



HINDUSTAN AEGIS LPG LIMITED

23rd ANNUAL REPORT 2016-17



HINDUSTAN AEGIS LPG LIMITED

Board of Directors

Managing Director

Raj K. Chandaria

Directors

Anish K. Chandaria

Kanwaljit S. Nagpal
Poonam Kumar
Jaideep D. Khimasia

Chief Financial Officer

Samya Bandopadhyay

Company Secretary

Rajesh A Solanki

Auditors

Deloitte Haskins & Sells LLP
Chartered Accountants, Mumbai

Bankers

HDFC Bank Ltd.

Registered Office

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

Corporate 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

HINDUSTAN AEGIS LPG LIMITED

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

DIRECTORS REPORT

The Directors present their 23rd Annual Report and Audited Statement of Accounts of the Company for the year ended 31st March, 2017.

FINANCIAL RESULTS

	Current Year (2016-17)	Current Year (2015-16)
Revenue from operations	4282.71	121558.95
Profit before Finance Cost	(41.86)	1255.54
Finance Cost	22.82	44.09
Profit Before Tax	(64.68)	1211.45
Tax	(18.37)	73.10
Profit After Tax	(46.31)	1138.35

OPERATING PERFORMANCE

During the year 2016-17, the operating revenue decreased to Rs. 42.83 Crores from Rs. 1215.59 Crores in previous year on account of lower volumes. Loss for the year ended 31st March, 2017 was Rs. 0.46 Crores as compared to profit of Rs. 11.38 Crores in previous year.

During the year, the under construction LPG Assets at Haldia Dock Complex, West Bengal of Aegis Logistics Limited (Holding Company) was acquired by the Company.

OUTLOOK FOR THE COMPANY

The company is expected to commission its LPG storage terminal at Haldia in first half of FY18 and generate terminalling revenue during the ensuing year.

DIVIDEND

The Directors do not recommend Dividend for the year.

FIXED DEPOSITS

Your Company has not accepted any fixed deposits and, as such, not amount of principal or interest was outstanding as of the Balance Sheet date.

FINANCE

The Company continues to enjoy Rating “**One**” under LPG (Regulations & Supply and Distribution) Order 1993 for Parallel Marketing by CARE.”

EQUITY SHARES

During the year, the Company have obtained ISIN number (INE845W01014) for its Equity shares to facilitate the shareholders who wants to hold their shares in Demat form.

DIRECTORS & KEY MANAGEMENT PERSONNEL

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.

During the year, the Company's Chairman Mr. Kapoorchand M. Chandaria left for heavenly abode on 27th September, 2016. The Board placed on record their sincere appreciation for the Chairman, who was a guiding force to the Company since past several years.

Mr. Dineshchandra J. Khimasia, Non - Executive Independent Directors of the Company resigned w.e.f. 4th May, 2017 due to his ill health. The Board placed on record their sincere appreciation for his long association with the Company.

Mr. Jaideep D. Khimasia was appointed as an Additional Director (category Independent) w.e.f. 11th May, 2017 subject to approval of members at the ensuing Annual General Meeting. Mr. Jaideep D. Khimasia is qualified as a B. E Production from Bharati Vidyapeeth, University of Poona and has over 25 years of management experience in fields related to Project Management with contributions in various quality assurance and process improvement initiatives of various Multi-National Corporations. Your Directors recommend the appointment of Mr. Jaideep D. Khimasia as Independent Director to hold office upto 5 (five) consecutive years upto 10th May, 2022 at the ensuing Annual General Meeting.

DISCLOSURE FROM INDEPENDENT DIRECTORS

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

AUDITORS

As per the provisions of sections 139, 141 of the Companies Act, 2013 and rules made thereunder, the Company had, in its Annual General Meeting held on 28th July, 2014, approved the appointment of M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, Mumbai, (ICAI Firm Registration No. 117366W/ W-100018) to hold office till the conclusion of the fifth consecutive Annual General Meeting, subject to ratification by the members at every Annual General Meeting. In compliance with the same, the Directors do hereby place for ratification, the re-appointment of M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, Mumbai, until the conclusion of the next Annual General Meeting.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, EXPORTS & FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars required to be furnished pursuant to section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 in the Report of Board of Directors:

- (i) Part A & B of the Rules, pertaining to conservation of energy & technology absorption are not applicable to the Company.
- (ii) Foreign Exchange earnings & Outgo are provided in the Notes forming part of the Accounts.

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 given as no employee is in receipt of remuneration as required by section 197(12) of the Companies Act, 2013.

DIRECTORS' RESPONSIBILITIES STATEMENT

The Directors would like to inform the Members that the Audited Accounts for the financial year ended 31st March, 2017 are in full conformity with the requirement of the Companies Act, 2013.

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

The specific objectives of the Risk Management Policy are to ensure that all the current and future material risk exposures of the company are identified, assessed, quantified,

appropriately mitigated and managed, to establish a framework for the company's risk management process and to ensure companywide implementation, to ensure systematic and uniform assessment of risks related with Oil, Gas & Chemicals Logistics business, to enable compliance with appropriate regulations, wherever applicable, through the adoption of best practices and to assure business growth with financial stability.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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

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

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

SIGNIFICANT AND MATERIAL ORDERS

There are no significant and material orders passed by the regulators / courts / tribunals impacting the going concern status and the Company's operations in future.

COMPOSITION OF AUDIT COMMITTEE

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

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

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

EXTRACT OF THE ANNUAL RETURN AS PROVIDED UNDER SUB-SECTION (3) OF SECTION 92

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

POLICY RELATING TO REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

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

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

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

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

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

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

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

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 relate and the date of the report.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

During the year ended 31st March, 2017, 6 Board Meetings were held on the following dates:

1. 14th April, 2016
2. 30th May, 2016
3. 4th August, 2016
4. 7th November, 2016
5. 2nd February, 2017
6. 3rd February, 2017

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

VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES

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

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

SECRETARIAL AUDIT REPORT

Pursuant to the provisions of section 134(3) and section 204 of Companies Act, 2013 read along with the rules made thereunder, the Board of Directors of the Company appointed Mr. Prasen Naithani of P. Naithani & Associates, Company Secretaries in Practice, to conduct the Secretarial Audit. The Secretarial Audit Report for the financial year ended 31st March, 2017 forms part of this Report and is annexed herewith as '**Annexure B**'.

