HINDUSTAN AEGIS LPG LIMITED

25th ANNUAL REPORT 2018-19

HINDUSTAN AEGIS LPG LIMITED

Board of Directors

Managing Director

Raj K. Chandaria

Directors

Anish K. Chandaria
Kanwaljit S. Nagpal
Jaideep D. Khimasia
Tomoyuki Hiromatsu
Yoshito Yamazaki (Alternate Director to Tomoyuki Hiromatsu)

Chief Financial Officer

Samya Bandopadhyay

Company Secretary

Rajesh A Solanki

Auditors

Deloitte Haskins & Sells LLP
Chartered Accountants, Mumbai

Bankers

HDFC Bank Ltd.
AXIS Bank

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

Gas Terminal

Haldia Dock Complex, Mouza
Chiranjibpur, Dist. Purba Medinipur,
West Bengal

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 25th Annual Report and Audited Statement of Accounts of the Company for the year ended 31st March, 2019.

FINANCIAL RESULTS

(Rs. in Lakhs)

	2018-19	2017-18
Revenue from Operation	**13,785.78**	2,828.26
Profit before Finance cost and Depreciation and Tax	**11,641.87**	2,061.24
Finance Cost	**134.66**	346.85
Depreciation	**1,175.60**	549.66
Profit before tax	**10,331.61**	1,164.73
Provision for taxation – Current Tax for the year	**2,286.18**	288.65
– For earlier years	**56.88**	-
– Deferred Tax	**(1,839.28)**	(288.65)
Profit/(Loss) for the year	**9,827.83**	1,164.73
Retained Earnings:		
At the beginning of the year	**(4,976.67)**	(6,141.40)
Addition/(Reduction) during the year	**9,827.83**	1,164.73
At the end of the year	**4,851.16**	(4,976.67)

OPERATING PERFORMANCE

During the year under review, the operating revenue was Rs. 13,785.78 Lakhs (Previous Year Rs. 2,828.26 Lakhs). Profit for the year ended 31st March, 2019 was Rs. 9,827.83 Lakhs as compared to Rs. 1,164.73 Lakhs in previous year.

OUTLOOK FOR THE COMPANY

The throughput volumes are expected to remain strong during the next year.

DIVIDEND

The Directors do not recommend Dividend for the year.

FIXED DEPOSITS

Your Company has not accepted any fixed deposits and, as such, no amount of principal or interest was outstanding as of the Balance Sheet date.

CREDIT RATING

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

EQUITY SHARES

The Company has provided the facility to hold equity shares in demate form by the shareholders. The Company's ISIN No. is INE845W01014.

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, Mr. Masato Yoshida (Alternate Director to Mr. Tomoyuki Hiromatsu) (DIN: 07969523) has resigned on 5th October, 2018 and Mr. Yoshito Yamazaki (08262965) appointed as an Observer and Alternate Director to Mr. Tomoyuki Hiromatsu on 2nd November, 2018.

DISCLOSURE FROM INDEPENDENT DIRECTORS

There is no declaration is required for the company. The Company does not fall under the criteria for appointment of independent Directors. Hence there is no disclosure requirement.

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.

In accordance with the Companies (Amendment) Act, 2017, Ministry of Corporate as per the notification dated 7th May, 2018 have done away with the provision relating to ratification of statutory auditors by members at every annual general meeting.

The Board of Directors of the Company at its meeting held on 28th May, 2019 have re-appointed M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, Mumbai, (ICAI Firm Registration No. 117366W/ W-100018) 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, EXPORTS & FOREIGN EXCHANGE EARNINGS AND OUTGO

Details of energy conservation and research and development activities undertaken by the Company along with the information in accordance with the provisions of Section 134 of Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules, 2014, the extent as are applicable to the Company, are given in Annexure - 'A' to the Directors' Report.

PARTICULARS OF EMPLOYEES

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, 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 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 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.

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

As per the notification dated 5th July, 2017 issued by the Ministry of Corporate Affairs, the Company is exempted to have the Audit committee.

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

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

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

As per the notification dated 5th July, 2017 issued by the Ministry of Corporate Affairs, the Company is not required to constitute/ continue the Nomination and Remuneration Committee.

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 relate 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. 30th May, 2018
2. 8th August, 2018
3. 5th November, 2018
4. 31st January, 2019

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

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.

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, 2019 forms part of this Report and is annexed herewith as **Annexure - 'D'.**

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.

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

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

During the year ended 31st March 2019, there were nil complaints recorded pertaining to sexual harassment

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	**Jaideep D. Khimasia** Director
DIN: 00037518	DIN: 07744224

Place: Mumbai
Dated: 28th May, 2019

“Annexure- A” to the Directors Report

(Information under section 134 of Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules, 2014 and forming part of the Directors’ Report for the year ended 31st March, 2019)

(A) Conservation of Energy

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

The company has taken the following measures for energy conservation at the factories;

1.) In-tank Pump installed with VFD system resulting in saving of Power consumption.
2.) Series arrangement of cooling water system from Heater to Condenser saving running of cooling water pump which leads to reduction in power consumption.
3.) Ship unloading booster pump to reduce the heat load of tank while receipt of product from Jetty resulting in saving of compressor running which leads to reduction in power consumption.
4.) Condensate pump to reduce the compressor discharge pressure resulting in low energy consumption by the Gas compressor which leads to reduction in power consumption.
5.) VFD installed for Condensate pumps and Mounded vessel pumps resulting in saving of Power consumption.

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

The company is preparing to undertake study on the use of Alternate Green Fuel Energy wherever possible like Solar or Wind power.

(iii) The capital investment on energy conservation equipment:

1.) The Cost of Ship Unloading Booster Pumps Rupees 20 Lakhs for two pumps.
2.) The Cost of Condensate Pump Rupees 10 Lakhs for three pumps
3.) The cost of VFD system is about 50 Lakhs.

(B) Technology Absorption

(i) The efforts made towards technology absorption;

The Company is taking various measures towards technology upgradation and innovation from time to time like Installation of Automatic Power Factor Correction Panel, Mass Flow meters, DCS and SCADA system for enhancement of safety of surrounding environment of exterior pipelines, VFD system etc.

(ii) the benefits derived like product improvement, cost reduction, product development or import substitution;

The Company has installed Static Mixer for LPG mix to generate desired mixing ratio and calorific value.

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

(*a*) the details of technology imported – Kanon make Twin loading Arm at both the jetties for simultaneous discharge of two products
(*b*) the year of import – September, 2017
(*c*) whether the technology been fully absorbed - Yes
(*d*) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof;

(iv) the expenditure incurred on Research and Development.

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

(C) Foreign Exchange Earnings and Outgo

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

Foreign Exchange earnings and outgo are provided in the notes forming parts of the Accounts.

