.51
Office equipment	3.02	-	-	3.02	2.96	-	-	2.96	0.06
Furniture and fixtures	1.65	-	-	1.65	1.63	-	-	1.63	0.02
<b>Total</b>	<b>12.77</b>	<b>-</b>	<b>-</b>	<b>12.77</b>	<b>7.06</b>	<b>0.12</b>	<b>-</b>	<b>7.18</b>	<b>5.59</b>

**Property, plant and equipment**

**0.1 Depreciation and amortisation for the year**

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Depreciation on property, plant and equipment	0.12	0.12
Amortisation (Refer note 9)	-	-
<b>Total</b>	<b>0.12</b>	<b>0.12</b>

**EASTERN INDIA LPG COMPANY PRIVATE LIMITED - Financial Statements**

(All amounts are in INR lakhs, unless stated otherwise)

**Notes to Financial Statements****Note 9****Other non-current assets****(Unsecured, considered good unless otherwise stated)**

<b>Particulars</b>	<b>As at 31st March, 2019</b>	<b>As at 31st March, 2018</b>
Balance with statutory authorities	6.32	6.32
<b>Total</b>	<b>6.32</b>	<b>6.32</b>

**Note 10****Cash and cash equivalents**

<b>Particulars</b>	<b>As at 31st March, 2019</b>	<b>As at 31st March, 2018</b>
<u>Bank balances</u>		
- Current accounts	0.82	0.21
Cash on hand	-	-
<b>Cash and cash equivalents as presented in the balance sheet</b>	<b>0.82</b>	<b>0.21</b>

**Note 11****Other current assets****(Unsecured, considered good unless otherwise stated)**

<b>Particulars</b>	<b>As at 31st March, 2019</b>	<b>As at 31st March, 2018</b>
Other current assets	16.14	16.14
	<b>16.14</b>	<b>16.14</b>

**EASTERN INDIA LPG COMPANY PRIVATE LIMITED - Financial Statements**

(All amounts are in INR lakhs, unless stated otherwise)

**Notes to Financial Statements**

**Note 12**

Equity share capital Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Number of Shares	Amount	Number of Shares	Amount
<b>[a] Authorised share capital</b>				
Equity shares of the par value of Rs 10 each	50,000	5.00	50,000	5.00
<b>Total</b>	<b>50,000</b>	<b>5.00</b>	<b>50,000</b>	<b>5.00</b>

<b>[b] Issued, subscribed and paid up</b>				
Equity shares of Rs.10 each	10,007	1.00	10,007	1.00
<b>Total</b>	<b>10,007</b>	<b>1.00</b>	<b>10,007</b>	<b>1.00</b>

**[c] Reconciliation of number of shares outstanding at the beginning and end of the year :**

Equity :	As at 31st March, 2019		As at 31st March, 2018	
	Number of Shares	Amount	Number of Shares	Amount
At the beginning of the year	10,007	1.00	10,007	1.00
Issued during the year	-	-	-	-
<b>At the end of the year</b>	<b>10,007</b>	<b>1.00</b>	<b>10,007</b>	<b>1.00</b>

**[d] Rights, preferences and restrictions attached to equity shares :**

The Company has one class of equity shares having a par value of Rs 10 per share. Each shareholder is eligible for one vote per share held and to

**[e] Details of shareholders holding more than 5% of the aggregate shares in the Company:**

Name of the shareholder	As at 31st March, 2019		As at 31st March, 2018	
	Number of Shares	Percentage	Number of Shares	Percentage
<b>Equity shares of Rs.10/- each fully paid</b>				
Aegis Logistics Limited	10,007	100.00%	10,007	100.00%

**EASTERN INDIA LPG COMPANY PRIVATE LIMITED - Financial Statements**

(All amounts are in INR lakhs, unless stated otherwise)

**Notes to Financial Statements****Note 13****Securities Premium**

Particulars	As at 31st March, 2019	As at March 31, 2018
Balance as at the beginning of the year	-	-
Addition during the year	-	-
<b>Balance as at the end of the year</b>	<b>-</b>	<b>-</b>

Securities premium reserve is used to record the premium on issue of shares. The

**Capital reserve**

Particulars		
	-	-
Balance as at the beginning of the year	-	-
Addition during the year	-	-
<b>Balance as at the end of the year</b>	<b>-</b>	<b>-</b>

**Capital redemption reserve**

Particulars	As at 31st March, 2019	As at March 31, 2018
Balance as at the beginning of the year	-	-
Addition during the year	-	-
<b>Balance as at the end of the year</b>	<b>-</b>	<b>-</b>

The Company is required to create a capital redemption reserve out of the profits when any capital is redeemed. Capital