DISCLOSURE OF COMPOSITION OF THE CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

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

BOARD EVALUATION

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

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

APPRECIATION

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

The Board of Directors gratefully acknowledge the assistance and co-operation received from the authorities of Port Trust, Bankers, Central and State Government Departments, Shareholders, Suppliers and Customers.

For and on behalf of the Board of Directors

Raj K. Chandaria
Managing Director

DIN: 00037518

Anish K. Chandaria
Director

DIN: 00296538

Place: Mumbai

Dated: 30th May, 2017

Annexure A to the Directors Report

**Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31/03/2017**

I. REGISTRATION AND OTHER DETAILS

1	CIN	U23203GJ1994PLC021375
2	Name of the company	HINDUSTAN AEGIS LPG LIMITED
3	Registration Date	23/02/1994
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 Email : secretarial@aegisindia.com
7	Whether listed company	Yes / No
8	Name, Address and Contact details of Registrar and Transfer Agent, if any	(Electronic Connectivity) Link Intime India Pvt. Ltd. C 101, 247 Park, L.B.S.Marg, Vikhroli (West), Mumbai - 400083. Tel : 022 - 4918 6270 Fax : 022 - 4918 6060

(Physical Shares)

The Company has an in-house share transfer system.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Sales – Traded good - Liquefied Petroleum Gas		
	Wholesale of solid, liquid and gaseous fuels and related products	46610	100.00%

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 Gas (LPG) Private Limited Unit No. 1202, 12th Floor, Tower B, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel (W), Mumbai – 400 013	U23209MH2001PTC134329	Holding Company	100%	2(87)

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

i) Category-wise Share Holding

Sr. No.	Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
A.	Promoter									
1	Indian									
	Individual/ HUF	0	0	0	0.00	0	0	0	0.00	0.00
	Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
	State Govt	0	0	0	0.00	0	0	0	0.00	0.00
	Bodies Corp.	0	978000	978000	100.00	0	978000	978000	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	978000	978000	100.00	0	978000	978000	100.00	0.00
2	Foreign									
	NRIs-Individuals	0	0	0	0.00	0	0	0	0.00	0.00
	Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
	Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
	Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
	Any other	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-total A(2)	0	0	0	0.00	0	0	0	0.00	0.00
	Total shareholding of Promoter= (A)=(A)(1)+(A)(2)	0	978000	978000	100.00	0	978000	978000	100.00	0.00
B.	Public Shareholding									
1	Institutions									
a	Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b	Banks / Financial Institutions	0	0	0	0.00	0	0	0	0.00	0.00
c	Central / State Government	0	0	0	0.00	0	0	0	0.00	0.00
d	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
e	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
f	Foreign Institutional Investors	0	0	0	0.00	0	0	0	0.00	0.00
g	Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
h	Foreign Portfolio Corp.	0	0	0	0.00	0	0	0	0.00	0.00
i	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
	Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-total (B)(1)	0	0	0	0.00	0	0	0	0.00	0.00
2	Non-Institutions									
a	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 lakhs	0	0	0	0.00	0	0	0	0.00	0.00
ii	Individual shareholders holding nominal share capital in excess of Rs. 1 lakhs	0	0	0	0.00	0	0	0	0.00	0.00
c	Others									
	OCB/Non Domestic Company	0	0	0	0.00	0	0	0	0.00	0.00
	Non-Resident Individuals	0	0	0	0.00	0	0	0	0.00	0.00
	Any Other - Trust	0	0	0	0.00	0	0	0	0.00	0.00
	Foreign Company	0	0	0	0.00	0	0	0	0.00	0.00
	Foreign National	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-total (B)(2)	0	0	0	0.00	0	0	0	0.00	0.00
	Total Public Shareholding (B)=(B)(1)+ (B)(2)	0	0	0	0.00	0	0	0	0.00	0.00
C.	Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
	Grand Total (A+B+C)	0	978000	978000	100.00	0	978000	978000	100.00	0.00

(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 Gas (LPG) Private Limited	978000	100.00	0.00	978000	100.00	0.00	0.00
	Total	978000	100.00	0.00	978000	100.00	0.00	0.00

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

Sl. No.		Date	Shareholding at the beginning of the year		Cumulative shareholding during the year	
			Aegis Gas LPG Private Limited		Aegis Gas LPG Private Limited	
			No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
	At the beginning of the year	01/04/2016	978000	100.00	978000	100.00
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons (*) for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)		There is no change in the shareholding during the year		There is no change in the shareholding during the year	
	At the end of the year	31/03/2017	978000	100.00	978000	100.00

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

Sl. No.	For Each of the Top 10 Shareholders	Date	Shareholding at the beginning of the year		Cumulative shareholding during the year	
			No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
	At the beginning of the year	01/04/2016	The Company is a 100% subsidiary of Aegis Gas LPG Private Limited.		The Company is a 100% subsidiary of Aegis Gas LPG Private 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	31/03/2017				

(v) Shareholding of Directors and Key Managerial Personnel:

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

V. INDEBTEDNESS

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

(Rs. in Lacs)

Sr. No.		Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
	Indebtedness at the beginning of the financial year				
i	Principal Amount	0	3526	0	3526
ii	Interest due but not paid	0	0	0	0
iii	Interest accrued but not due	0	0	0	0
	Total (i+ii+iii)	0	3526	0	3526
	Change in Indebtedness during the financial year				
	- Addition	0	24624	0	24624
	- Reduction	0	-24951	0	-24951
	Net Change	0	-327	0	-327
	Indebtedness at the end of the financial year				
i	Principal Amount	0	3198	0	3198
ii	Interest due but not paid	0	0	0	0
iii	Interest accrued but not due	0	0	0	0
	Total (i+ii+iii)	0	3198	0	3198

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

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

B. Remuneration to other directors:

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

NED-NI-C: Non-Executive Director - Non Independent - Chairman
NED-NI: Non-Executive Director - Non Independent
NED-I: Non-Executive Director - Independent

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

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

For and on behalf of the Board of Directors

Raj K. Chandaria
Managing Director
DIN: 00037518

Anish K. Chandaria
Director
DIN: 00296538

Annexure B to the Directors Report

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

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

To,

The Members,
HINDUSTAN AEGIS LPG LTD.