For and on behalf of the Board

Raj K. Chandaria Managing Director DIN : 00037518	Jaideep D. Khimasia Director DIN : 07744224

Place : Mumbai
Dated : 28th May, 2019

"Annexure-B" to the Directors Report

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31/03/2019

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 Conectivity)** 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	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	98.53%

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	80.30%	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.	977940	60	978000	80.30	977940	60	978000	80.30	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)	977940	60	978000	80.30	977940	60	978000	80.30	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)	977940	60	978000	80.30	977940	60	978000	80.30	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	Foreig Institutional Investors	0	0	0	0.00	0	0	0	0.00	0.00
g	Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
h	Foreign Portfolio Corp.	0	0	0	0.00	0	0	0	0.00	0.00
i	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
	Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-total (B)(1)	0	0	0	0.00	0	0	0	0.00	0.00
2	**Non-Institutions**									
a	a) Bodies Corp.									
i	Indian	0	0	0	0.00	0	0	0	0.00	0.00
ii	Overseas	239933	0	239933	19.70	239933	0	239933	19.70	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
										0.00
	Sub-total (B)(2)	239933	0	239933	19.70	239933	0	239933	19.70	0.00
										0.00
	Total Public Shareholding (B)=(B)(1)+ (B)(2)	239933	0	239933	19.70	239933	0	239933	19.70	0.00
C.	**Shares held by Custodian for GDRs & ADRs**	0	0	0	0.00	0	0	0	0.00	0.00
										0.00
	Grand Total (A+B+C)	**1217873**	**60**	**1217933**	**100.00**	**1217873**	**60**	**1217933**	**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			
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	% change in shareholding during the year
1	Aegis Gas (LPG) Private Limited	978000	**80.30**	0.00	978000	**80.30**	0.00	0.00
	Total	978000	**80.30**	0.00	978000	**80.30**	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	01/04/2018	978000	80.30	978000	80.30
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons (*) for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)		-	-	-	-
	At the end of the year	31/03/2019	978000	**80.30**	978000	**80.30**

(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	
			Itochu Petroleum Co., (Singapore) Pte. Ltd.			
			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	239933	19.70	239933	19.70
	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	239933	19.70	239933	19.70

shares alloted on preferential basis

(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 Promoters shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)		-	-	-	-
	At the end of the year	31/03/2019	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	2033	0	2033
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**	**2033**	**0**	2033
	Change in Indebtedness during the financial year				
	· Addition	0	0	0	0
	· Reduction	0	2033	0	2033
	Net Change	0	**-2033**	0	-2033
	Indebtedness at the end of the financial year				
i	Principal Amount	0	**0.00**	0	0
ii	Interest due but not paid	0	0	0	0
iii	Interest accrued but not due	0	0	0	0
	Total (i+ii+iii)	**0**	**0.00**	**0**	0

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	0	0
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0	0
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0
(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0
2	Stock Option	0	0
3	Sweat Equity	0	0
4	Commission	0	0
	- as % of profit	0	0
5	Others, please specify	0	0
	Total (A)	0	0
	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	0	0

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors					
		Anish K. Chandaria	Jaideep D. Khimasia	Kanwaljit S. Nagpal	Tomoyuki Hiromatsu	Yoshito Yamazaki	Total
		NED-NI	NED-I	NED-I	NED-NI	NED-NI	
1	Independent Directors						
	Fee for attending board / committee meetings	0	0	0	0	0	0
	Commission	0	0	0	0	0	0
	Others, please specify	0	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	0
	Commission	0	0	0	0	0	0
	Others, please specify	0	0	0	0	0	0
	Total (2)	0	0	0	0	0	0
	Total Managerial Remuneration - Total (B) = (1) + (2)	0	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: Non-Executive Director - Non Independent
NED–I: Non-Executive Director - Independent

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

(Amt. in Rs.)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary	CFO	Total
		Rajesh A Solanki	SAMYA BANDOPADHYAY	
1	Gross salary			
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0	9,00,000	9,00,000
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0
(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission	0	0	0
	- as % of profit	0	0	0
5	Others, please specify	0	0	0
	Total (A)	0	9,00,000	9,00,000

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

Jaideep D. Khimasia
Director
DIN:07744224

'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's CSR activities pre-date the coinage of the phrase "Corporate Social Responsibility". 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 so doing 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 most 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 is a proud sponsor of ANARDE Foundation, which was established in 1979 and currently works in Gujarat and Maharashtra.

It has evolved over the years, implementing sustainable projects in the following areas:

1) Water : - Clean Drinking Water
   - Water Management (Drip Irrigation for Farming Crops)
   - Water Conservation (Checkdam and Pond deepening)

2) Low Cost Infrastructure : -
   - Sanitation (Individual & School) & STP (Sewage Treatment Plant) and Recycle water and Manure
   - Housing
   - Cattle shed

3) Skill Development :-
   - Women, Youth & Farmers for income generation/enhancement activities and credit worthiness with Linkages

In the FY 2018-19, over 92,252 lives have been impacted across Gujarat and Maharashtra.

Our focus is not just to ensure the above reaches out to the marginalized communities but also in conducting Behaviour Change Communication by IEC activity (Information Education & Counselling and Studying Social Impact Assessment (SIA) for the same). We intend to continue our support to Anarde Foundation's endeavour towards rural development.

2. The CSR Committee of the company comprises of the following Members:

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

3. The Average net profit of the Company for last three financial years: **Rs. 769 Lakhs**

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above):

Prescribed CSR expenditure for FY 2018-19: **Rs. 15.38 Lakhs**

5. Details of CSR spent during the financial year :

(a) Total amount spent for the financial year 2018-19: **Rs. 15.38 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.	Environment	Villages of Gujarat& Maharashtra	7.10	7.00	12.66	Amount spent through Anarde Foundation
2	Rural Housing & Sanitation Prog.	Rural Infrastructure		3.00	3.00	14.92	
3	Training of Rural Youth / Women / farmers	Skill development &Livelihood		3.20	3.00	8.16	
4	Rural Insurance Project	Rural development projects		0.50	-	3.00	
5	Financial Education Support	Eradication of Poverty		1.00	1.61	2.67	
6	Salary	Project Management		0.77	0.77	2.14	
			Total	**15.57**	**15.38**	**43.55**	

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

Jaideep D. Khimasia
Director
DIN: 07744224

Place: Mumbai
Date: 28th May, 2019

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019

[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, 2019, 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 for the financial year ended on 31st March, 2019, according to the provisions of:

1) The Companies Act, 2013 (the Act) and the rules made there under and any amendments made thereto;

2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder are not applicable, as company being unlisted.

3) Securities and Exchange Board Of India (Depositories and Participants) Regulations, 2018

4) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder.

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) Income Tax Act, 1961

9) The Factories Act, 1948

10) The Petroleum Act, 1934

11) Explosives Act, 1884

12) The Indian Wireless Telegraphy Act, 1933

13) The Environment (Protection) Rules, 1986

14) The Electricity Act, 2003

15) Major Port Trust Act, 1963/Port servicing by other ports (minor port)

16) The Contract Labour (Regulation and Abolition) Act, 1970

17) Goods and Service Tax Act, 2017

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 and Non-Executive directors during the period under review. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

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

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

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

(i) Public/Right/Preferential Issue of Shares / 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

Place Mumbai
Date: 27th May 2019

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

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF HINDUSTAN AEGIS LPG LIMITED

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of **Hindustan Aegis LPG Limited** (the "Company"), which comprise the Balance Sheet as at March 31, 2019, and the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (the "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 and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditors' Responsibility for the Audit of the 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 ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Information Other than the Financial Statements and Auditors' Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report but does not include the financial statements and our auditors' report thereon.

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

In connection with our audit of the 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 financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, 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.

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 Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity 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 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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.

Auditors' Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system 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 the 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 auditors' report to the related disclosures in the 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 auditors' 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the 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 those charged with governance regarding, 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 relating to preparation of the financial statements 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), the Statement of Cash Flows and Statement of Changes in Equity 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 Ind AS specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors of the Company and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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 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 the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the Company has not paid/ provided remuneration to its directors during the year.

(h) With respect to the other matters to be included in the Auditors' 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 as on 31st March, 2019 which would impact its financial position.

    ii. The Company did not have any long-term contracts including derivative contracts as on 31st March, 2019 for which there were any material foreseeable losses.

    iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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)

Sampada S Narvankar
Partner
(Membership No. 102911)

Place: Mumbai
Date: 28th May, 2019

Report on Internal Financial Controls Over Financial Reporting ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT
(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section 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 Act.

We have audited the internal financial controls over financial reporting of Hindustan Aegis LPG Limited (the "Company") as at March 31, 2019 in conjunction with our audit of the Ind AS 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 (the "Guidance Note"). 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note 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 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 auditors' 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 the 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 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.

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

Sampada S Narvankar
Partner
(Membership No. 102911)

Place: Mumbai
Date: 28th May, 2019

ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT

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

1.
   (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
   (b) The property, plant and equipment 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 property, plant and equipment 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 prepayments for leasehold land in the financial statements, the lease agreements/ deeds are in the name of the Company, where the Company is the lessee in the agreement.

