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56TH ANNUAL REPORT
2012-13

AEGIS LOGISTICS LTD.

COMPANY VISION

Aegis is a leader in oil and gas logistics. We offer services such as sourcing of product, storage and port operations, arranging road and pipeline movement, shipping and integrated supply chain management.

We believe in providing our customers in the oil, gas, and chemicals industry with end-to-end solutions, managing every activity in the supply chain to enable reliable, continuous, and competitive supplies of materials.

Our vision is to provide total supply chain management for oil, gas, and chemicals.



OUR VALUES

To provide the most flexible, responsive, and best quality service to our customers.

To strive for the highest standards of integrity, hard work, professionalism, and discipline.

To place a strong emphasis on safety, protecting the environment, and attaining world-class standards in every sphere of activity.

To strive to make a substantial contribution to the welfare and needs of the community, and the society at large.

To endeavour to maximize value for our shareholders.

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CORPORATE INFORMATION

BOARD OF DIRECTORS

CHAIRMAN

Kapoor M. Chandaria

VICE CHAIRMAN & MANAGING DIRECTOR

Raj K. Chandaria

MANAGING DIRECTOR & CEO

Anish K. Chandaria

DIRECTORS

Anil M. Chandaria

Ratilal P. Chandaria

Dinesh J. Khimasia

Rajnikant J. Karavadia

Kanwaljit S. Nagpal

Vasantrao H. Pandya

COMPANY SECRETARY & CHIEF MANAGER – LEGAL

Monica T. Gandhi

KEY MANAGEMENT TEAM

GROUP PRESIDENT & COO

Sudhir O. Malhotra

PRESIDENT (BUSINESS DEVELOPMENT)

Rajiv Chohan

PRESIDENT (OPERATIONS & PROJECTS)

Kamlakar S. Sawant

CHIEF FINANCIAL OFFICER

Bharat I. Gosalia

AUDITORS

Deloitte Haskins & Sells

Chartered Accountants, Mumbai

BANKERS

Bank of Baroda

Dena Bank

ING Vysya Bank Ltd.

HDFC Bank Ltd.

SOLICITORS & ADVOCATES

AZB & Partners, Mumbai

REGISTERED OFFICE

502, Skylon, G.I.D.C.,

Char Rasta, Vapi-396 195,

Dist. Valsad, Gujarat

CORPORATE & ADMINISTRATIVE OFFICE

403 Peninsula Chambers,

Peninsula Corporate Park, G.K. Marg,

Lower Parel (West), Mumbai-400 013

Tel: 022-666 3666

Fax: 022-666 3777

Website: www.aegisindia.com

LIQUID LOGISTICS & GAS DIVISION

Plot No. 72, Mahul Village,

Trombay, Mumbai-400 074

REGISTRAR & SHARE TRANSFER AGENTS

Sharepro Services (India) Pvt. Ltd.

13 AB, Samhita Warehousing Complex,

2nd Floor, Near Sakinaka Telephone Exchange,

Andheri Kurla Road, Sakinaka

Andheri (E), Mumbai-400 072

Tel: 022-6772 0300, 6772 0400

Fax: 022-2859 1568, 2850 8927

Email: sharepro@shareproservices.com

NOTES

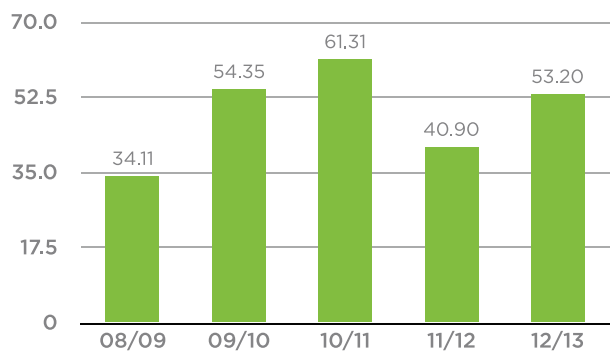
Members are requested to bring their copy of the Annual Report to the Annual General Meeting.

Please address all correspondence regarding Share Transfer Work to the Registrar & Share Transfer Agents and/or Corporate Office.

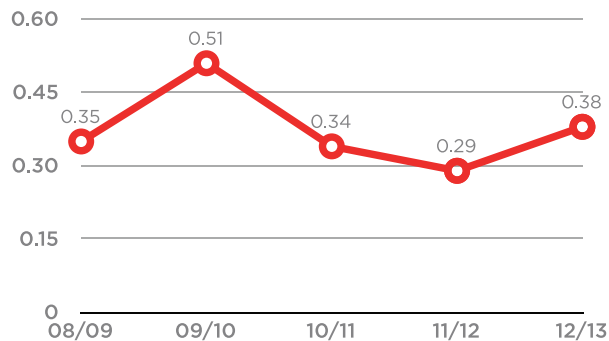
FINANCIAL OVERVIEW

CHARTS

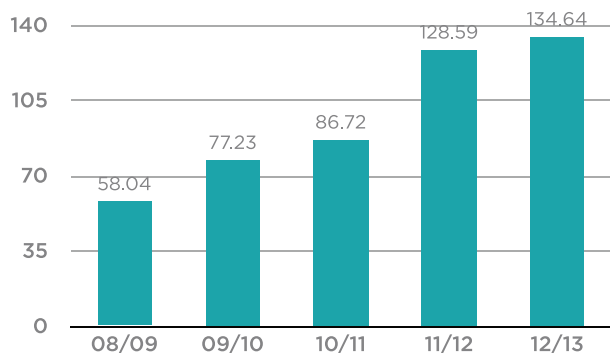
PRE-TAX PROFIT (RS. IN CRORES)



DEBT EQUITY RATIO

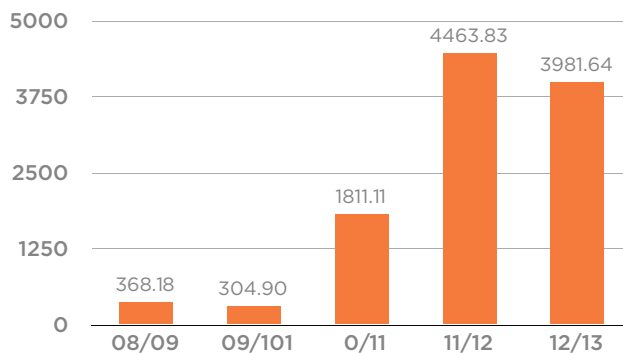


EBITDA (RS. IN CRORES)*

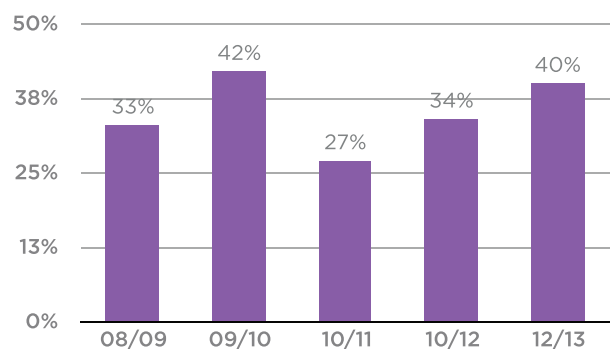


*Normalized EBITDA before Forex Hedging Related Expenses

OPERATING REVENUE (RS. IN CRORES)