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

Based on my verification of the **Hindustan Aegis LPG Ltd.** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2017, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- 1) The Companies Act, 2013 (the Act) and the rules made there under;
- 2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder are not applicable, as company being unlisted.
- 3) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder are not applicable, as company being unlisted.
- 4) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings are not applicable to the Company, for the year ended on 31st March, 2017.
- 5) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') are not applicable as company being unlisted.

- 6) Bombay Shops & Establishment Act, 1948
- 7) Customs Act, 1962
- 8) Central Excise Act, 1944
- 9) Maharashtra Value Added Tax, 2002
- 10) Income Tax Act, 1961
- 11) The Factories Act, 1948
- 12) The Petroleum Act, 1934
- 13) Explosives Act, 1884
- 14) The Indian Wireless Telegraphy Act, 1933
- 15) The Environment (Protection) Rules, 1986
- 16) The Electricity Act, 2003
- 17) Major Port Trust Act, 1963/Port servicing by other ports (minor port)
- 18) The Contract Labour (Regulation and Abolition) Act, 1970

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

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

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

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

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

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

- (i) Public/Right/Preferential Issue of Shares / Debentures/Sweat Equity, etc.
- (ii) Redemption / Buy-Back of Securities
- (iii) Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013
- (iv) Merger / Amalgamation / Reconstruction, etc.
- (v) Foreign technical collaborations

For P. Naithani & Associates
Company Secretaries

Prasen Naithani
FCS No.: 3830
CP No.: 3389

Place: Mumbai
Date: 30th May 2017

'Annexure - C' to the Directors Report

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

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

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

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

The Company's holding Company, Aegis Logistics Limited (Aegis), has been associated with the CSR activities since past 37 years, even before the CSR term was coined. The Aegis's earliest initiatives date back in the year 1979 with 5 villages and with the mission to eradicate poverty through an integrated rural development approach addressing the multifaceted complexity of rural development. The Aegis is a proud sponsor of ANARDE, a government accredited NGO which was established in 1979. ANARDE now operates exclusively in Gujarat & Maharashtra states of India, where through its network of regional centers and field workers, it is involved in several initiatives such as the management of village water resources, skills training, self-help groups, empowerment of women, and entrepreneurship development. ANARDE also works closely with banks to promote the financial inclusion of the rural population in the formal financial sector. In association with Habitat for humanity, the foundation is actively engaged in the provision of low cost housing and has so far assisted rural families in its initiative and also participated in Sanitation project and assisted 1390 rural families. ANARDE has been empanelled by Ministry of Drinking Water and Sanitation, Government of India for undertaking CSR project in the field of Rural Drinking Water and Sanitation. Acting through this foundation, Aegis has continued to work actively in area of rural development and poverty alleviation. The foundation has also focused on three key areas: provision of clean drinking water, ANARDE has also installed 36 units of Drinking Water Ultra Filtration Plants, low cost housing and assistance to tribal areas. In association with various government bodies, ANARDE has procured and distributed agricultural tools and implements, seeds and fertilizers and arranged various training programs and seminars in rural areas to update farmers for better yield. The Company has since this year focused to contribute to ANARDE towards CSR activities.

2. The CSR Committee of the company comprises of the following Members:
 1. Mr. Raj K Chandaria(Chairman)
 2. Mr. Kanwaljit S. Nagpal
3. The Average net profit of the Company for last three financial years: **Rs. 808.52 Lakhs**
4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above):

Prescribed CSR expenditure for FY 2016-17: **Rs. 16.17 Lakhs**

5. Details of CSR spent during the financial year :

- (a) Total amount spent for the financial year 2016-17: **Rs. 16.25 Lakhs**
- (b) Amount unspent, if any – Not Applicable
- (c) Manner in which the amount spent during the financial year is detailed below :

(Rs. in Lakhs)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No	CSR project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads : (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto to the reporting period.	Amount spent: Direct or through Implementing agency *
1	Water Management Development Prog.	Tribal / Rural Area of Gujarat & Maharashtra	We have implemented project in all Districts of Gujarat & Maharashtra	0	2.44	2.44	Amount spent through Anarde Foundation
2	Rural Housing & Sanitation Prog.			0	8.50	8.50	
3	Training of Rural Youth / Women / farmers			0	1.50	1.50	
4	Rural Insurance Project			0	0.81	0.81	
5	Salary			0	3.00	3.00	
			Total	0	16.25	16.25	

6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report – Not Applicable
7. CSR Committee, in it's Responsibility Statement has mentioned that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

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

Kanwaljit S. Nagpal
Director
DIN:00012201

Place: Mumbai
Date: 30th May, 2017

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF HINDUSTAN AEGIS LPG LIMITED
Report on the Financial Statements**

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

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

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

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

Opinion

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, based on our audit we report, to the extent applicable that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards prescribed under section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position
 - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses under the applicable law or accounting standards;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

- iv. The Company has provided requisite disclosures in the financial statements as regards its holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8th November, 2016 of the Ministry of Finance, during the period from 8th November 2016 to 30th December 2016. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the books of account maintained by the Company. Refer note 29 to the financial statements.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

A. Siddharth
Partner
(Membership No. 31467)

MUMBAI, 30th May, 2017

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1 (f) under ‘Report on Other Legal and Regulatory Requirements’ of our report of even date)

Report on the Internal Financial Controls 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 controls over financial reporting of Hindustan Aegis LPG Limited (“the Company”) as of 31st March, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, 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 was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

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 and such internal financial controls over financial reporting were operating effectively as at 31st March, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

A. Siddharth
Partner
(Membership No. 31467)

MUMBAI, 30th May, 2017

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ of our report of even date)

1.
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us in respect of immovable properties of land that have been taken on lease and disclosed as fixed asset in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.
2. The Company does not have any inventory and hence reporting under clause (ii) of the Order is not applicable.
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 Companies Act, 2013.
4. The Company has not granted any loans, made investments or provide guarantees and hence reporting under clause (iv) of the Order is not applicable.
5. According to the information and explanations given to us, the Company has not accepted any deposit during the year.
6. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013.
7. According to the information and explanations given to us, in respect of statutory dues:
 - (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees’ State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues applicable to it to the appropriate authorities. There were no undisputed amounts payable in respect of aforesaid statutory dues in arrears as at 31st March, 2017 for a period of more than six months from the date they became payable.
 - (b) There are no dues of Income Tax, Service Tax, Service Tax, Customs Duty, Excise Duty and Value Added Tax as on 31st March, 2017 on account of disputes.
8. The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause (viii) of the Order is not applicable to the Company.
9. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the CARO 2016 Order is not applicable.
10. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.