2. As explained to us, the inventories were physically verified during the year by the management at reasonable intervals and no material discrepancies were noticed on physical verification.

3. The Company has not granted loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act.

4. The Company has not granted 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. According to the information and explanations given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunals in this regard in the case of the Company.

6. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Act for the business activities carried out by the Company. Thus reporting under (vi) of the Order is not applicable to the Company.

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, Goods and Service Tax, Customs Duty, 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, 2019 for a period of more than six months from the date they became payable.
   (b) There are no dues of Income Tax, Goods and Services Tax and Customs Duty, as on 31st March, 2019 on account of disputes.

8. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks. The Company has not

taken loans or borrowings from government and financial institutions and has not issued any debentures.

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 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 material 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 Act, 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 paragraph 3 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 Act are not applicable.

16. The Company is not required to be registered under Section 45IA of the Reserve Bank of India Act, 1934.

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

Sampada S Narvankar
Partner
(Membership No. 102911)

Place: Mumbai
Date: 28th May, 2019

HINDUSTAN AEGIS LPG LIMITED
(All amounts are in INR lakhs, unless stated otherwise)

Balance Sheet as at March 31, 2019

	Note	As at March 31, 2019	As at March 31, 2018
Assets			
Non current assets			
Property, plant and equipment	7	26,695.91	26,024.41
Financial assets- Others	8	51.15	32.87
Deferred tax assets (Net)	9	2,540.68	701.40
Currnet Tax assets (Net)	10	0.55	-
Other non current assets	11	2,827.43	3,021.23
Total non current assets		**32,115.72**	**29,779.91**
Current assets			
Inventories	12	141.96	389.85
Financial assets			
i. Trade receivables	13	1,886.56	1,001.74
ii. Cash and cash equivalents	14	29.41	167.07
iii. Bank balances other than (ii) above	15	-	140.17
iv. Other financial assets	16	132.88	228.51
Current tax assets (Net)	17	0.25	0.25
Other current assets	18	424.80	2,415.92
Total current assets		**2,615.86**	**4,343.51**
Total assets		**34,731.58**	**34,123.42**
Equity and liabilities			
Equity			
Equity share capital	19	121.79	121.79
Other equity	20	30,194.52	20,349.22
Total equity		**30,316.31**	**20,471.01**
Liabilities			
Non-current liabilities			
Provisions	21	3.83	3.30
Total non-current liabilities		**3.83**	**3.30**
Current liabilities			
Financial liabilities			
i. Borrowings	22	-	2,032.81
ii. Trade payables	23	380.71	219.27
iii. Other financial liabilities	24	3,634.88	11,098.76
Provisions	25	0.50	0.50
Current tax liabilities	26	382.29	229.01
Other current liabilities	27	13.06	68.76
Total current liabilities		**4,411.44**	**13,649.11**
Total liabilities		**4,415.27**	**13,652.41**
Total equity and liabilities		**34,731.58**	**34,123.42**

See accompanying notes to the financial statements

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

Sampada S Narvankar
Partner
Place: Mumbai
Date: 28th May 2019

For and on behalf of the Board of Directors

Raj K. Chandaria
Managing Director
DIN : 00037518

Jaideep D. Khimasia
Director
DIN : 07744224

Samya Bandopadhyay
Chief Financial Officer

Rajesh A. Solanki
Company Secretary

Place: Mumbai
Date: 28th May 2019

HINDUSTAN AEGIS LPG LIMITED
(All amounts are in INR lakhs except for earning per share information)

Statement of Profit and Loss for the year ended March 31, 2019

		Note	Year ended March 31, 2019	Year ended March 31, 2018
I	Revenue from operations	28	13,785.78	2,828.26
II	Other income	29	10.25	10.63
III	**Total income (I + II)**		**13,796.03**	**2,838.89**
IV	**Expenses**			
	Purchase of stock-in-trade	30	-	184.89
	Changes in inventories of stock-in-trade	31	184.89	(184.89)
	Employee benefits expenses	32	14.08	13.24
	Finance costs	33	134.66	346.85
	Depreciation	7	1,175.60	549.66
	Other expenses	34	1,955.19	764.41
	Total expenses		**3,464.42**	**1,674.16**
V	**Profit before tax (III- IV)**		**10,331.61**	**1,164.73**
VI	**Income tax expense**			
	Current tax - for the year	43	2,286.18	288.65
	- for earlier year		56.88	-
	Deferred tax	43	(1,839.28)	(288.65)
	Total tax expense		**503.78**	**-**
VII	**Profit for the year (V- VI)**		**9,827.83**	**1,164.73**
VIII	**Other comprehensive income**			
	(i) Items that will not be reclassified to profit or loss			
	Remeasurement of defined benefit obligations		(0.03)	(0.44)
	Total other comprehensive income (Net of tax)		(0.03)	(0.44)
IX	**Total comprehensive income(VII+VIII)**		**9,827.80**	**1,164.29**
X	**Earnings per equity share (Face value of Rs.10/- each)**	**36**		
	Basic and Diluted (in Rs.)		806.93	112.59

See accompanying notes to the financial statements

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

Sampada S Narvankar
Partner
Place: Mumbai
Date: 28th May 2019

For and on behalf of the Board of Directors

Raj K. Chandaria
Managing Director
DIN : 00037518

Jaideep D. Khimasia
Director
DIN : 07744224

Samya Bandopadhyay
Chief Financial Officer

Rajesh A. Solanki
Company Secretary

Place: Mumbai
Date: 28th May 2019

HINDUSTAN AEGIS LPG LIMITED
(All amounts are in INR lakhs, unless stated otherwise)

Cash Flow Statement for the period ended March 31, 2019

	Year ended March 31, 2019	Year ended March 31, 2018
Cash flow from operating activities		
Profit before tax	10,331.61	1,164.73
Adjustments for:		
Depreciation	1,175.60	549.66
Finance costs	134.66	346.85
Interest income	(3.81)	(8.38)
Dividend Income - Current	-	(0.95)
Sundry Credit Balances written back	-	(1.22)
Actuarial loss recognised in other comprehensive income	(0.03)	(0.44)
Operating profit before working capital changes	**11,638.03**	**2,050.25**
Adjustments for changes in working capital:		
Decrease /(Increase) in inventories	247.89	(389.85)
(Increase) in trade receivables	(884.82)	(583.88)
Increase in provisions	0.53	0.80
Decrease /(Increase) in non-current assets	119.94	(2,331.74)
Decrease /(Increase) in current assets	2,085.12	(2,616.84)
Increase in trade payables	161.44	117.84
(Decrease) /Increase in other current liabilities	(55.70)	62.44
Cash generated from / (used in) operations	**13,312.43**	**(3,690.98)**
Income tax (paid)	(2,190.33)	(43.85)
Net cash generated from / (used in) operating activities (A)	**11,122.10**	**(3,734.83)**
Cash flow from investing activities		
Purchase of property, plant and equipment including capital advances	(9,222.67)	(14,713.50)
Dividend Received- Current Investments	-	0.95
Bank balance not considered as cash and cash equivalents	140.17	(108.01)
Interest received	5.44	6.81
Net cash flow (used in) investing activities (B)	**(9,077.06)**	**(14,813.75)**
Cash flow from financing activities		
Repayment of preference shares	-	(3,900.00)
Repayment of long term borrowings	(2,032.81)	(1,165.57)
Proceeds from issue of share capital (including securities premium)	-	23,929.35
Interest paid	(149.89)	(157.63)
Net cash (used in) / generated from financing activities (C)	**(2,182.70)**	**18,706.15**
Net (decrease) / increase in cash and cash equivalents (A+B+C)	(137.66)	157.57
Cash and cash equivalents as at the beginning of the year	167.07	9.50
Cash and cash equivalents as at the end of the year (As per note 14)	**29.41**	**167.07**
Cash and cash equivalents includes:		
Cash and cash equivalents (refer note 14)		
Bank balances		
In current accounts	28.05	23.80
In deposit accounts	1.36	143.27
	29.41	**167.07**

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

Sampada S Narvankar
Partner
Place: Mumbai
Date: 28th May 2019

For and on behalf of the Board of Directors

Raj K. Chandaria
Managing Director
DIN : 00037518

Jaideep D. Khimasia
Director
DIN : 07744224

Samya Bandopadhyay
Chief Financial Officer

Rajesh A. Solanki
Company Secretary

Place: Mumbai
Date: 28th May 2019

HINDUSTAN AEGIS LPG LIMITED
(All amounts are in INR lakhs, unless stated otherwise)

Statement of changes in equity for the year ended March 31, 2019
A. Equity share capital

Particulars	Balance as at April 1, 2017	Changes in equity shares during the year	Balance as at March 31, 2018	Changes in equity shares during the year	Balance as at March 31, 2019
Equity share capital	97.80	23.99	121.79	-	121.79

Note:
Changes in equity shares represent issue of shares during financial year 2017-18 (Refer note 19).