DIVIDEND PAYOUT (%)



HIGHLIGHTS

- Group Consolidated Net Sales at Rs. 3982 crores
- EBITDA: Rs. 134.66 crores, up by 4.73%
- Pre-Tax Profit: 53.21 crores, up by 30%
- Profit after tax: Rs. 35.15 crores, up by 57%
- Debt to Equity ratio: 0.38
- Dividend at Rs. 4 per share (including Interim)

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

OVERVIEW

This was a tough year with a continued challenging global economic scenario, putting the brakes on the growth of the major economies. As a major importer, the Company was again affected by the falling rupee; however, with a change in the Company's hedging policy in the second half of the year limiting the risk of foreign exchange fluctuations, the Group's pre-tax profits rose by 30% at Rs. 53.21 Crores (previous year Rs. 40.90 Crores) after accounting for forex hedging costs.

Despite a slowdown in the Indian economy, we saw growth in both of our business segments. This was mostly attributable to a better product mix, an increase in liquid terminal capacity through de-bottlenecking, the Company's growth in the retail LPG distribution business in south India and also due to policy reforms by the government such as capping subsidized LPG cylinders. The operating performance of the Group remained very strong with the highest ever Normalized EBITDA (Segment) (Earnings before Finance Cost, Depreciation, Tax and Forex related expenses) recorded at Rs. 156 Crores – a year-on year increase of 11%.

In spite of a stagnating macro-economic environment, the Company's revenue remained strong and margins were stable. The Company's growth plans were on track, with the new liquid terminal at Haldia Dock Complex nearing completion and the groundbreaking and construction of a liquid terminal at Pipavav Port, Gujarat.

With good demand growth expected in the oil & gas sector in India and a more favourable business outlook, the Company is poised for higher growth in the medium term.

INDUSTRY STRUCTURE & DEVELOPMENT

The oil & gas industry comprises three major components: upstream, midstream and downstream. The upstream segment comprises Exploration and Production (E&P) activities, the midstream segment is involved in storage and transportation of crude oil and gas and the downstream segment is engaged in refining, production of petroleum products, and

processing, storage, marketing and transportation of the commodities such as crude oil, petroleum products and gas.

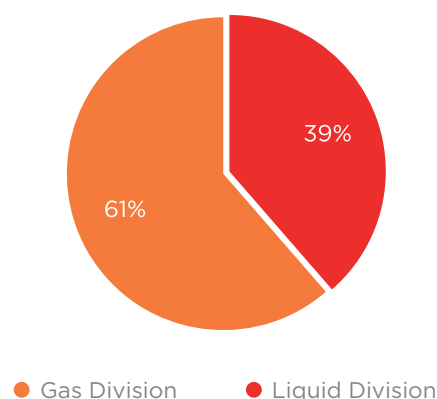
The Company is engaged in both the midstream and downstream segments. As energy consumption increases in India, growth in demand is likely to require sophisticated and safe logistics services. Deregulation of the oil sector will lead to new entrants in the petroleum retailing and bulk marketing requiring the need for integrated logistics services. The government policy of penetration of liquefied petroleum gas (LPG) in rural areas is also driving growth.

The government has taken many initiatives to boost investment in this sector by allowing 100% FDI for petroleum products and pipeline sector, natural gas and for infrastructure related to petroleum products marketing.

The policy change of oil price deregulation and cap on subsidized cylinders together with Direct Benefit Transfer (DBT) scheme to distribute subsidies for cooking gas, opens up a level playing field for parallel marketers and thus propelling growth prospects for Aegis Group.

SEGMENT-WISE ANALYSIS

SEGMENT RESULTS (EBITDA)



LIQUID LOGISTICS DIVISION

Revenues were at an all time high of Rs.107.51 crores (previous year Rs. 92.23 Crores) for the year, an increase of 17% on the year earlier. Operating profit margins (Segment EBITDA) were stable at 57% (previous year 58.8%). Normalized EBITDA of the division was also at a record of Rs. 61.23 Crores for the year (previous year Rs. 54.22 Crores), a rise of 13%. The pricing reforms are expected to improve margins for all companies operating in the petroleum sector, making them more competitive and provide a more level playing field to private players. Aegis is thus expected to benefit in the petroleum liquid logistics from increased participation in the sector by private players.



The performance of the Kochi terminal performance has improved over the last year but is still below full capacity with the current jetty unable to cater to large ships.

Future growth in this division will come from the new capacity at Haldia Dock Complex with storage capacity of 60,190 KL and from the new 120,000 KL liquid terminal at Pipavav Port in Gujarat.

The Operations and Maintenance (O&M) contracts with the OMC's and other customers are continuing satisfactorily, and with the experience of handling multiple of such contracts, the Company is poised to expand this activity by tendering for other new contracts.

GAS DIVISION

LPG revenues were Rs. 3,874 Crores (previous year Rs. 4,371 Crores) largely due to lower off-take by National Oil Companies during second half of the

year. However, volumes in the gas retailing business have witnessed an upward trend from Autogas and Packed gas. The recent government policy of capping the number of subsidized cylinders and Direct Benefit Transfer (DBT) Scheme is likely to have a sizable positive impact on demand. With a gradual increase in our network of Autogas stations and Commercial/Industrial Distributors, total sales volume for the retail segment shall continue to grow at a greater pace in the current and future years.

The success in expanding network of Autogas stations (presently 94 Nos.) and Commercial/Industrial Distributors (presently 40 Nos.) together with reforms under Government policy have yielded a record normalized EBITDA for the gas business to Rs.95.14 Crores up by 12% against previous year of Rs.85.05 Crores.



Based on "Vision 2015" of Government of India to achieve domestic LPG penetration of 75% on a pan India basis by 2015, the Oil Marketing Companies (OMCs) are in the process of releasing over 50 Million new connections during the period. This, together with full effect of existing policy reforms of the government, is likely to result in continued demand growth for LPG. By leveraging its network and logistics competence to achieve higher share in volumes and profit, Aegis is well positioned for this business in the medium term.

The business strategy for the gas division is to continue growth in all the segments by expanding logistics capacity and enlarging the distribution network. In the wholesale segment, the Company will be doubling import capacity to a throughput of close to 200,000 MT in Pipavav Port within the

next two years. The Company's branded "Puregas" cylinders have been launched in the southern states.