11. In our opinion and according to the information and explanations given to us, the Company has not paid / provided managerial remuneration during the year.
12. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
13. In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
14. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company.
15. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

A. Siddharth
Partner
(Membership No. 31467)

MUMBAI, 30th May, 2017

HINDUSTAN AEGIS LPG LIMITED
BALANCE SHEET AS AT 31st March, 2017

Particulars	Note No.	31st March,2017	31st March,2016
		Rupees in lacs	Rupees in lacs
<u>I. EQUITY AND LIABILITIES</u>			
(1) SHAREHOLDERS' FUNDS			
(a) Share Capital	2	3,997.80	3,997.80
(b) Reserves & surplus	3	(4,892.71)	(4,846.40)
		(894.91)	(848.60)
(2) NON-CURRENT LIABILITIES			
(a) Long-term borrowings	4	3,198.38	3,525.59
(B) Long-term provisions	5	2.86	-
		3,201.24	3,525.59
(3) CURRENT LIABILITIES			
(a) Trade payables :	6		
- Total outstanding dues to Micro and small enterprises		-	-
- Total outstanding dues to other than Micro and small enterprises		101.43	4,182.67
(b) Other current liabilities	7	10,996.92	1.78
(c) Short-term provisions	8	0.14	132.73
		11,098.49	4,317.18
TOTAL		13,404.82	6,994.17
<u>II. ASSETS</u>			
(1) NON-CURRENT ASSETS			
(a) Fixed assets			
i) Tangible assets (Property, Plant & Equipment)	9	658.81	0.13
ii) Capital work-in-progress	9	11,646.87	-
		12,305.68	0.13
(b) Long-term loans and advances	10	640.78	1,495.14
		12,946.46	1,495.27
(2) CURRENT ASSETS			
(a) Trade receivables	11	416.64	5,105.21
(b) Cash and Cash equivalents	12	41.72	135.21
(c) Other Current assets	13	-	258.48
		458.36	5,498.90
TOTAL		13,404.82	6,994.17

See accompanying notes to the financial statements

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

A. Siddharth
Mumbai,
Dated : 30th May, 2017

For and on behalf of the Board of Directors

Raj K. Chandaria
Director
DIN:00037518

Kanwaljit S. Nagpal
Director
DIN:00012201

Rajesh A Solanki
Company Secretary

Samya Bandopadhyay
Chief Financial Officer

HINDUSTAN AEGIS LPG LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st March, 2017

Particulars	Note No.	Current Year Rupees in lacs	Previous Year Rupees in lacs
I. Revenue from operations	14	4,282.71	1,21,558.95
II. Other income	15	8.27	80.95
III. Total Revenue (I + II)		<u>4,290.98</u>	<u>1,21,639.90</u>
IV. Expenses:			
Purchases of Stock-in-Trade	16	4,264.12	1,20,302.27
Employee benefits expense	17	14.60	10.16
Finance costs	18	22.82	44.09
Depreciation	19	2.21	-
Other expenses	20	51.91	71.93
Total expenses		<u>4,355.66</u>	<u>1,20,428.45</u>
V. Profit before tax (III-IV)		(64.68)	1,211.45
VI. Tax expense:			
(1) Current tax			
- For the year		-	256.65
- For earlier year		(18.37)	45.95
(2) M.A.T. Credit Entitlement		-	(229.50)
		<u>(18.37)</u>	<u>73.10</u>
VII. Profit for the year (V-VI)		<u>(46.31)</u>	<u>1,138.35</u>
VIII. Earnings per equity share in Rupees (Face Value of Rs. 10/-each) Basic and Diluted (Rs.)	21	(4.74)	116.40

See accompanying notes to the financial statements

In terms of our report attached

**For Deloitte Haskins & Sells LLP
Chartered Accountants**

**A. Siddharth
Mumbai,
Dated : 30th May, 2017**

For and on behalf of the Board of Directors

**Raj K. Chandaria
Director
DIN:00037518**

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

**Rajesh A Solanki
Company Secretary**

**Samya Bandopadhyay
Chief Financial
Officer**

HINDUSTAN AEGIS LPG LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March, 2017

	Current Year Rupees in lacs	Previous Year Rupees in lacs
A. Cash Flow from Operating Activities:		
Profit Before Tax	(64.68)	1,211.45
Adjustments for:		
Depreciation	2.21	-
Interest Expenses	22.82	44.09
Interest Income	(8.27)	(73.96)
	16.76	(29.87)
Operating Profit Before Working Capital Changes in:	(47.92)	1,181.58
Decrease in Trade receivables and Loans and Advances	4,688.57	5,761.98
(Increase) in Long term Loans and Advances	(10.62)	-
(Decrease) in Trade and Other payables	(4,076.70)	(6,812.91)
Increase/(Decrease) in Provisions	(262.46)	(1.69)
	338.79	(1,052.62)
Cash Flow from Operations	290.87	128.96
Direct Taxes Refund / (Paid)	1,486.34	(136.67)
Net Cash generated from / (used in) Operating Activities - A	1,777.21	(7.71)
B. Cash Flow from Investing Activities:		
Purchase of Fixed Assets	(1,528.94)	-
Deposit with Banks	90.67	(67.31)
Interest Received	8.27	9.34
Net Cash (used in) Investing Activities - B	(1,430.00)	(57.97)
C. Cash Flow from Financing Activities:		
Increase in Long Term Borrowings	(327.21)	107.55
Interest and Finance Charges paid	(22.82)	(44.09)
Net Cash (used in)/ generated from Financing Activities - C	(350.03)	63.46
Net (Decrease) in Cash and Cash Equivalents - A+B+C	(2.82)	(2.22)
Cash and Cash Equivalents as at the end of the year:		
- Cash & Balances in Current Accounts with Banks	9.50	12.32
	9.50	12.32
Less: Cash and Cash Equivalents as at the beginning of the year	12.32	14.54