B. Other equity

Particulars	Reserves and surplus						Other comprehensive income	Total equity
	Securities premium reserve	Capital redemption reserves	Deemed equity contribution from ultimate parent (Loan and preference shares)	Deemed equity contribution from ultimate parent (Corporate Guarantee)	General Reserves	Retained earnings/ (accumulated deficit)	Remeasurement of defined benefit obligations	
Balance as at April 1, 2017	**-**	**422.20**	**4,522.49**	**43.20**	**114.38**	**(6,141.40)**	**(1.30)**	**(1,040.43)**
Profit for the year	-	-	-	-	-	1,164.73	-	1,164.73
Addition/ reduction during the year - Net	23,905.36	-	(3,691.99)	11.99	-	-	-	20,225.36
Other comprehensive income for the year	-	-	-	-	-	-	(0.44)	(0.44)
Balance at March 31, 2018	**23,905.36**	**422.20**	**830.50**	**55.19**	**114.38**	**(4,976.67)**	**(1.74)**	**20,349.22**
Profit for the year	-	-	-	-	-	9,827.83	-	9,827.83
Addition/ reduction during the year - Net	-	-	-	17.50	-	-	-	17.50
Other comprehensive income for the year	-	-	-	-	-	-	(0.03)	(0.03)
Balance as at March 31, 2019	**23,905.36**	**422.20**	**830.50**	**72.69**	**114.38**	**4,851.16**	**(1.77)**	**30,194.52**

See accompanying notes to the financial statements

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

Sampada S Narvankar
Partner
Place: Mumbai
Date: 28th May 2019

For and on behalf of the Board of Directors

Raj K. Chandaria
Managing Director
DIN : 00037518

Jaideep D. Khimasia
Director
DIN : 07744224

Samya Bandopadhyay
Chief Financial Officer
Place: Mumbai
Date: 28th May 2019

Rajesh A. Solanki
Company Secretary

HINDUSTAN AEGIS LPG LIMITED

Notes annexed to and forming part of the financial statements

1 General information

Hindustan Aegis LPG Limited ('the Company') having its registered office at 502, 5th Floor, Skylon, GIDC, Char Rasta, Vapi, Gujarat and corporate office at 1202, 12th Floor,Tower B, Peninsula Buisness Park, G.K. Marg, Lower Parel (West), Mumbai. Company was incorporated on 30th June, 1956 vide certificate of incorporation No U23203GJ1994PLC021375 issued by the Registrar of Companies, Maharashtra, Mumbai.

The Company is in the business of Sales-Traded good- Liquified Petroleum Gas and Storage and Warehousing.

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 assets and liabilities which 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.

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 Act. Based on the nature of business , the Company has determined its operating cycle as twelve months for the purpose of current – non-current classification of assets and liabilities.

4 Functional and presentation currency

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

5 Significant accounting policies

I) <u>Foreign currencies</u>

i) Foreign currency transactions

Initial recognition

On initial recognition, transactions in foreign currencies entered into by the Company are recorded in the functional currency (i.e. Indian Rupees), by applying to the foreign currency amount, the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss.

Measurement of foreign currency items at reporting date:

Foreign currency monetary items of the Company are translated at the closing exchange rates and are recognised in profit or loss in the period in which they arise.

II) <u>Property, plant and equipment (PPE)</u>

i) Items of PPE are stated at cost of acquisition or construction. They are stated at historical cost less accumulated depreciation and impairment loss, if any. Properties are classified to the appropriate categories of PPE when completed and ready for intended use.

Cost of PPE comprises of:

a) the purchase price including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates; and

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.

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.

ii) Capital work in progress and Capital advances

Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress. Advances given towards acquisition of fixed assets outstanding at each Balance Sheet date are disclosed as Other Non-Current Assets.

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.

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 estimated useful lives, using the written down value method. Useful life of the asset is taken, as specified in Schedule II of the Companies Act, 2013.

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.

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).

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.

i) Financial Assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis.

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.

Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

a) the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and

b) the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):
a) the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
b) the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognised in profit or loss for FVTOCI debt instruments. For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income and accumulated under the heading of 'Reserve for debt instruments through other comprehensive income'. When the investment is disposed of, the cumulative gain or loss previously accumulated in this reserve is reclassified to profit or loss.

All other financial assets are subsequently measured at fair value.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (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 debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

Investments in equity instruments at FVTOCI

On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arisirig from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve tor equity instruments through other comprehensive income. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

A financial asset is held for trading if:
a) it has been acquired principally for the purpose of selling it in the near term; or
b) 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
c) it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

Dividends on these investments in equity instruments are recognised in profit or loss when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably. Dividends recognised in profit of loss are included in the 'Other income' line item.

Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Company's irrevocably elects or initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.
A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.
Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on premeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Impairment of financial assets

An impairment loss on financial assets 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.

De-recognition of financial assets

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. On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the Statement of Profit and Loss.

ii) 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.

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.

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.

Financial liabilities

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

The effective interest method is a 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.

De-recognition of financial liabilities

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 profit or loss.

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 (EIR) 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 is determined on First In First Out 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.
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.

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

Sales are recognised on transfer of control of goods, which generally coincides with the delivery of goods to customers. Sales turnover is net of trade discounts and excludes sales tax, value added tax and goods and service tax, as applicable.

Revenue from rendering services

Service revenue is recognised based on contract terms and on time proportion basis as applicable and excludes service tax/ goods and service tax, as applicable.

XI) Other income

Dividend and Interest income

Dividend income from investments is recognised when the Company’s right to receive payment has been established (provided that 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 (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

XII) Retirement and Other Employee Benefits

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.

Post Employment Employee Benefits:

Retirement benefits to employees comprise payments to government provident funds, gratuity fund, compensated absences and superannuation fund.

Defined contribution plans

Contribution to defined schemes such as provident fund, family pension fund, superannuation fund (in the case of the eligible employees) and employees' state insurance scheme are charged to the Statement of Profit and Loss as incurred.

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 expense represents the sum of the tax currently payable and deferred tax.

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 Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the 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 of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. 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 asset to he 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 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 reflects 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.

Current and deferred tax are recognised in profit or 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.

Minimum Alternate Tax (MAT):

MAT paid in accordance with the tax laws, which gives future economic benefits in the form of adjustments 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.

XIV) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursements will be received and the amount of the receivable can be measured reliably.

XV) Earnings per share:

Basic earnings per share is computed by dividing the profit /(loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date.

The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented.

6 Critical accounting judgements/ key sources of estimation uncertainty and recent accounting pronouncements- Standards issued but not yet effective:

A. Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements in conformity with Ind AS requires the Company’s Management to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities recognised in the financial statements that are not readily apparent from other sources.