GROWTH/EXPANSION AT HALDIA & PIPAVAV PORT

The Indian oil and gas logistics sector is undergoing expansion with continued deregulation and liberalization by the government. Continuing its mission to build an unrivaled national port infrastructure and distribution network, Aegis has embarked upon setting up terminals at multiple ports.

Towards this goal, the new liquid terminal at Haldia with a storage capacity of 60,190 KL has progressed well and 25% of the capacity has already been put into revenue generating use. The project will help the Company expanding its horizons by catering to the market of North East and Eastern States.

Consistent with the growth strategy, the Company has now initiated construction of a 120,000 KL capacity Liquid Terminal and the construction of an additional 2700 MT of LP gas storage capacity at Pipavav Port, Gujarat. The expansion project is expected to be fully commissioned in FY14-15. The project will facilitate catering to untapped markets in Western and North Indian States.

Upon completion of the projects as above, the Company will have over 500,000 KL storage capacity for Liquid Logistics and over 850,000 MT annual throughput capacity for LPG.

OPPORTUNITIES AND THREATS

The Indian economy is a net importer of almost all forms of energy. This fact, coupled with the country's growing energy demand, has intensified the need for actively seeking private participation in the energy chain to bring in the required investment and technologies. There is thus a huge potential for the expansion of pipelines, transportation and infrastructure segments.

Simultaneously LPG demand and import is expected to rise in the coming years due to larger requirement by the rural penetration of LPG on pan India basis and the full impact of present policy reforms curbing illegal diversion of cooking gas and deregulation of diesel and petrol prices.

The main threat and opportunity to the LPG

industry arise from changes in government policy with regards to subsidized pricing of LPG and its substitutes. The main threat to the port based liquid logistics business arise from changes to government policies on coastal regulations and inadequate port infrastructure.

FUTURE BUSINESS OUTLOOK

Oil & gas continue to play a predominant role in meeting the energy requirements of the Country and at present constitute 45% of total energy consumption. The growing energy demand is likely to intensify the need for actively seeking private participation in the energy chain to bring in the required investment and technologies.

Coastal movement of domestic production shall help towards easing road transport congestion. Export of surplus petroleum products and transfer thru coastal mode, coupled with growing demand of global storing capacity by international traders for arbitrage/contango strategies may lead to an increase in demand for liquid & gas terminals at ports in India.

The Company is thus well poised to expand its horizons by establishing its facilities at multiple ports.

INTERNAL CONTROLS SYSTEMS AND ADEQUACY

The Company has a proper and adequate system of internal controls to ensure that all the assets are safeguarded, protected against loss from unauthorized use or disposition and that transactions are authorized, recorded and reported correctly. The company conducts audit of various departments based on an annual audit plan through an independent internal auditor and reports significant observations along with 'Action Taken Reports' to the Audit Committee from time to time. The views of the statutory auditors are also considered to ascertain the adequacy of the internal control system.

The Company regularly updates its risk management policy to protect the property, earnings and personnel of the Company against losses and legal liabilities that may be incurred due to various risks.

OCCUPATIONAL HEALTH, SAFETY, & ENVIRONMENT

The emphasis on OHSE is continued at all the operations throughout India of the Group. The Company is committed to the best standards in

safety and is continuously monitoring the matters related to this. The Company has formed a high level committee comprising of three directors and other Company executives, wherein the matters concerning the subject are being discussed.

HUMAN RESOURCES DEVELOPMENT

The Aegis Group employs 414 people. As the Company is growing fast, the emphasis is now on competence development of young managers and recruitment of middle management in specific areas to take care of the future growth envisaged in the business.

RISKS AND CONCERNS

Lack of port infrastructure facilities at major ports, inordinate delay in dredging, non-availability of port land, inadequacy of inland terminals in the country continue to remain areas of concern for liquid logistic players.

The illegal diversion of subsidized cooking gas to commercial and Autogas sectors, long lead times for obtaining approvals for setting up liquid terminals or Autogas stations, underdeveloped facilities for bunkering at ports remain concerns.

The Company's operations are dependent on the respective port authorities and subject to change in the tax rates and government policy.

CORPORATE SOCIAL RESPONSIBILITY

Aegis Group sponsors ANaRDe Foundation, a government accredited NGO. Acting through this Foundation, Aegis has continued to work actively in the area of rural development and poverty alleviation.

This year, the Foundation has focused on three key areas: provision of clean drinking water, low cost housing, and assistance to tribal areas.

With donations made by Aegis and other corporates, the Foundation has implemented the "Panama Blue Water Treatment System" at a number of villages in Gujarat for supplying clean drinking water.

In association with Habitat for Humanity, the Foundation is actively engaged in the provision of low cost housing, and has so far assisted 450 families in this initiative.

Finally, in association with various government bodies, ANaRDe Foundation has procured and distributed agricultural tools and implements, seeds and fertilizers, and bio-gas plants in 90 villages.



FORWARD LOOKING STATEMENTS

This report contains forward-looking statements, which may be identified by their use of words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' or other words of similar meaning. All statements that address expectations or projections about the future, including but not limited to statements about the Company's strategy for growth, product development, market position, expenditures, and financial results, are forward-looking statements. Forward-looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realised. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.

FIVE YEAR FINANCIAL PERFORMANCE

(Rs. in Crores)

OPERATING RESULTS	08/09	09/10	10/11	11/12	12/13
Operating Revenue	386.18	304.9	1811.11	4463.83	3981.64
Earnings before int., depreciation, tax	58.04	77.23	86.72	128.59	134.64
Finance Cost incl. Forex/hedging (net)	10.39	8.55	9.234	70.23	62.38
Depreciation	13.54	14.33	16.174	17.46	19.06
Profit before Tax	34.11	54.35	61.312	40.9	53.2
Tax	6.72	11.32	14.22	18.52	18.06
Profit after Tax	27.39	43.03	47.092	22.38	35.14

FINANCIAL POSITION	08/09	09/10	10/11	11/12	12/13
Capital	19.79	18.77	33.4	33.4	33.4
Reserves (excl. Revaluation Reserve)	149.33	165.98	244.83	256.75	276.22
Net Worth	169.12	184.75	278.23	290.15	309.62
Minority Interest	–	–	0.74	3.44	4.99
Long Term Borrowings	60	94.43	95.87	85.36	118.23
Deferred Tax Liability (net)	21.02	20.12	18.58	18.49	18.72
Total Capital Employed	250.14	299.3	393.42	397.44	451.56
Net Fixed Assets (excl. Revaluation Reserve)	230.66	261.67	282.14	298.9	378.42
Non Current Investments	4.03	4.46	1.48	10.05	10.03
Net Working Capital	15.45	33.17	109.80	88.49	63.11
Total Net Assets	250.14	299.30	393.42	397.44	451.56