HINDUSTAN AEGIS LPG LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March, 2017

	Current Year Rupees in lacs	Previous Year Rupees in lacs
Net (Decrease) in Cash and Cash Equivalents	(2.82)	(2.22)
Reconciliation of Cash and cash equivalents with the Balance Sheet:		
Cash and cash equivalents as per Balance Sheet (Refer Note 12)	41.72	135.21
Less: Bank balances not considered as Cash and cash equivalents as defined in AS 3 Cash Flow Statements	(32.22)	(122.89)
Cash and cash equivalents at the end of the year	9.50	12.32

Notes: (1) Cash and Cash Equivalents do not include Fixed Deposits with Banks kept as Margin Money and as Escrow Account.

(2) Figures in bracket denote outflow of cash.

(3) The above Cash Flow Statement has been prepared under the "Indirect Method" set out in Accounting Standard (AS - 3) "Cash Flow Statements".

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

A. Siddharth
Mumbai,
Dated : 30th May, 2017

For and on behalf of the Board of Directors

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

Rajesh A Solanki Samya Bandopadhyay
Company Secretary Chief Financial Officer

HINDUSTAN AEGIS LPG LIMITED

Notes to the financial statements for the year ended 31st March, 2017

1A Corporate information

Hindustan Aegis LPG Limited ("the Company") incorporated in 1994 and it is a wholly owned subsidiary of Aegis Gas LPG Private Limited. It trades in Liquefied Petroleum Gas (LPG) i.e. buying and selling LPG and terminal and storage services of LPG.

1B Significant Accounting Policies

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act"). The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has determined its operating cycle as twelve months for the purpose of current - non current classification of assets and liabilities.

1.2 USE OF ESTIMATES

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Differences between the actual results and estimates are recognized in the period in which the results are known / materialize.

1.3 TANGIBLE FIXED ASSETS (PROPERTY, PLANT AND EQUIPMENT)

Tangible Fixed Assets are carried at cost of acquisition or construction less depreciation and stated at historical costs.

1.4 IMPAIRMENT OF ASSETS

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

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

1.5 DEPRECIATION ON FIXED ASSETS

Depreciation on Tangible Fixed Assets is provided on original cost of Fixed Assets on straight line method at the rates and in the manner prescribed in Schedule II to the Companies Act, 2013 or the rates determined based on the useful lives of the assets as estimated by the management, whichever are higher.

Depreciation on additions to fixed assets during the year is provided on prorata basis from the date of such additions. Depreciation on assets sold, discarded or demolished is provided on pro-rata basis.

Lease hold Land has been amortized over the primary period of the lease on straight line basis.

1.6 INVESTMENTS

Current Investments are carried at lower of cost and fair value, computed category wise.

1.7 INVENTORIES

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

Notes to the financial statements for the year ended 31st March, 2017

1.8 REVENUE RECOGNITION

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

1.9 DIVIDEND AND INTEREST INCOME

Interest Income is recognized on time proportion basis taking into account the amount outstanding and the applicable interest rates. Dividend income is recognized when the right to receive the dividend is established.

1.10 EMPLOYEE BENEFITS

Employee benefits include salary, wages, performance bonus, employee state insurance, and contribution to provident fund, family pension fund, superannuation fund, gratuity and compensated absences to eligible employees.

Short term employee benefits like salary, wages, performance bonus etc. are recognized and charged to Statement of Profit and Loss when the employee renders the services.

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

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

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

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

1.11 FOREIGN CURRENCY TRANSACTIONS

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction. Monetary items denominated in foreign currencies are restated at the exchange rate prevailing on the balance sheet date. Exchange differences arising on settlement of the transaction and on account of restatement of monetary items are dealt with in the Statement of Profit and Loss.

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

Gains/Losses on settlement of transactions arising on cancellation/renewal of forward exchange contracts are recognized as income or expense.

Notes to the financial statements for the year ended 31st March, 2017

1.12 OPERATING LEASE RENTALS

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

1.13 BORROWING COST

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

1.14 TAXES ON INCOME

Income Taxes are accounted for in accordance with Accounting Standard (AS 22) – Accounting for Taxes on Income. Income Tax comprises both current and deferred tax.

Current tax is measured at the amount expected to be paid to the revenue authorities, using applicable tax rates and laws.

The tax effect of the timing differences that result between taxable income and accounting income and are capable of reversal in one or more subsequent periods are recorded as a deferred tax asset or deferred tax liability. They are measured using the substantively enacted tax rates and tax regulations as of the Balance Sheet date.

Deferred tax assets on unabsorbed depreciation and carry forward of losses are recognized only to the extent there is a virtual certainty of its realization.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognized as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

1.15 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes.

Contingent Assets are neither recognized nor disclosed in the financial statements.