The judgements, estimates and associated assumptions are based on historical experience and other factors including estimation of effects of uncertain future events that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates (accounted on a prospective basis) are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods of the revision affects both current and future periods.

The following are the critical judgements and estimations that have been made by the Management in the process of applying the Company’s accounting policies and that have the most significant effect on the amounts recognised in the financial statements and/or key sources of estimation 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) 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, expected rate of return on assets, mortality rates 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.

c) Deferred tax

Deferred income tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, unabsorbed depreciation and unused tax credits could be utilised.

B. Recent accounting pronouncements - Standards issued but not yet effective

Ind AS 116 Leases was notified on 28th March, 2019 and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after April 01, 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Management is currently evaluating the potential impact of the application of the Standard.

HINDUSTAN AEGIS LPG LIMITED
(All amounts are in INR lakhs, unless stated otherwise)
Notes annexed to and forming part of the financial statements

Note 7
Property, plant and equipment

Description	Gross carrying amount				Accumulated depreciation				Net carrying amount
Property, Plant and Equipment (PPE)	**As at April 1, 2018**	**Additions**	**Deductions**	**As at March 31, 2019**	**Upto March 31, 2018**	**Charge for the year**	**Deductions**	**Upto March 31, 2019**	**As at March 31, 2019**
Building (Refer note 2 below)	4,455.01	1,053.28	-	5,508.29	70.90	191.17	-	262.07	5,246.22
Plant and equipment	21,812.89	771.78	-	22,584.67	461.55	948.68	-	1,410.23	21,174.44
Office equipment	26.99	19.18	-	46.17	1.96	7.63	-	9.59	36.58
Furniture and fixtures	279.05	2.86	-	281.91	15.25	28.12	-	43.37	238.54
Vehicles	0.13	-	-	0.13	-	-	-	-	0.13
Total	**26,574.07**	**1,847.10**	**-**	**28,421.17**	**549.66**	**1,175.60**	**-**	**1,725.26**	**26,695.91**

Property, plant and equipment

Description	Gross carrying amount				Accumulated depreciation				Net carrying amount
Property, Plant and Equipment (PPE)	**As at April 1, 2017**	**Additions**	**Deductions**	**As at March 31, 2018**	**Upto March 31, 2017**	**Charge for the year**	**Deductions**	**Upto March 31, 2018**	**As at March 31, 2018**
Building (Refer note 2 below)	-	4,455.01	-	4,455.01	-	70.90	-	70.90	4,384.11
Plant and equipment	-	21,812.89	-	21,812.89	-	461.55	-	461.55	21,351.34
Office equipment	-	26.99	-	26.99	-	1.96	-	1.96	25.03
Furniture and fixtures	-	279.05	-	279.05	-	15.25	-	15.25	263.80
Vehicles	0.13	-	-	0.13	-	-	-	-	0.13
Total	**0.13**	**26,573.94**	**-**	**26,574.07**	**-**	**549.66**	**-**	**549.66**	**26,024.41**

Notes:
1. Additions to property, plant and equipment and capital work in progress includes borrowing cost capitalised of Nil (Previous year Rs. 243.92 Lakhs).
2. Additon to buliding is net of Nil (Previous year 40.20 lakhs) received towards partial contribution towards construction of road from Kolkata Port Trust.

HINDUSTAN AEGIS LPG LIMITED
(All amounts are in INR lakhs, unless stated otherwise)
Notes annexed to and forming part of the financial statements

Particulars		As at March 31, 2019	As at March 31, 2018
Note 8			
Financial assets - others			
(Unsecured, considered good)			
Security depoits		51.15	32.87
	Total	**51.15**	**32.87**
Note 9			
Deferred tax assets (net)			
MAT credit entitlements		2,865.55	701.40
Deferred tax liabilities:			
Difference between tax and books WDV of property, plant and equipment		(326.13)	-
Deferred tax assets:			
Disallowance u/s 43B of the Income-tax Act, 1961, etc.		1.26	-
	Total	**2,540.68**	**701.40**
Note 10			
Current tax assets			
Advance Tax (Net of Provision for Tax)		0.55	-
	Total	**0.55**	**-**
Note 11			
Other non-current assets			
(Unsecured, considered good unless otherwise stated)			
Capital advances		18.06	73.64
Prepayments in respect of leasehold land		2,809.37	2,947.59
	Total	**2,827.43**	**3,021.23**
Note 12			
Inventories			
(At lower of cost and net realisable value)			
Stock in trade		-	184.89
Consumables and stores & spares		141.96	204.96
	Total	**141.96**	**389.85**
Note 13			
Trade receivables			
(Unsecured)			
Considered good		1,886.56	1,001.74
Considered doubtful		104.16	104.16
		1,990.72	1,105.90
Less: Provisions		104.16	104.16
	Total	**1,886.56**	**1,001.74**

HINDUSTAN AEGIS LPG LIMITED

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

Notes annexed to and forming part of the financial statements

Particulars	As at March 31, 2019	As at March 31, 2018
Note 14		
Cash and cash equivalents		
Bank balances in current account	28.05	23.80
Deposits with Bank	1.36	143.27
Total	**29.41**	**167.07**
Note 15		
Other bank balances		
Deposits (Refer note 15.1)	-	140.17
Total	**-**	**140.17**

15.1

Includes deposits having lien for credit facilities / currency future Nil (Rs.140.17 Lakhs as at March 31, 2018)

Particulars	As at March 31, 2019	As at March 31, 2018
Note 16		
Other financial assets		
(Unsecured, considered good)		
Interest accrued on deposits with bank and others	-	1.63
Unbilled revenue	132.88	226.88
Total	**132.88**	**228.51**
Note 17		
Current tax assets (Net)		
(Unsecured, considered good unless otherwise stated)		
Advance Tax (Net of Provision for Tax)	0.25	0.25
Total	**0.25**	**0.25**
Note 18		
Other current assets		
(Unsecured, considered good)		
Input credit receivable	214.96	2,217.83
Prepayment in respect of leasehold land	120.60	120.60
Other loans and advances (Refer Note 18.1)	89.24	77.49
Total	**424.80**	**2,415.92**

18.1

Other loans and advances includes prepaid expenses, advance to suppliers, etc.

HINDUSTAN AEGIS LPG LIMITED
(All amounts are in INR lakhs, unless stated otherwise)
Notes annexed to and forming part of the financial statements

Particulars	As at March 31, 2019		As at March 31, 2018	
Note 19				
Equity share capital				
	Number of Shares	**Amount**	**Number of Shares**	**Amount**
Authorised share capital				
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	**95,00,000**	**5,000.00**	**95,00,000**	**5,000.00**
Issued, subscribed and paid up				
Equity shares of Rs.10 each	12,17,933	121.79	12,17,933	121.79
Total	**12,17,933**	**121.79**	**12,17,933**	**121.79**

19.1
Reconciliation of number of shares:

	As at March 31, 2019	As at March 31, 2018
Equity :	**Number of Shares**	**Number of Shares**
At the beginning of the year	12,17,933	9,78,000
Issued during the year	-	2,39,933
At the end of the year	**12,17,933**	**12,17,933**

19.2
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 dividend, if declared and paid by the Company. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all liabilities, in proportion to their shareholding.