RATIOS	08/09	09/10	10/11	11/12	12/13
EBITDA on Capital Employed*	25.33%	27.66%	23.18%	34.24%	31.47%
Debt:Equity	0.35	0.51	0.34	0.29	0.38

*On expanded Capital w.e.f. 23/03/2011

NOTICE

NOTICE is hereby given that the 56th Annual General Meeting of the Members of **AEGIS LOGISTICS LIMITED** will be held on Wednesday, 31st July, 2013 at 11.30 a.m. at Fortune Park Galaxy, National Highway No.8, G.I.D.C., Vapi - 396 195, Gujarat to transact the following business :

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2013 and Profit and Loss Account for the year ended on that date together with Directors and Auditors Report thereon.
2. To declare dividend on Equity Shares.
3. To appoint a Director in place of Mr. Kapoorchand M. Chandaria, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Mr. Ratilal P. Chandaria, who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint a Director in place of Mr. Kanwaljit S. Nagpal, who retires by rotation and being eligible offers himself for re-appointment.
6. To appoint Deloitte Haskins & Sells, Chartered Accountants, having registration no. 117366W, as the Statutory Auditors of the Company from the conclusion of this meeting till the conclusion of the next Annual General Meeting and to authorize the Board of Directors of the Company to fix their remuneration.

SPECIAL BUSINESS:

7. **To consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution :**

"RESOLVED THAT in accordance with the provisions of section 198, 269 and 309 of the Companies Act, 1956 (as amended) (the "Act") read with Schedule XIII and all other applicable provisions, if any of the Act and subject to the approval of the Central Government, if necessary, Mr. Raj K. Chandaria be and is hereby re-appointed as Vice Chairman & Managing Director of the Company for the term of 5 years w.e.f. 1st April, 2013 till 31st March, 2018.

RESOLVED FURTHER THAT the Board of Directors of the Company (the "Board") under its superintendence, control and direction, be and is hereby authorized to delegate, entrust, modify and ratify substantial powers of the management of the business and affairs of the Company from time to time, unto Mr. Raj K. Chandaria in his capacity as Vice Chairman & Managing Director of the Company.

RESOLVED FURTHER THAT Mr. Raj K. Chandaria, Vice-Chairman & Managing Director be and is hereby entitled to receive the following remuneration as recommended by the remuneration committee and approved by the Board, during his tenure as Vice-Chairman & Managing Director of the Company:

Remuneration	: Nil
Perquisites	: Nil
Sitting Fees	: Nil

Reimbursement of expenses incurred for travel / telephone etc. on behalf of the Company or in connection with the business of the Company including for attending the Board Meetings, Committee Meetings, General Meetings and Business Meetings of the Company, from time to time. : At Actuals

Commission : As decided by the Board, annually not exceeding @ 5% of Net Profit of the Company as provided under Sec. 198, 309 read with schedule XIII and other applicable provisions of the Companies Act, 1956.

RESOLVED FURTHER THAT the re-appointment of Mr. Raj K. Chandaria shall be governed by the following terms and conditions during his tenure as Vice Chairman & Managing Director:

- a. Mr. Raj K. Chandaria, unless prevented by ill health or save while on leave, will devote attention and abilities to the business and affairs of the Company and shall use their utmost endeavour to promote the interest of the Company.
- b. Mr. Raj K. Chandaria shall not, during his tenure, without the consent of the Board, engage or interest himself either directly or indirectly in the business or affairs of any other person, firm, company or in any undertaking of a nature similar to or competing with the Company's business and shall not divulge any trade secret or confidential information concerning the business of the Company.
- c. Mr. Raj K. Chandaria shall not during his tenure, without the consent of the Board, become interested or otherwise be concerned, directly or indirectly, or through wife and/or relatives in any selling agency of the Company.
- d. If Mr. Raj K. Chandaria wishes to resign/withdraw from the services of the Company an advance notice of six months shall be given, provided that the Board may waive the notice period.
- e. The terms of office of Mr. Raj K. Chandaria shall not be subject to retirement by rotation during his tenure as Vice-Chairman & Managing Director of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this resolution."

8. To consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution :

"RESOLVED THAT in accordance with the provisions of the sections 198, 269 and 309 of the Companies Act, 1956 (as amended) (the "Act") read with Schedule XIII and all other applicable provisions, if any of the Act and subject to the approval of the Central Government, if necessary, Mr. Anish K. Chandaria be and is hereby re-appointed as Managing Director & CEO of the Company for a term of 5 years w.e.f. 1st April, 2013 till 31st March, 2018.

RESOLVED FURTHER THAT the Board of Directors of the Company (the "Board") under its superintendence, control and direction, be and is hereby authorized to delegate, entrust, modify and ratify substantial powers of the management of the business and affairs of the Company from time to time, unto Mr. Anish K. Chandaria in his capacity as Managing Director & CEO of the Company.

RESOLVED FURTHER THAT Mr. Anish K. Chandaria, Managing Director & CEO be and is hereby entitled to receive the following remuneration as recommended by the remuneration committee and approved by the Board, during his tenure as Managing Director & CEO of the Company :

Remuneration	: Nil
Perquisites	: Nil
Sitting Fees	: Nil
Reimbursement of expenses incurred for travel / telephone etc. on behalf of the Company or in connection with the business of the Company including for attending the Board Meetings, Committee Meetings, General Meetings and Business Meetings of the Company, from time to time.	: At Actuals
Commission	: As decided by the Board, annually not exceeding @ 5% of Net Profit of the Company as provided under Sec. 198, 309 read with schedule XIII and other applicable provisions of the Companies Act, 1956.

RESOLVED FURTHER THAT the re-appointment of Mr. Anish K. Chandaria shall be governed by the following terms and conditions during his tenure as Managing Director & CEO :

- a. Mr. Anish K. Chandaria, unless prevented by ill health or save while on leave, will devote attention and abilities to the business and affairs of the Company and shall use their utmost endeavour to promote the interest of the Company.
- b. Mr. Anish K. Chandaria shall not, during his tenure, without the consent of the Board, engage or interest himself either directly or indirectly in the business or affairs of any other person, firm, company or in any undertaking of a nature similar to or competing with the Company's business and shall not divulge any trade secret or confidential information concerning the business of the Company.
- c. Mr. Anish K. Chandaria shall not during his tenure, without the consent of the Board, become interested or otherwise be concerned, directly or indirectly, or through wife and/or relatives in any selling agency of the Company.
- d. If Mr. Anish K. Chandaria wishes to resign/withdraw from the services of the Company an advance notice of six months shall be given, provided that the Board may waive the notice period.
- e. The terms of office of Mr. Anish K. Chandaria shall not be subject to retirement by rotation during his tenure as Managing Director & CEO of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this resolution."