1.16 CASH FLOW STATEMENT

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

HINDUSTAN AEGIS LPG LIMITED

Notes to the financial statements for the year ended 31st March, 2017

31st March,2017 31st March,2017 31st March,2016 31st March,2016

	Numbers	Rupees in lacs	Numbers	Rupees in lacs
2 Share capital:				
2.1 Authorized:				
Equity Shares of Rs.10 each	50,00,000	500.00	50,00,000	500.00
8% Non-Cumulative Redeemable Preference Shares of Rs. 100 each	45,00,000	4,500.00	45,00,000	4,500.00
TOTAL		<u>5,000.00</u>		<u>5,000.00</u>
2.2 Issued, Subscribed and Fully Paid-up:				
Equity Shares of Rs.10 each	9,78,000	97.80	9,78,000	97.80
A	<u>9,78,000</u>	<u>97.80</u>	<u>9,78,000</u>	<u>97.80</u>
8% Non-Cumulative Redeemable Preference Shares of Rs. 100 each	39,00,000	3,900.00	39,00,000	3,900.00
B	<u>39,00,000</u>	<u>3,900.00</u>	<u>39,00,000</u>	<u>3,900.00</u>
TOTAL (A + B)		<u>3,997.80</u>		<u>3,997.80</u>

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

	Number of Shares Current Year	Share Capital Rupees in lacs Current Year	Number of Shares Previous Year	Share Capital Rupees in lacs Previous Year
Equity Shares				
Shares Outstanding as at the beginning of the year	9,78,000	97.80	9,78,000	97.80
Shares Outstanding as at the end of the year	<u>9,78,000</u>	<u>97.80</u>	<u>9,78,000</u>	<u>97.80</u>
Preference Shares				
Shares Outstanding as at the beginning of the year	39,00,000	3,900	39,00,000	3,900
Shares Outstanding as at the end of the year	<u>39,00,000</u>	<u>3,900</u>	<u>39,00,000</u>	<u>3,900</u>

2.4 Rights, Preferences and Restrictions attached to Equity Shares:

- Right to receive dividend as may be approved by the Board of Directors / Annual General Meeting.
- The Equity Shares are not repayable except in the case of a buyback, reduction of capital or winding up in terms of the provisions of the Companies Act, 2013.
- Every member of the company holding equity shares has a right to attend the General Meeting of the company and has a right to speak and on a show of hands, has one vote if he is present in person and on a poll shall have the right to vote in proportion to his share in the paid-up capital of the company.

2.5 Rights, Preferences and Restrictions attached to Preference Shares:

- Preference Shares are non-cumulative and are to be redeemed within a period of twenty years from the date of issue i.e. in respect of 29,00,000 shares on or before 28th March, 2032 and in respect of 10,00,000 shares on or before 25th June 2032
- With respect to dividend, Preference Shares carry a preferential right over Equity Shares to be paid a fixed amount of dividend at a coupon rate of 8%.
- Every preference share holder has a right to attend the General Meeting and to vote only on resolutions placed before the company which directly affect the rights attached to his preference shares.
- In the event of liquidation of the company before the redemption of Preference Shares, the holders of the Preference Shares will have a priority over equity shares in the payment of dividend and repayment of capital.

HINDUSTAN AEGIS LPG LIMITED

Notes to the financial statements for the year ended 31st March, 2017

2.6 Shares held by Holding Company and Ultimate Holding Company

Entire Equity Share Capital is held by Aegis Gas LPG Private Limited, the Holding Company and its nominees.
Entire Preference Share Capital is held by Aegis Logistics Limited, the ultimate Holding Company.

2.7 List of shareholders who hold more than 5% of shares in the company:

Name of the shareholder	As at 31st March, 2017		As at 31st March, 2016	
	Numbers	%		%
Equity Shares:				
Aegis Gas LPG Private Limited and its nominees	9,78,000	100%	9,78,000	100%
	9,78,000	100%	9,78,000	100%
Preference Shares:				
Aegis Logistics Limited	39,00,000	100%	39,00,000	100%
	39,00,000	100%	39,00,000	100%

2.8 Particulars of movements in equity shares for the period of five years immediately preceding the Balance Sheet date are as under:

	As at 31st March, 2017	As at 31st March, 2016
Aggregate number of equity shares bought back	-	2,22,001

HINDUSTAN AEGIS LPG LIMITED**Notes to the financial statements for the year ended 31st March, 2017**

	31st March,2017	31st March,2016
	Rupees in lacs	Rupees in lacs
3 Reserves and surplus:		
3.1 Capital Redemption Reserve		
Opening Balance	422.20	422.20
Closing Balance	<u>422.20</u>	<u>422.20</u>
3.2 General Reserve		
Opening Balance	114.38	114.38
Closing Balance	<u>114.38</u>	<u>114.38</u>
3.3 Balance in Statement of Profit and Loss		
Opening Balance - Deficit	(5,382.98)	(6,521.33)
Add: Profit/(loss) for the year	(46.31)	1,138.35
Closing Balance	<u>(5,429.29)</u>	<u>(5,382.98)</u>
	<u>(4,892.71)</u>	<u>(4,846.40)</u>

HINDUSTAN AEGIS LPG LIMITED

Notes to the financial statements for the year ended 31st March, 2017

	31st March,2017	31st March,2016
	Rupees in lacs	Rupees in lacs
4 Long-term Borrowings: (From Related Parties)		
Loan from Ultimate Holding Company (Unsecured - Refer Note 25)	3,198.38	3,525.59
(Interest free loan repayable after 6 years from the date of disbursement i.e. July 30, 2012)		
	3,198.38	3,525.59
	3,198.38	3,525.59
5 Long-term provisions:		
Provision for Compensated Absences	1.29	-
Provision for Gratuity	1.57	-
	2.86	-
	2.86	-
6 Trade payables		
There are no Micro, Small and Medium Enterprises, as defined in the Micro, Small, Medium Enterprises Development Act, 2006, to whom the Company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made.		
The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the information available with the Company.		
7 Other current liabilities:		
Statutory Dues	6.32	1.78
Amounts Payable under Capital Contracts **	10,990.60	-
	10,996.92	1.78
	10,996.92	1.78
** Due to Aegis Logistics Limited, an ultimate holding co (Refer Note no. 25)	10,791.23	-
8 Short-term provisions:		
Provision for Compensated Absences	0.14	-
Provision for Tax (Net of Advance Tax)	-	132.73
	0.14	132.73
	0.14	132.73

HINDUSTAN AEGIS LPG LIMITED

Notes to the financial statements for the year ended 31st March, 2017

9 Fixed Assets

Rupees in lacs

	Gross Block (At cost)			As at 31st March, 2017	Accumulated Depreciation			Net Block		
	As at 1st April, 2016	Additions	Deletions		As at 1st April, 2016	For the year	On Disposals	As at 31st March, 2017	As at 31st March, 2017	As At 31st March, 2016
<u>Tangible Assets (Property, Plant & Equipment):</u>										
Land - Leasehold	- (-)	660.89 (-)	- (-)	660.89 (-)		2.21 (-)	- (-)	2.21 (-)	658.68	-
Vehicles	2.59 (2.59)	- -	- -	2.59 (2.59)	2.46 (2.46)	- (-)	- (-)	2.46 (2.46)	0.13	0.13
TOTAL	2.59 (2.59)	660.89 (-)	- (-)	663.48 (2.59)	2.46 (2.46)	2.21 (-)	- (-)	4.67 (2.46)	658.81	0.13
Capital Work-in-Progress*									11,646.87	-
									12,305.68	0.13

* Additions to capital work in progress include amount aggregating Rs. 10,771 Lacs (Previous Year Rs. Nil) purchased from the Ultimate Holding Company in respect of Haldia project.