19.3
Details of shareholders holding more than 5% of the aggregate shares in the Company:

Name of the shareholder	As at March 31, 2019		As at March 31, 2018	
	Number of Shares	**Percentage**	**Number of Shares**	**Percentage**
Equity shares of Re.1 each fully paid				
Aegis Gas LPG Pvt. Ltd. and it's nominees.	9,78,000	80.30%	9,78,000	80.30%
Itochu Petroleum Co., (Singapore) Pte. Ltd.	2,39,933	19.70%	2,39,933	19.70%

HINDUSTAN AEGIS LPG LIMITED
(All amounts are in INR lakhs, unless stated otherwise)
Notes annexed to and forming part of the financial statements

Particulars	As at March 31, 2019	As at March 31, 2018
Note 20		
Other equity		
Securities Premium		
Balance as at the beginning of the year	23,905.36	-
Add: On shares issued during the year	-	23,905.36
Balance as at the end of the year	**23,905.36**	**23,905.36**
Capital redemption reserve		
Balance as at the beginning of the year	422.20	422.20
Balance as at the end of the year	**422.20**	**422.20**
Deemed equity contribution from ultimate parent (Loan and Preference Shares)		
Balance as at the beginning of the year	830.50	4,522.49
Addition/ (Reduction) during the year	-	(3,691.99)
Balance as at the end of the year	**830.50**	**830.50**
Deemed equity contribution from ultimate parent (Corporate Guarantees)		
Balance as at the beginning of the year	55.19	43.20
Addition/ (Reduction) during the year	17.50	11.99
Balance as at the end of the year	**72.69**	**55.19**
General Reserve		
Balance as at the beginning of the year	114.38	114.38
Balance as at the end of the year	**114.38**	**114.38**
Retained earnings		
Balance as at the beginning of the year	(4,976.67)	(6,141.40)
Addition / (Reduction) during the year	9,827.83	1,164.73
Balance as at the end of the year	**4,851.16**	**(4,976.67)**
Other comprehensive income		
Remeasurement of defind benefit obligations		
Balance as at the beginning of the year	(1.74)	(1.30)
(Addition)/ Reduction during the year	(0.03)	(0.44)
Balance as at the end of the year	**(1.77)**	**(1.74)**
Total	**30,194.52**	**20,349.22**

20.1
Description of nature and purpose of each reserve:

Securities premium reserve represents premium received on equity shares issued, which can be utilised only in accordance with the provisions of the Companies Act, 2013 for specified purposes.

Capital redemption reserve was created out of general reserve on redemption of preference shares in the financial years 2010-11 and 2011-12. This reserve can be utilised by the Company for issue of bonus shares as per provisions of Companies Act, 2013.

General reserve is created from time to time by transferring profits from retained earnings and can be utilised for purposes such as dividend payout, bonus issue, etc.

HINDUSTAN AEGIS LPG LIMITED

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

Notes annexed to and forming part of the financial statements

Particulars		As at March 31, 2019	As at March 31, 2018
Note 21			
Provisions			
Employee benefits:			
- Gratuity (Refer note 38)		2.26	1.83
- Compensated absences		1.57	1.47
	Total	**3.83**	**3.30**
Note 22			
Borrowings			
(Unsecured)			
From related parties (Refer note 40)		-	2,032.81
	Total	**-**	**2,032.81**
Note 23			
Trade payables			
Total outstanding dues of micro enterprises and small enterprises [Refer note 23.1]		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		380.71	219.27
	Total	**380.71**	**219.27**

23.1

On the basis of the information and records available with the management there are no dues payable to Micro and Small Enterprises. Further, disclosures under the Micro, Small and Medium Enterprises Development Act, 2006 are not applicable.

Particulars		As at March 31, 2019	As at March 31, 2018
Note 24			
Other financial liabilities			
Interest accrued but not due on borrowings		-	32.73
Amount payable under capital contracts		3,634.88	11,066.03
	Total	**3,634.88**	**11,098.76**
Note 25			
Provisions			
Employee benefits			
- Compensated absences		0.50	0.50
	Total	**0.50**	**0.50**
Note 26			
Current tax liabilities			
Provision for Tax (net of advance tax)		382.29	229.01
	Total	**382.29**	**229.01**
Note 27			
Other current liabilities			
Advance from customers (Refer note 40)		-	44.21
Statutory dues		13.06	24.55
	Total	**13.06**	**68.76**

HINDUSTAN AEGIS LPG LIMITED
(All amounts are in INR lakhs, unless stated otherwise)
Notes annexed to and forming part of the financial statements

Particulars		Year ended March 31, 2019	Year ended March 31, 2018
Note 28			
Revenue from operations			
Sales:			
Traded Goods- Liquified Petroleum Gas		185.16	-
Others- Stores and Spares		17.62	-
		202.78	-
Service Revenue:			
- Gas Terminal Division		13,583.00	2,828.26
		13,583.00	2,828.26
	Total	**13,785.78**	**2,828.26**
Note 29			
Other Income			
Interest income from fixed deposits		3.81	8.38
Dividend on investments		-	0.95
Sundry balances written back		-	1.22
Miscellaneous income		6.44	0.08
	Total	**10.25**	**10.63**
Note 30			
Purchase of Traded Goods			
Traded Goods- Liquified Petroleum Gas		-	184.89
	Total	**-**	**184.89**
Note 31			
Changes in inventories of stock-in-trade			
Opening stock :			
Stock in trade		184.89	-
Closing stock :			
Stock in trade		-	(184.89)
	Total	**184.89**	**(184.89)**
Note 32			
Employee benefits expenses			
Salaries and wages		12.81	12.00
Contribution to provident and other funds (Refer note 38)		1.12	1.08
Staff welfare expenses		0.15	0.16
	Total	**14.08**	**13.24**

HINDUSTAN AEGIS LPG LIMITED
(All amounts are in INR lakhs, unless stated otherwise)
Notes annexed to and forming part of the financial statements

Particulars		Year ended March 31, 2019	Year ended March 31, 2018
Note 33			
Finance costs			
Interest on borrowings		98.56	311.33
Corporate guarantee commission		17.50	11.99
Other borrowing costs		18.60	23.53
	Total	**134.66**	**346.85**
Note 34			
Other expenses			
Electricity expenses		622.39	251.31
Lease rentals		209.44	149.19
Labour charges		527.14	80.50
Legal and professional fees		59.48	48.25
Security expenses		110.82	33.17
Insurance		83.32	30.54
Repair- Others		34.25	11.84
Printing and stationery		8.20	5.53
Traveling expenses		81.53	11.45
Communication expenses		19.04	4.92
Rates and taxes		30.04	2.26
Water charges		5.37	-
Consumables and stores and spares		55.47	1.50
Repair- machinery		14.43	-
Donation		15.31	11.92
Provision for doubtful debts		-	104.16
Exchange difference		5.53	0.47
Miscellaneous expenses		73.43	17.40
	Total	**1,955.19**	**764.41**
34.1			
Payment to auditors'			
As Auditors		7.00	5.50
For Tax Audit		1.00	1.00
For Other services- Limited Review, Certifications, etc.		19.00	11.65
Service Tax/ Goods and service tax on above		3.42	3.18
	Total	**30.42**	**21.33**

HINDUSTAN AEGIS LPG LIMITED
(All amounts are in INR lakhs, unless stated otherwise)
Notes annexed to and forming part of the financial statements

Note 35
Commitments

Particulars	As at March 31, 2019	As at March 31, 2018
Capital commitments		
Estimated amount of contracts (net of advances paid) remaining to be executed on capital account and not provided for	531.39	3,172.35

Note 36
Earnings per share
Basic and diluted earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average of equity shares outstanding during the year.

Particulars	For the yaer ended March 31, 2019	For the year ended March 31, 2018
Profit for the year attributable to equity shareholders for diluted EPS (Rupees in Lakhs)	9,827.83	1,164.73
Weighted average number of equity shares outstanding during the year	12,17,933	10,34,532
Basic and diluted /earnings per share (Rs.)	806.93	112.59

Note 37
Segment information:

a) **Segment information for primary reporting (by Business segment)**
Information reported to the chief operating decision maker (CODM) for the purpose of resource allocation and assessment of segment performance focuses on the types of goods and services delivered or provided. The directors of the Company have chosen to organise the segments around differences in products and services.

The Company has only one reportable business segment i.e trading, storage and distribution of pertrolem products viz. LPG. Hence information for primary business segement 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.

b) **Segment information for secondary segment reporting (by geographical segment)**
In view of the fact that customers of the Company are mostly located in India and hence there is no reportable geographical information.

c) Single Customer who contributed 10% or more of the revenue for the year are:
Customer 1- 74% and Customer 2- 23% (2017-18: Customer 1- 74% and Customer 2- 21%).