9. To consider and if thought fit, to pass with or without modification(s) the following resolution as Ordinary Resolution :

"RESOLVED THAT the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee which the Board may constitute for this purpose) pursuant to Section 293 (1) (d) and other applicable provisions, if any, of the Companies Act, 1956 (as may be amended from time to time), and the Articles of Association of the Company, to borrow any sum or sums of money from any one or more banks and/or financial institutions and/or other entity/entities or authority/authorities such financial assistance, of whatsoever nature, from time to time, as may be deemed appropriate by the Board for an amount not exceeding Rs.1,000 crores (Rupees One Thousand Crores only), notwithstanding that the money so borrowed together with the monies already borrowed by the Company (apart from the temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business), if any, may exceed the aggregate for the time being of the paid up capital of the Company and its free reserves."

10. To consider and if thought fit, to pass with or without modification(s) the following resolution as Ordinary Resolution :

"RESOLVED THAT the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee which the Board may constitute for this purpose) pursuant to Section 293 (1) (a) and other applicable provisions, if any, of the Companies Act, 1956 (as may be amended from time to time), and the Articles of Association of the Company, to mortgage and/or charge, in addition to the mortgages/charges created/to be created by the Company, in such form and manner and with such ranking and at such time and on such terms as the Board may determine, on all or any of the movable and/or immovable properties of the Company both present and future and/or the whole or any part of the undertaking(s) of the Company together with the power to take over the Management of the business and concern of the Company in certain events of default, in favour of the Lender(s), Agent(s) and Trustee/Trustee(s) for securing the borrowings of the Company availed/to be availed by way of loan(s) (in foreign currency and/or rupee currency) and Securities (comprising fully/partly Convertible Debentures and/or Non Convertible Debentures with or without detachable or non detachable Warrants and/or secured premium notes and/or floating rates notes/bonds or other debt instruments), issued/to be issued by the Company, from time to time, subject to the limits approved under Section 293(1)(d) of the Companies Act, 1956, together with interest at the respective agreed rates, additional interest, compound interest in case of default, accumulated interest, liquidated damages, commitment charges, premia or prepayment, remuneration of the Agent(s)/Trustees, premium (if any) on the redemption, all other costs, charges and expenses, including any increase as a result of devaluation/revaluation /fluctuation in the rates of exchange and all other monies payable by the Company in terms of the Loan Agreement(s)/ Heads of Agreement(s), Debenture Trust Deed(s) or any other document, entered into/to be entered into between the Company and the Lender(s)/Agent(s) and Trustee/Trustee(s), in respect of the said loans/ borrowings /debentures and containing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Board or Committee thereof and the Lender(s)/Agents/ Trustee(s).

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board/ Committee be and is hereby authorized to finalise, settle and execute such documents/deeds /writings/papers/agreements as may be required and do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to creating mortgages/charges as aforesaid."

By order of the Board of Directors

Place : Mumbai
Dated : 30th May, 2013

Monica Gandhi
Company Secretary & Chief Manager-Legal

NOTES :

1. The Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 (the Act), relating to the Business as set out in Item nos. 7 to 10 of the Notice is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY AND VOTE ON POLL INSTEAD OF HIMSELF AND PROXY NEED NOT BE A MEMBER OF THE COMPANY. The proxies to be effective should be deposited at the Registered Office of the Company not later than 48 hours before the commencement of the meeting.
3. Corporate Members are requested to send a duly certified copy of the Board Resolution authorising their representative to attend and vote at the Annual General Meeting.
4. Pursuant to Clause 49 of the Listing Agreement, the details of the Directors seeking re-appointment at the ensuing Annual General Meeting are provided in the Corporate Governance Report.
5. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 20th July, 2013 to Wednesday, 31st July, 2013 (both days inclusive).
6. The Dividend, as recommended by the Board, if approved at the ensuing Annual General Meeting will be paid to those members, whose names stand registered on the Company's Register of Members :
 - i. As Beneficial Owners as at the end of business day on Friday, 19th July, 2013 as per the list to be furnished by National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) in respect of shares held in demat form.
 - ii. As Members holding shares in Physical Mode as per Register of Members of the Company as on Friday, 19th July, 2013.
7.
 - i. Those Members who have not encashed their dividend warrants for the financial years 2005-06 to 2011-12 and interim dividend for the financial year 2012-13 are requested to return the time barred dividend warrants or forward their claims to the Company.
 - ii. Pursuant to the provisions of Section 205A of the Companies Act, 1956, as amended, dividend for the financial year 2005-06 which shall remain unclaimed/unpaid for a period of 7 years from the date of transfer to the unpaid dividend account is due for transfer in October, 2013 and will be transferred to the Investor Education and Protection Fund constituted by the Central Government under Section 205C of the Companies Act, 1956. The year wise details of transfer of unclaimed dividend is given in the Corporate Governance Report.
 - iii. It may be noted that once the unclaimed dividend is transferred to the Government, as above, no claim shall lie in respect of such amount against the Company/Investor Education Protection Fund.
8. Securities & Exchange Board of India (SEBI) vide its Circular no. CIR/MRD/DP/10/2013 dated 21st March, 2013 has mandated all Companies to use approved electronic mode of payment for making cash payments such as Dividend to the Members (where core banking details are available) or to print the bank account details of the members (as per the Company's records) on the physical payment instruments (in case where the core banking details are not available or electronic payment instructions have failed or rejected by the Bank).

Hence, the Members are requested to furnish/update their bank account number along with other core banking details such as MICR (Magnetic Ink Character Recognition), IFSC (Indian Financial System Code) etc. at the earliest with:

- (i) the respective **Depository Participants (DP)** (in case of the shares held in Electronic Mode) or ;
 - (ii) the **Registrar & Share Transfer Agents** of the Company (**R&T**) (in case of the shares held in Physical form). For convenience of Members holding shares in physical form, "**Pre-printed Form**" for updation of Bank Account details is enclosed with this Annual Report. Kindly dispatch the said form, duly completed in all respects to the Company's Registrar & Share Transfer Agents at the earliest.
9. Members holding shares in demat mode may kindly note that any request for change of address or change of Email ID or change in bank particulars/mandates or registration of nomination are to be instructed to their Depository Participant only, as the Company or its Registrars and Share Transfer Agents cannot act on any such request received directly from the Members holding shares in demat mode.
10. Members holding shares in physical form are requested to lodge share transfer, transmission and intimate changes, if any, in their registered address, bank account and mandate details, residential status etc. quoting their folio number(s) to Company's Registrar and Share Transfer Agent.

Members are requested to note that as per the circular of Securities and Exchange Board of India (SEBI), for transfer of shares in physical form of listed companies, it shall be mandatory for the transferee(s) to furnish copy of PAN card to the Company/Registrar and Share Transfer Agent for registration of such transfer of shares.