(Figures in brackets represent those of the previous year)

HINDUSTAN AEGIS LPG LIMITED

Notes to the financial statements for the year ended 31st March, 2017

	31st March, 2017	31st March, 2016
	Rupees in lacs	Rupees in lacs
10 Long-term loans and advances: (Unsecured and considered good)		
Deposits with Government Authorities	0.63	5.38
Capital advances	211.78	-
Cenvat Credit and Service tax Setoff (net)	15.37	-
Advance Tax (Net of Provision for Tax)	0.25	1,077.01
MAT Credit Entitlement	412.75	412.75
	640.78	1,495.14
11 Trade receivables (Unsecured considered good)		
Outstanding for a period exceeding six months from the date they are due for payment:	416.64	352.35
Others	-	4,752.86
	416.64	5,105.21
12 Cash and Cash equivalents:		
Balances with banks		
- (i) In current accounts	9.50	12.32
- (ii) In deposit accounts (Refer Note below)	32.22	122.89
	41.72	135.21
- Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 Cash Flow statement are	9.50	12.32
- Deposits placed with the bank as security against borrowings / Currency Futures	32.22	122.89
13 Other current assets (Unsecured and considered good)		
Interest Accrued on		
- Income Tax Refund Due	-	258.48
	-	258.48

HINDUSTAN AEGIS LPG LIMITED

Notes to the financial statements for the year ended 31st March, 2017

	Current Year	Previous Year
	Rupees in lacs	Rupees in lacs
14 Revenue from operations		
Sales - Traded Goods		
- Liquefied Petroleum Gas	4,282.71	1,20,758.75
Other Operating Revenue	-	800.20
Total	4,282.71	1,21,558.95
15 Other income:		
Interest on fixed deposits with banks	2.89	9.34
Interest on Income Tax Refund	5.38	64.62
Miscellaneous income	-	6.99
Total	8.27	80.95
16 Purchases of Stock-in-Trade		
Liquefied Petroleum Gas	4,264.12	1,20,302.27
Total	4,264.12	1,20,302.27
17 Employee benefits expense:		
Salaries and Wages	13.24	9.30
Contribution to Provident and Other Funds	0.94	0.72
Staff Welfare Expenses	0.42	0.14
Total	14.60	10.16
18 Finance costs:		
Interest on delayed payment of tax	13.70	1.97
Other borrowing costs	9.12	42.12
Total	22.82	44.09
19 Depreciation and amortization expense:		
Depreciation on Tangible Assets	2.21	-
Total	2.21	-
20 Other expenses		
Rates and Taxes (including Wealth Tax)	0.97	1.28
Insurance	0.02	0.03
Legal and Professional charges	30.21	33.35
Printing and Stationery	0.09	0.07
Communication Expenses	0.79	0.70
Travelling, Conveyance and Vehicle Expenses	0.24	0.35
Amortization of Premium on Forward and Currency Option Contracts	3.34	35.63
Donations (Refer note below)	16.25	-
Miscellaneous Expenses	-	0.52
Total	51.91	71.93

Note :

Expenditure towards Corporate Social Responsibility as per Section 135 of the Companies Act, 2013 (read with schedule VII) thereof:

a) Gross amount required to be spent by the Company during the year - Rs. 16.25 lacs (previous year Rs. Nil)

b) Amount spent and paid during the year by way of donations to charitable trusts - Rs. 16.25 lacs (previous year Rs. Nil)

HINDUSTAN AEGIS LPG LIMITED**Notes to the financial statements for the year ended 31st March, 2017**

	Current Year	Previous Year
	Rupees in lacs	Rupees in lacs
21 Earnings per share:		
The Numerators and denominators used to calculate Earnings per Share:		
Particulars		
Nominal Value of Equity Share (Rs.)	10/-	10/-
Net Profit available for equity shareholders (Rs. In lacs) - (A)	(46.31)	1,138.35
Weighted Average number of shares outstanding during the year - (B)	9,78,000	9,78,000
Basic and Diluted Earnings Per Share (Rs.) - (A) / (B)	(4.74)	116.40

HINDUSTAN AEGIS LPG LIMITED

Notes to the financial statements for the year ended 31st March, 2017

	Current Year Rupees in lacs	Previous Year Rupees in lacs
22		
Payments to Auditors for the year*		
(a) As Auditors	5.50	5.50
(b) For Tax Audit	1.00	1.00
(c) For Other services - Limited Review, Certification Work and Taxation matters	4.00	3.30
(d) Service Tax on above	1.58	1.42
	12.08	11.22
23		
Contingent liabilities and commitments		
a) Estimated amount of contracts remaining to be executed on Capital Account and not provided for (Net of Advances)	10,112.52	-
	10,112.52	-
24		
Segment Reporting - Basis of preparation		
(i) Segment information for Primary reporting (by business segment)		
The Company has only one reportable business segment i.e. trading, storage and distribution of petroleum products viz. LPG. Hence information for primary business segment is not given. Since the Company does not have more than one business segment, no separate disclosure for segment information is required to be made as per Accounting Standard (AS -17) "Segment Reporting".		
(ii) Segment information for Secondary segment reporting (by geographical segment)		
There is no reportable secondary segment.		