Note 38
Employee Benefits

Defined contribution plan
Eligible employees of the Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary. The Company also has a superannuation plan. Amount recognized as expense amounts to Rs. 1.12 lakhs (2017-18 Rs 1.04 lakhs).

Defined benefit plan
The Company makes annual contributions to the Employees' Group Gratuity-cum-Life Assurance Scheme of the Life Insurance Corporation of India, a funded defined benefit plan for eligible employees. The scheme provides payment to vested employees at retirement, death or on resignation/termination of employment of an amount equivalent to 15 days salary for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service.

Company's liability towards gratuity (funded), other retirement benefits and compensated absences are actuarially determined at each reporting date using the projected unit credit method.

HINDUSTAN AEGIS LPG LIMITED
(All amounts are in INR lakhs, unless stated otherwise)
Notes annexed to and forming part of the financial statements

Note 38
Employee Benefits
Defined Benefit Plan: Gratuity (Funded)

Particulars	**Year ended March 31, 2019**	**Year ended March 31, 2018**
IA - Expense recognized in the Statement of Profit and Loss:		
Current service cost	0.28	0.24
Interest cost	0.13	0.09
Expense recognized during the year	0.41	0.33
IB- Amount recognized in other comprehensive income (OCI):		
Actuarial losses/ (gain) on obligation for the period	0.05	0.48
Return on plan assets, excluding interest income	(0.02)	(0.04)
Total	0.03	0.44
II - Changes in the present value of defined benefit obligation representing reconciliation of opening and closing balances thereof:		
As at the beginning of the Year	5.43	4.41
Current service cost	0.28	0.23
Interest cost	0.39	0.31
Benefits paid from the fund	-	-
Actuarial (gain)/ loss	0.05	0.48
Liability assumed on acquisition	-	-
As at the end of the year	6.15	5.43
III - Movement in net liability recognized in Balance Sheet		
As at the beginning of the Year	0.51	-
Expense charged to statement of profit & loss	0.41	0.33
Amount recognised in OCI	0.03	0.44
Contributions made	-	(0.26)
As at the end of the year	0.95	0.51
IV - Changes in the fair value of plan assets representing reconciliation of the opening and closing balances thereof:		
Fair value of plan assets at the beginning of the year	3.61	3.11
Expected return on plan assets	0.26	0.22
Asset Transferred In/Acquisitions	-	-
Actuarial gain/ (loss) on plan assets	0.02	0.03
Contribution during the year	-	0.25
Fair value of plan assets at the end of the year	3.89	3.61
V - Net liability recognized in the Balance Sheet		
Present value of obligation as at the end of the year	6.15	5.43
Fair value of plan assets as at the end of the year	3.89	3.61
Net liability recognised in the Balance Sheet	(2.26)	(1.82)
VI - Return on plan assets		
Expected return on plan assets	0.26	0.22
Actuarial gain/ (loss)	0.02	0.03
Actual return on plan assets	0.28	0.25
VII - The major categories of plan assets as a percentage of total plan assets		
Insurer Managed Funds	3.89	3.61
VIII - Experience adjustment on		
Plan liabilities (gain)/ loss	(0.05)	(0.48)
Plan assets (loss)/ gain	0.28	0.03
IX - Experience adjustment on		
Particulars		
Present value of DBO	6.15	5.43
Fair value of plan assets	3.89	3.61
Funded status (Surplus/ (Defecit))	(2.26)	(1.82)
Experience gain/ (loss) adjustments on plan liabilities	(0.05)	(0.48)
Experience gain/ (loss) adjustments on plan assets	0.28	0.03

HINDUSTAN AEGIS LPG LIMITED
(All amounts are in INR lakhs, unless stated otherwise)
Notes annexed to and forming part of the financial statements

Note 38
Employee Benefits
X The principal assumptions used for the purposes of the actuarial valuations were as follows:

	As at March 31, 2019	As at March 31, 2018
Gratuity		
Discount rate	7.05%	7.75%
Expected rate of salary increase	6.00%	6.00%
Mortality	Indian Assured Lives- 2006-08	Indian Assured Lives- 2006-08
Estimated rate of return on plan assets	7.05%	7.75%
Compensated Absences		
Discount rate	7.05%	7.75%
Expected rate of salary increase	6.00%	6.00%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Employee benefit plan typically expose the company to actuarial risks such as: investment risk, interest risk, longevity risk and salary risk.
Investment risk
The present value of the defined benefit plan liability (denominated in indian rupee) is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.
Interest risk
A decrease in the bond interest rate will increase the plan liability; however this will be partially offset by an increase in the return on the plan's debt investment
Longevity risk
The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk
The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and employee turnover.
The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occuring at the end of reporting period, while holding all other assumptions constant.

Gratuity	**Year ended March 31, 2019**	**Year ended March 31, 2018**
Change in discount rate by 50 basis points higher/ lower:		
Increase	(0.11)	(0.10)
Decrease	0.11	0.11
Change in salary rate rate by 50 basis points higher/ lower:		
Increase	0.11	0.11
Decrease	(0.11)	(0.10)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of each reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from previous year.
The average duration of the benefit obligation (gratuity) as at March 31, 2019 is 3.47 years (as at March 31, 2018: 3.83 years).

Note 39
Corporate Social Responsibility
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. 15.38 Lakhs (2017-18 Rs.11.92 Lakhs);
b) Amont spent and paid during the year by way of donations to charitable trusts Rs. 15.38 Lakhs (2017-18 Rs.11.92 Lakhs).

HINDUSTAN AEGIS LPG LIMITED
(All amounts are in INR lakhs, unless stated otherwise)

Related party transactions for the quarter ended March 31, 2019

a) Names of related parties and description of relationship where control exists
Aegis Logistics Limited (ALL)- Ultimate Holding Company
Aegis Gas (LPG) Private Limited (AGPL)- Holding Company

b) Name of related parties with whom transactions taken placed
Aegis Logistics Limited (ALL)- Ultimate Holding Company

Sr. No	Nature of transaction	Year ended March 31, 2019	Year ended March 31, 2018
(i)	Loan Taken	1,962.03	15,314.43
(ii)	Loan Repaid	3,994.84	16,480.00
(ii)	Redemption of Preference Shares	-	3,900.00
(iv)	a) Sale of Trading Goods	185.16	-
	b) Purchase of Spares / Assets	-	1,526.64
	c) Throughput Charges	250.29	117.60
	d) Commission on Guarantee given	17.50	11.99

	Outstanding balance as at	As at March 31, 2019	As at March 31, 2018
(i)	**Amount Payable (including loan)**		
	Aegis Logistics Limited	3,192.77	9,350.67
	Aegis Group International Pte. Ltd.	99.65	94.12
(ii)	**Advance from customer**		
	Aegis Logistics Limited	-	44.21
(iii)	**Receivables**		
	Aegis Logistics Limited	218.49	-

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. 50 crore (previous year Rs. 50 crore). The amount of such facilities availed against guarantee through bank guarantee/ borrowings as at period end is Nil (as at March 31, 2018 Nil).

2 There are no provisions for doubtful debts or amounts written off or written back in respect of debts due from/ to related parties.

c) All related party contracts / arrangements have been entered on arms' length basis.

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

Note 41
Financial instrument

41.1 Capital Management

The Company manages its capital to ensure that the Company will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.
The Company determines the amount of capital required on the basis of annual planning and budgeting and its plan for working capital and long-term borrowings. The funding requirements are met through equity, internal accruals and a combination of both long-term and short-term borrowings.
The Company monitors the capital structure on the basis of total debt to equity and maturity profile of the overall debt portfolio of the Company.