11. Members may avail the facility of nomination in terms of Section 109A of the Companies Act, 1956 by nominating in the prescribed form a person to whom their shares in the Company shall vest in the event of their death. The prescribed form can be obtained from the Company's Registrar and Share Transfer Agent.
12. Members who hold shares in physical form in multiple folios in identical names or joint names in the same order of names are requested to send the share certificates to the Company's Registrar and Share Transfer Agent for consolidation into single folio.
13. Since securities of the Company are traded compulsorily in dematerialized form as per SEBI mandate, members holding shares in physical form are requested to get their shares dematerialized at the earliest.
14. Members are requested to:
- a) bring their copies of the Annual Report at the time of attending the Annual General Meeting.
 - b) complete the attendance slip and deliver the same at the entrance of the meeting hall.
 - c) send their questions atleast 10 days in advance before the Annual General Meeting on any further information on accounts so as to enable the Company to answer their question satisfactorily.

By order of the Board of Directors

Place : Mumbai
Dated: 30th May, 2013

Monica Gandhi
Company Secretary & Chief Manager -Legal

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 173 AND 192A OF THE COMPANIES ACT, 1956

ITEM NO. 7

The existing term of appointment of Mr. Raj K. Chandaria as Vice Chairman & Managing Director was valid upto 31st March, 2013.

Mr. Raj K. Chandaria is a dynamic man with international exposure. He has led the business through next stage of growth, particularly in the Gas and Petroleum Distribution business and for widening, deepening and strengthening the Management Team.

During his tenure, the Company acquired entire LPG business of Shell in India. This marked strategic entry of the group in the packed Cylinder business and into a new port viz. Pipavav in Gujarat. The Company infused private equity funds for fuelling its expansion plan. The Company also launched new businesses namely EPC and Bunkering.

The Company now plays a key role in India's downstream oil and gas sector and operates a network of bulk liquid handling terminals, liquefied petroleum gas (LPG) terminals, filling plants, pipelines, and gas stations to deliver products and services. The Company has also achieved the status of being the largest Standalone Auto LPG Company in India.

The Vision of the Company is to become the Industry Leader by delivering superior Customer service with a focus on quality, safety & environmental standards. The Company's strategy going forward is to build a necklace of oil and chemical terminals around the coastline of India at key ports; to develop a network of inland terminals to service the oil companies; and to construct a retail LPG distribution network of Autogas stations and commercial cylinder distributorship.

It is therefore felt by the Board of Directors of the Company (the "Board") that the Company under his continued leadership is well poised financially and technically to take up and complete expansions at a speed requisitioned by the present industrial scenario .

In view of the above, the Board has vide their resolution dated 7th February, 2013 subject to the approval of Members and Central Government appointed Mr. Raj K. Chandaria as Vice Chairman & Managing Director of the Company for a further term of five years i.e. from 1st April, 2013 to 31st March, 2018. The powers of the management of the business and affairs of the Company delegated by the Board of the Company unto Mr. Raj. K. Chandaria include inter-alia:

- To interact with executives/officers and direct them for maximizing profits.
- To engage, retain, employ, authorize and remunerate employees, experts, advisors, consultants or professional advisors as may be considered necessary and expedient.
- To delegate the powers of management of specific affairs of the Company entrusted with the Managing Director and for that purpose execute such power of attorney, affidavits, letter of authority as may be necessary or expedient for the purpose in favour of any officer, on behalf of the Company.
- To purchase, sell, take on hire or otherwise deal with the equipments, plant & machinery, vehicles, furniture & fixtures and all such other assets as may be required for the purpose of the business of the Company within an overall financial limit of Rs.300 lacs in any individual transaction and to incur capital expenditure during any financial year within the limits specified by the Board.

- To negotiate with trade unions or group of employees and to represent the Company in matters relating to employees of the company before courts, tribunals or other statutory authorities including the power to delegate the authority in favour of any officer of the Company.
- To effect and maintain insurance on moveable or immoveable properties of the Company and insurance against loss and liability generally.
- To open and operate any banking or other account and to draw, make, accept, execute, endorse, discount negotiate, retire, pay, satisfy and assign cheques, drafts, bills of exchange, promissory notes, hundis, interest warrants and other negotiable or transferable instruments or securities.
- To open bank Accounts including Current Accounts, Fixed Deposit Accounts with Banks and/or Mutual Funds for availing various facilities viz. General Banking, investment of funds, Forward Cover regarding Forex transactions, payment of Interest Warrants and Dividend Warrants, Escrow arrangements regarding specific transactions, insertion and deletion of signatories, increase the signing limit of signatories for operating Bank / Mutual Fund Account(s) etc. and to close the Bank and Mutual Fund Account(s) upon completion of the transaction.
- To avail Corporate Internet Banking Service over Internet Channel with the banks and to accept terms of service for the same.
- To borrow moneys with or without security, for the purpose of the business of the Company, subject to the approvals of the Company as required under section 293(1)(d) of the Companies Act, 1956 and approval of the Board as required under section 292 of the Companies Act, 1956 and subject further to such maximum limit as the Board may impose from time to time while giving such approval.
- To invest and deal with the funds of the Company (other than in the shares of the other companies covered by section 372A of the Companies Act, 1956) and fixed deposits with the Company's bankers.
- To make contribution to one or more charitable institutions for an amount not exceeding Rs.50 lacs.
- To enter into contracts for and on behalf of the Company subject to compliance with the provisions of the Companies Act, 1956, wherever necessary.
- To appoint distributors for the sale of the products of the Company subject to prior approval of the Board whenever necessary.
- To enter into and become party to and to sign and execute all deeds, instruments, contracts, receipts and all other documents or writings on behalf of the Company not required to be executed under its Common Seal or not otherwise provided for in the Articles of Association of the company.
- To become party to and to present for registration and admit execution of and to do every act, matter or thing necessary or proper to enable registration on behalf of the Company of all deeds, instruments, contracts, agreements, receipts and all other documents whatsoever.
- To institute, defend, prosecute, conduct, compound, refer to arbitration and abandon and to compromise legal or other proceedings, claims and disputes by or against the Company or in which the company may be concerned or interested.

- To exercise and perform such powers and duties as the Board shall from time to time, determine and subject to any directions and restrictions, from time to time, given and imposed by the Board and further subject to the superintendence, control and direction of the Board, he shall have the general control, management and superintendence of the business of the Company.
- And generally to make all such arrangements and to do all such acts, deeds, matters and things on behalf of the Company as may be usual, necessary or expedient in the conduct and management of business and as are not by the Act or by the Memorandum and Articles of Association of the company expressly required to be done by the Company in general meeting or by the Board.

Mr. Raj K. Chandaria is not a resident of India as envisaged in Part I of Schedule XIII of the Companies Act, 1956 and therefore the application seeking the approval of Central Government for his re-appointment has already been made and the response is awaited.

It is proposed to remunerate Mr. Raj K. Chandaria as Vice Chairman & Managing Director by way of commission within the limits specified under the Companies Act, 1956.