**Debenture redemption reserve**

Particulars	As at 31st March, 2019	As at March 31, 2018
Balance as at the beginning of the year	-	-
Addition during the year	-	-
<b>Balance as at the end of the year</b>	<b>-</b>	<b>-</b>

**General Reserve**

Particulars	As at 31st March, 2019	As at March 31, 2018
Balance as at the beginning of the year	(0.22)	(0.22)
Addition during the year	-	-
<b>Balance as at the end of the year</b>	<b>(0.22)</b>	<b>(0.22)</b>

**Retained earnings**

Particulars	As at 31st March, 2019	As at March 31, 2018
Balance as at the beginning of the year	15.73	20.39
Profit for the year	(5.34)	(4.80)
Addition / (Reduction) during the year	-	0.14
<b>Balance as at the end of the year</b>	<b>10.39</b>	<b>15.73</b>

**EASTERN INDIA LPG COMPANY PRIVATE LIMITED - Financial Statements**

(All amounts are in INR lakhs, unless stated otherwise)

**Notes to Financial Statements****Note 14****Current financial liability - Borrowings**

<b>Particulars</b>	<b>As at 31st March, 2019</b>	<b>As at 31st March, 2018</b>
<b>Non-Current</b>		
<b>Unsecured Loans</b>		
Ind AS Loans from Holding Company	(16.25)	(20.85)
From related parties	70.66	69.66
<b>Total</b>	<b>54.41</b>	<b>48.81</b>

**Note 15****Current Financial Liability-Trade payables**

<b>Particulars</b>	<b>As at 31st March, 2019</b>	<b>As at 31st March, 2018</b>
Trade payables		
Total outstanding dues of creditors other than micro enterprises and small enterprises	60.71	60.49
<b>Total</b>	<b>60.71</b>	<b>60.49</b>

**EASTERN INDIA LPG COMPANY PRIVATE LIMITED - Financial Statements**

(All amounts are in INR lakhs, unless stated otherwise)

**Notes to Financial Statements****Note 16****Finance costs**

<b>Particulars</b>	<b>For the year ended 31st March, 2019</b>	<b>For the year ended 31st March, 2018</b>
Interest on borrowings	4.60	4.15
Other borrowing costs	0.01	0.01
<b>Total</b>	<b>4.61</b>	<b>4.16</b>

**Note 17****Other expenses**

<b>Particulars</b>	<b>For the year ended 31st March, 2019</b>	<b>For the year ended 31st March, 2018</b>
Rates and taxes	0.02	0.05
Professional fees (Refer note 1)	0.59	0.47
Miscellaneous operating expenses	-	-
<b>Total</b>	<b>0.61</b>	<b>0.52</b>



**EASTERN INDIA LPG COMPANY PRIVATE LIMITED - Financial Statements**

(All amounts are in INR lakhs, unless stated otherwise)

**Notes to Financial Statements****Note 18****Earnings per share**

Basic

and

<b>Particulars</b>	<b>For the year ended 31st March, 2019</b>	<b>For the year ended 31st March, 2018</b>
Profit for basic and diluted earnings per share	(5.34)	(4.80)
Weighted average number of equity shares	10	10
Basic and diluted /earnings per share (Rs.)	(0.53)	(0.48)

Reconciliation of weighted average number of equity shares:

<b>Particulars</b>	<b>For the year ended 31st March, 2019</b>	<b>For the year ended 31st March, 2018</b>
Equity shares outstanding at the beginning of the year	10,007	10,007
Equity shares issued during the year	-	-
Equity shares outstanding at the end of the year	10,007	10,007
<b>Total weighted average number of shares</b>	<b>10,007</b>	<b>10,007</b>

Note: There is no dilution to the basic EPS as there are no outstanding potentially dilutive equity shares.

## Note 19

## Related party transactions

(a) List of related parties and relationships:

Name of the Related Party

Aegis Logistics Limited

Relationship

Holding Company

B) Details of transactions with related parties:

Sr.	Name of the related party	Transactions		Balances	
		31st March'19	31st March, 2018	31st March'19	31st March, 2018
1)	<b><u>Equity share capital issued</u></b> <b>Holding Company</b> Aegis Logistics Limited	-	-	1.00	1.00
2)	<b><u>Loan received</u></b> <b>Holding Company</b> Aegis Logistics Limited	1.00	0.50	70.66	69.66
	<b><u>Step down subsidiary companies</u></b> HALPG	-	-	-	-

**Approval of financial statements:**

The financial statements were approved for issue by the Board of Directors on 28th May, 2019

Previous year figures have been regrouped wherever necessary , to conform to the current year's classification.

For and on behalf of the Board of Directors

Raj Chandaria	Kanwaljit S. Nagpal
Director	Director
DIN:00037518	DIN:00012201
Place: Mumbai	
Date: 28th May,2019	