	As at March 31, 2019	As at March 31, 2018
Gross Debt (long-term and short-term borrowings including current maturities)	-	2,033
Cash and bank balances	29	307
Net debt	(29)	1,726
Equity	30,316	20,471
Debt equity ratio	**-**	**0.08**

41.2 Financial risk management

The Company's principal financial liabilities, other than derivatives, comprise of loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables, and cash and cash equivalents that derive directly from its operations.
The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.
The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

(A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits and other financial instruments.

(1) Foreign currency risk management:

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency). The Company has not taken any derivative contracts to hedge its foreign currency exposure considering its limited foreign currency exposure.

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

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

As on 31st March, 2019

	Liabilities			Assets			Net overall Exposure
Currency	Gross Exposure	Exposure Hedged using derivatives	Net Exposure	Gross Exposure	Exposure Hedged using derivatives	Net Exposure	
USD	99.65	-	99.65	-	-	-	(99.65)

As on 31st March, 2018

	Liabilities			Assets			Net overall Exposure
Currency	Gross Exposure	Exposure Hedged using derivatives	Net Exposure	Gross Exposure	Exposure Hedged using derivatives	Net Exposure	
USD	94.12	-	94.12	-	-	-	(94.12)

Foreign currency sensitivity analysis:
Movement in the foreign currency impacts its revenue. The foreign exchange rate sensitivity is calculated for each currency by aggregation of the net foreign exchange rate exposure of a currency and a parallel foreign exchange rates shift in the foreign exchange rates of each currency by 1%, which represents Management's assessment of the reasonably possible change in foreign exchange rates.

The following table details the Company's sensitivity movement in the foreign currencies:
Impact on profit or loss (increase/ decrease by 10%)

	As on 31st March, 2019	**As on 31st March, 2018**
Impact		
Increase	(9.97)	(9.41)
Decrease	9.97	9.41

(2) Interest rate risk management:
The Company is exposed to interest rate risk pertaining to funds borrowed at both fixed and floating interest rates. Company generally borrow its funds from ultimate holding company on interest free rate basis and therfore is not exposed to interes rate risk.

(B) Credit risk
Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. Credit risk is managed by the Company through monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The credit terms are generally based on the terms and conditions mentioned in the contract/ agreement with the counterparties.
The major customers are generally the public sector undertakings.
The average credit period is in the range of 7 days to 60 days. However, for selected cases, extended credit period is given.
Outstanding customer receivables are regularly monitored and allowance for doubtful debts on a case to case basis.

Impairment
The ageing of trade and other receivables that were not impaired was as follows:

	As at 31st March, 2019	**As at 31st March, 2018**
Neither past due nor impaired	1,674.19	841.86
Past due 1–180 days	12.96	0.02
Past due more than 180 days	199.41	159.86
Carrying amount of receivables	**1,886.56**	**1,001.74**

Management believes that the unimpaired amounts that are past due by more than 30 days are collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk, including underlying customers' credit ratings wherever available.

HINDUSTAN AEGIS LPG LIMITED
(All amounts are in INR lakhs, unless stated otherwise)
Notes annexed to and forming part of the financial statements

(C) Liquidity risk

Liquidity risk refers to the risk that the Company can not meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. As a prudent liquidity risk management measure, the Company closely monitors its liquidity position for the Company's short term and long term funding and liquidity requirement.

The Company manages liquidity risk by maintaining adequate balances on hand, funding support from ultimate holding company and continuously monitoring actual cash flow and by matching the maturity profiles of financial assets and liabilities.

Based on past performance and current expectations, the Company believes that the cash and cash equivalents, cash generated from operations and funding spport from ultimate holding company will satisfy its working capital needs, capital expenditure, commitments and other liquidity requirements associated with its existing operations, through at least the next twelve months.

The table below summarises the maturity profile remaining contractual maturity period at the balance sheet date for its non-derivative financial liabilities based on the undiscounted cash flows.

	Due in 1st year	Due in 2nd to 5th year	Due after 5th year	Carrying amount
As on 31st March, 2019				
Financial Assets				
Security depoits	-	-	51.15	51.15
Trade receivables	1,886.56	-	-	1,886.56
Cash and cash equivalents	29.41	-	-	29.41
Other financial assets	132.88	-	-	132.88
	2,048.85	**-**	**51.15**	**2,100.00**
Non-derivative financial liabilities				
Non interest bearing				
Trade payables	380.71	-	-	380.71
Other financial liabilities (Including Rs. 3193 lakhs payable to ultimate holding company)	3,634.88	-	-	3,634.88
	4,015.59	**-**	**-**	**4,015.59**
As on 31st March, 2018				
Financial Assets				
Security depoits	-	-	32.87	32.87
Trade receivables	1,001.74	-	-	1,001.74
Cash and cash equivalents	167.07	-	-	167.07
Other bank balances	140.17	-	-	140.17
Other financial assets	228.51	-	-	228.51
	1,537.49	**-**	**32.87**	**1,570.36**
Non-derivative financial liabilities				
Non interest bearing				
Trade payables	219.27	-	-	219.27
Other financial liabilities (Including Rs.7,317.66 lakhs payable to ultimate holding company)	11,098.76	-	-	11,098.76
Borrowings (Payable to ultimate holding company)	2,032.81	-	-	2,032.81
	13,350.84	**-**	**-**	**13,350.84**

Note 42

Categories of Financial assets and liabilites:

	As at March 31, 2019	**As at March 31, 2018**
Measured at amortised cost:		
Financial assets		
Non Current Financial Assets		
Others	51.15	32.87
Current Financial Assets		
Trade receivables	1,886.56	1,001.74
Cash and cash equivalents	29.41	167.07
Other bank balances	-	140.17
Other financial assets	132.88	228.51
Financial liabilities		
Non Current Financial Liabiltiies		
Borrowings	-	-
Current Financial Liabiltiies		
Borrowings	-	2,032.81
Trade payables	380.71	219.27
other financial liabilities	3,634.88	11,098.76

The Carrying amounts are reasonable approximation of fair values.

Note 43

Taxation:

Income tax recognised in Statement of Profit and Loss	**Year ended March 31, 2019**	**Year ended March 31, 2018**
Current tax - for the year	2,286.18	289
- for earlier year	56.88	-
Deferred tax	(1,839.28)	(289)
Total income tax expenses recognised in the current year	**503.78**	**-**
Income tax expense for the year reconciled to the accounting profit:		
Profit before tax	10,331.61	1,164.73
Income tax rate	29.12%	34.61%
Income tax expense	3,008.56	403
Tax Effect of:		
Deferred tax reversing during tax holiday period	(375.31)	-
Tax on transition provisions of MAT for IndAS opening adjustments	-	36.66
Utilisation of brought forward losses	(2,186.35)	(443.17)
Others	-	3.42
Current tax for earlier year	56.88	-
Income tax expense recognised in statement of profit and loss	**503.78**	**-**

HINDUSTAN AEGIS LPG LIMITED
(All amounts are in INR lakhs, unless stated otherwise)
Notes annexed to and forming part of the financial statements

Deferred tax Asset/ (Liability)	Opening Balance	Recognised in profit and loss (Expense)/ Income	Closing balance
MAT credit entitlement	701.40	2,164.15	2,865.55
Difference between tax and books WDV of property, plant and equ	-	(326.13)	(326.13)
Disallowance u/s 43B of the Income-tax Act, 1961, etc.	-	1.26	1.26
Total	701.40	1,839.28	2,540.68

44 The Company had commenced the operations of Storage plant during the third quarter of year, hence the figures of previous year are not comparable with those of current year.

45 **Approval of financial statements:**
The financial statements were approved for issue by the Board of Directors on 28th May 2019.

For and on behalf of the Board of Directors

Raj K. Chandaria
Managing Director
DIN : 00037518

Jaideep D. Khimasia
Director
DIN : 07744224

Samya Bandopadhyay
Chief Financial Officer

Rajesh A. Solanki
Company Secretary

Place: Mumbai
Date: 28th May 2019