There shall be no written agreement in this regard and the terms will be as approved by necessary resolution of the Board / Members of the Company.

The Board recommends the proposed ordinary resolution(s) for the approval of the Members of the Company. Kindly treat this as an abstract as required u/s. 302 of the Companies Act, 1956.

Except for Mr. Kapoorchand M. Chandaria, Chairman, Mr. Anil M. Chandaria, Mr. Anish K. Chandaria and Mr. Raj K. Chandaria, no other director of the Company is interested in the said resolution.

ITEM NO. 8

The existing term of appointment of Mr. Anish K. Chandaria as Managing Director & CEO was valid upto 31st March, 2013.

Mr. Anish K. Chandaria has been spearheading the Company for last many years and has rich experience in the areas of Oil & Gas. Through his leadership, Company widened its horizons including overseas operations and made significant growth in Autogas business.

During his tenure, the Company acquired entire LPG business of Shell in India. This marked strategic entry of the group in the packed Cylinder business and into a new port viz. Pipavav in Gujarat. The Company infused private equity funds for fuelling its expansion plan. The Company also launched new businesses namely EPC and Bunkering.

The Company now plays a key role in India's downstream oil and gas sector and operates a network of bulk liquid handling terminals, liquefied petroleum gas (LPG) terminals, filling plants, pipelines, and gas stations to deliver products and services. The Company has also achieved the status of being the largest Standalone Auto LPG Company in India.

The Vision of the Company is to become the Industry Leader by delivering superior Customer service with a focus on quality, safety & environmental standards. The Company's strategy going forward is to build a necklace of oil and chemical terminals around the coastline of India at key ports; to develop a network of inland terminals to service the oil companies; and to construct a retail LPG distribution network of Autogas stations and commercial cylinder distributorship.

It is therefore felt by the Board of Directors that the Company (the "Board") under his continued leadership is well poised financially and technically to take up and complete expansions at a speed requisitioned by the present industrial scenario.

In view of the above, the Board have vide their resolution dated 7th February, 2013 subject to the approval of Members and Central Government appointed Mr. Anish K. Chandaria as Managing Director & CEO of the Company for a further term of five years i.e. from 1st April, 2013 to 31st March, 2018. The powers of the management of the business and affairs of the Company delegated by the Board unto Mr. Anish. K. Chandaria include inter-alia:

- To interact with executives/officers and direct them for maximizing profits.
- To engage, retain, employ, authorize and remunerate employees, experts, advisors, consultants or professional advisors as may be considered necessary and expedient.
- To delegate the powers of management of specific affairs of the Company entrusted with the Managing Director and for that purpose execute such power of attorney, affidavits, letter of authority as may be necessary or expedient for the purpose in favour of any officer, on behalf of the Company.
- To purchase, sell, take on hire or otherwise deal with the equipments, plant & machinery, vehicles, furniture & fixtures and all such other assets as may be required for the purpose of the business of the Company within an overall financial limit of Rs.300 lacs in any individual transaction and to incur capital expenditure during any financial year within the limits specified by the Board.
- To negotiate with trade unions or group of employees and to represent the Company in matters relating to employees of the company before courts, tribunals or other statutory authorities including the power to delegate the authority in favour of any officer of the Company.
- To effect and maintain insurance on moveable or immoveable properties of the Company and insurance against loss and liability generally.
- To open and operate any banking or other account and to draw, make, accept, execute, endorse, discount negotiate, retire, pay, satisfy and assign cheques, drafts, bills of exchange, promissory notes, hundis, interest warrants and other negotiable or transferable instruments or securities.
- To open bank Accounts including Current Accounts, Fixed Deposit Accounts with Banks and/or Mutual Funds for availing various facilities viz. General Banking, investment of funds, Forward Cover regarding Forex transactions, payment of Interest Warrants and Dividend Warrants, Escrow arrangements regarding specific transactions, insertion and deletion of signatories, increase the signing limit of signatories for operating Bank / Mutual Fund Account(s) etc. and to close the Bank and Mutual Fund Account(s) upon completion of the transaction.
- To avail Corporate Internet Banking Service over Internet Channel with the banks and to accept terms of service for the same.
- To borrow moneys with or without security, for the purpose of the business of the Company, subject to the approvals of the Company as required under section 293(1)(d) of the Companies Act, 1956 and approval of the Board as required under section 292 of the Companies Act, 1956 and subject further to such maximum limit as the Board may impose from time to time while giving such approval.

- To invest and deal with the funds of the Company (other than in the shares of the other companies covered by section 372A of the Companies Act, 1956) and fixed deposits with the Company's bankers.
- To make contribution to one or more charitable institutions for an amount not exceeding Rs.50 lacs.
- To enter into contracts for and on behalf of the Company subject to compliance with the provisions of the Companies Act, 1956, wherever necessary.
- To appoint distributors for the sale of the products of the Company subject to prior approval of the Board whenever necessary.
- To enter into and become party to and to sign and execute all deeds, instruments, contracts, receipts and all other documents or writings on behalf of the Company not required to be executed under its Common Seal or not otherwise provided for in the Articles of Association of the company.
- To become party to and to present for registration and admit execution of and to do every act, matter or thing necessary or proper to enable registration on behalf of the Company of all deeds, instruments, contracts, agreements, receipts and all other documents whatsoever.
- To institute, defend, prosecute, conduct, compound, refer to arbitration and abandon and to compromise legal or other proceedings, claims and disputes by or against the Company or in which the company may be concerned or interested.
- To exercise and perform such powers and duties as the Board shall from time to time, determine and subject to any directions and restrictions, from time to time, given and imposed by the Board and further subject to the superintendence, control and direction of the Board, he shall have the general control, management and superintendence of the business of the Company.
- And generally to make all such arrangements and to do all such acts, deeds, matters and things on behalf of the Company as may be usual, necessary or expedient in the conduct and management of business and as are not by the Act or by the Memorandum and Articles of Association of the company expressly required to be done by the Company in general meeting or by the Board.

Mr. Anish K. Chandaria is not a resident of India as envisaged in Part I of Schedule XIII of the Companies Act, 1956 and therefore the application seeking the approval of Central Government for his re-appointment has already been made and the response is awaited.

It is proposed to remunerate Mr. Anish K. Chandaria as Vice Chairman & Managing Director by way of commission within the limits specified under the Companies Act, 1956.

There shall be no written agreement in this regard and the terms will be as approved by necessary resolution of the Board/Members of the Company.

The Board recommends the proposed ordinary resolution(s) for the approval of the Members of the Company. Kindly treat this as an abstract as required u/s. 302 of the Companies Act, 1956.

Except for Mr. Kapoorchand M. Chandaria, Chairman, Mr. Anil M. Chandaria, Mr. Raj K. Chandaria and Mr. Anish K. Chandaria, no other director of the Company is interested in the said resolution.