HINDUSTAN AEGIS LPG LIMITED

Notes to the financial statements for the year ended 31st March, 2017

25 Related Party Disclosures

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

(a) List of related parties and relationships:

Sr. No.	Name of the Related Party	Relationship
1	Aegis Logistics Limited	Ultimate Holding Company
2	Aegis Gas (LPG) Private Limited	Holding Company
3	Aegis Group International Pte Limited	Fellow Subsidiary Company

(b) Transactions during the year with related parties:

(Rs. in lacs)					
Sr. No.	Nature of transaction	Ultimate Holding Company ALL	Holding Company AGPL	Fellow Subsidiary Company AGIL	Total
(i)	Loan Taken	3,091.00 (6,732.13)	- (-)	- (-)	3,091.00 (6,732.13)
(ii)	Loan Repaid	3,418.21 (6,624.58)	- -	- -	3,418.21 (6,624.58)
(iii)	a) Purchase of Trading Goods	- -	- -	4,264.12 (1,08,028.14)	4,264.12 (1,08,028.14)
	b) Purchase of Haldia Project Assets	10,791.23 (-)	- (-)	- (-)	10,791.23 (-)
(iv)	Preference Shares held	3,900.00 (3,900.00)	- (-)	- (-)	3,900.00 (3,900.00)
(v)	Balance as at the year-end				
	- Amount Payable	13,989.61 (3,525.59)	- (-)	93.65 (4,174.71)	14,083.26 (7,700.30)
	- Guarantees given to Banks and Suppliers on behalf of the Company	- (13,500.00)	- (-)	- (-)	- (13,500.00)

Notes:

1 The ultimate holding company has given guarantees to Banks on behalf of the Company against repayment of working capital facilities advanced from time to time to the extent of Rs. Nil (previous year, Rs. 13,500 lacs). The amount of such facilities availed against guarantee through bank guarantee/ borrowings as at year end is Rs. Nil (previous year Rs. 240 lacs)

2 Figures in brackets represent previous year's amounts.

HINDUSTAN AEGIS LPG LIMITED

Notes to the financial statements for the year ended 31st March, 2017

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

Particulars	Current Year	Previous Year
Components of employer expense		
Current service cost	0.36	-
Interest cost	0.29	-
Expected return on plan assets	(0.35)	-
Actuarial losses / (gains)	1.30	-
Total expense recognized in the Statement of Profit and Loss	1.60	-
Actual contribution and benefit payments for year		
Actual contributions	0.02	-
Net asset / (liability) recognized in the Balance Sheet		
Present value of defined benefit obligation	4.52	-
Fair value of plan assets	2.95	-
Net asset / (liability) recognized in the Balance Sheet	(1.57)	-
Change in defined benefit obligations (DBO) during the year		
Present value of DBO at beginning of the year		-
Current service cost	0.36	-
Interest cost	0.29	-
Benefit Paid	(0.44)	-
Actuarial (gains) / losses	1.47	-
Liability assumed on acquisition	2.85	-
Present value of DBO at the end of the year	4.52	-
Change in fair value of assets during the year		
Plan assets at beginning of the year	-	-
Expected return on plan assets	0.35	-
Actual company contributions	0.02	-
Benefit Paid	(0.44)	-
Actuarial gain / (loss) on Plan Assets	0.17	-
Assets Acquired on Acquisition	2.85	-
Plan assets at the end of the year	2.95	-
Actual return on plan assets	0.52	-

HINDUSTAN AEGIS LPG LIMITED

Notes to the financial statements for the year ended 31st March, 2017

Experience adjustments

Gratuity	2016-17	2015-16	2014-15	2013-14	2012-13
Present value of DBO	4.52	-	-	3.67	3.22
Fair value of plan assets	2.95	-	4.26	3.79	3.39
Funded status [Surplus / (Deficit)]	(1.57)	-	4.26	0.12	0.17
Experience gain / (loss) adjustments on plan liabilities	-	-	0.10	(0.02)	(0.10)
Experience gain / (loss) adjustments on plan assets	-	-	(0.04)	-	-

	Current Year	Previous Year
Actuarial assumptions for long-term compensated absences		
Discount rate	6.80%	NA
Salary escalation	5%	NA

Notes:

- (i) The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations.
- (ii) The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.
- (iii) In absence of specific details of plan assets from LIC, the details of plan assets have not been furnished.
- (iv) In absence of specific details of the Company's best estimate of contributions expected to be paid to the plan during the annual period beginning after 31st March, 2017, the same has not been furnished.
- (v) Employee Benefits Expenses Include:
 - a) Contribution to Provident Fund Rs. 0.38 lacs (*Previous Year Rs. 0.30 lacs*).

HINDUSTAN AEGIS LPG LIMITED

Notes to the financial statements for the year ended 31st March, 2017

Current Year Previous Year
Rupees in lacs Rupees in lacs

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

Trading Goods - Liquefied Petroleum Gas	4,264.12	1,20,302.27
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28 **Derivative Financial Instruments:**

The Company has entered into the following derivative instruments:

The Company uses derivative instruments to hedge its risks associated with foreign currency fluctuations. The use of derivative instruments is governed by the Company's strategy approved by the Board of Directors, which provide principles on the use of such derivative instruments consistent with the Company's Risk Management Policy. The Company does not use derivative instruments for speculative purposes.

Outstanding Short Term Derivative Contracts entered into by the Company on account of payables:

As at	US Dollar Equivalent (in lacs)	INR Equivalent (in lacs)
31.03.2017	-	-
31.03.2016	5.06	335.28
Unhedged amount in respect of above		
31.03.2017	-	-
31.03.2016	0.23	15.24

29 Details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016. Rupees in lacs

Particulars	SBNs	Other Denomination Notes	Total
Closing cash in hand as on 08.11.2016	0.11	0.00	0.11
(+) Permitted receipts	-	2.00	2.00
(-) Permitted payments	-	(0.01)	(0.01)
(-) Amount deposited in Banks	(0.11)	-	(0.11)
Closing cash in hand as on 30.12.2016	-	1.99	1.99

30 Previous year's figures are regrouped / reclassified wherever necessary to correspond to the current year's classification / disclosure.

For and on behalf of the Board of Directors

Raj K. Chandaria
Director
DIN:00037518

Kanwaljit S. Nagpal
Director
DIN:00012201

Rajesh A Solanki
Company Secretary

Samya Bandopadhyay
Chief Financial Officer