ITEM NO.9

In terms of Section 293(1)(d) of the Companies Act, 1956, the Board of Directors of the Company (the "Board") cannot, except with the consent of the members in the General Meeting, borrow money (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business), in excess of aggregate of paid up capital and its free reserves, not set apart for any specific purpose.

Apropos to the growth witnessed in oil & gas industry, the Company would require to enhance the borrowing limits to fund the future capex plans. In view of the same, your Directors are of the opinion that the limit of the borrowing powers should be fixed upto an amount of Rs.1,000 crores (Rupees One Thousand Crores only).

The Board recommends the Ordinary Resolution as set out in item no. 9 of the Notice for approval of members of the Company.

None of the Directors is concerned or interested in the resolution.

ITEM NO.10

A Resolution for seeking Members approval for borrowing of money (whether secured or unsecured) upto an overall limit of Rs. 1,000 crores, pursuant to Section 293(1)(d) of the Companies Act, 1956 is being placed before the Annual General Meeting. The Borrowing of the Company are in general required to be secured by suitable mortgage or charge on all or any of the movable or immovable properties of the Company in such form, manner and ranking as may be determined by the Board of Directors of the Company (the "Board") from time to time, in consultation with the lender(s).

In terms of Section 293(1)(a) of the Companies Act, 1956, the Board cannot except with the consent of the Members in the General Meeting sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company. The mortgage and/or charge by the Company of its movable and/or immovable properties and/or the whole or any part of the undertaking(s) of the Company, in favour of the lender(s), with a power to take over the Management of the business and concern of the Company in certain events of default by the Company, may be regarded as disposal of the Company's undertaking(s) within the meaning of Section 293(1)(a) of the Companies Act, 1956. Hence, it is necessary for the Members to pass an Ordinary resolution under the said Section.

The Board recommends the Ordinary Resolution as set out in item no. 10 of the Notice for approval of members of the Company.

None of the Directors is concerned or interested in the resolution.

By order of the Board of Directors

Place : Mumbai
Dated: 30th May, 2013

Monica Gandhi
Company Secretary & Chief Manager -Legal

DIRECTORS' REPORT

TO THE MEMBERS OF THE COMPANY

The Directors have pleasure in presenting the 56th Annual Report and Audited Statement of Accounts of the Company for the year ended 31st March, 2013.

FINANCIAL PERFORMANCE

(Rs. in crores)

	Group Consolidated		Company Standalone	
	2012-13	2011-12	2012-13	2011-12
Revenue from Operation	3981.64	4463.83	383.77	284.30
Profit before Finance cost (as mentioned below), Depreciation and Tax *	134.66	128.58	70.82	69.11
Finance Cost (including Interest (Net), Hedging Cost & Foreign Exchange Loss (Gain))	62.39	70.23	5.10	4.25
Depreciation	19.06	17.45	11.88	11.35
Profit before tax	53.21	40.90	53.84	53.51
Provision for taxation – Current Tax	17.83	18.61	14.96	12.91
– Deferred	0.23	(0.09)	(1.19)	(0.45)
Net Profit after tax	35.15	22.38	40.07	41.05
Less: Minority Interest	1.55	2.70	-	-
Net Profit for the Year	33.60	19.68	40.07	41.05
Balance in statement of Profit & Loss	168.98	163.66	181.69	154.99
Profit available for Appropriations	202.58	183.34	221.76	196.04
Less: Appropriations				
Transfer to General Reserves	(4.01)	(4.11)	(4.01)	(4.10)
Transfer to Debenture Redemption Reserve	-	(2.50)	-	(2.50)
Interim Dividend {Rs.1.75 (Previous Year Rs.Nil) per share}	(5.84)	-	(5.84)	-
Corporate Dividend Tax thereon	(0.02)	-	(0.02)	-
Corporate Dividend Tax on Preference Share Dividend declared by a Subsidiary Company	(0.93)	-	-	-
Proposed Dividend – Final {Rs.2.25 (Previous Year Rs.2/-) per share}	(7.52)	(6.68)	(7.52)	(6.68)
Corporate Dividend Tax thereon	(1.28)	(1.08)	(1.28)	(1.08)
Closing Balance	182.98	168.97	203.09	181.68

* Normalised EBIDTA

OPERATING PERFORMANCE

COMPANY STANDALONE

The operating performance of the Company has shown consistent good results, whereby Revenue from operations increased by 35% at Rs. 383.77 Crores (previous year Rs. 284.30 Crores). The Gross profit (before interest (net), depreciation, tax, hedging cost & foreign exchange loss (gain), (PBIDT)) increased to Rs. 70.82 Crores (previous year Rs.69.11 crores). Profit before Tax was maintained at Rs. 53.84 Crores (previous year Rs.53.51 crores) and Profit after Tax decreased marginally to Rs. 40.07 crores (previous year Rs.41.05 crores).

LIQUID DIVISION

The revenue and profitability of Liquid Terminal Division were higher on account of better product mix. The Company achieved segment revenue of Rs. 75.46 Crores (previous year Rs. 64.63 Crores) and segment profit of Rs. 33.22 Crores (previous year Rs.29.62 Crores).

GAS DIVISION

Gas Volumes were better in respect of Gas Distribution business including Industrial Distribution and Autogas. However, Gas Logistics volumes were down due to lower off-take by National Oil Companies/ Petrochemical Sector. Segment revenue for Gas Division increased to Rs. 308.31 crores (previous year Rs.219.68 Crores) and Segment Profit also increased to Rs. 38.42 crores (previous year Rs. 35.12 Crores).

GROUP CONSOLIDATED

The Operating performance of the Group has witnessed an upward change. The Gross Profit (before interest (net), tax, hedging cost and Forex Gain (loss)) PBIDT increased to Rs. 134.66 Crores (previous year Rs. 128.58 crores). The Revenue for the year was Rs. 3981.64 Crores (previous year Rs. 4463.83 Crores). The Profit before Tax increased to Rs. 53.21 Crores (previous year Rs. 40.90 Crores) an increase of 30% on year on year basis. The Profit after tax also increased to Rs. 35.15 Crores (previous year Rs. 22.38 Crores), an increase of 57% on year-on year basis.

LIQUID DIVISION

Revenues of the group for Liquid division were higher for the year by 17 % at Rs. 107.51 Crores (previous year Rs. 92.23 crores) due to better Product Mix and increase in capacity due to debottlenecking efforts. Normalised EBIDTA increased to Rs. 61.23 Crores compared to Rs. 54.22 Crores, an increase of 13%. The Revenues continued to remain strong and margins stable. The Company has already initiated new greenfield projects in this business at Haldia and Pipavav thereby will be offering logistics facilities at multiple ports.

GAS DIVISION

The revenue for Gas Division during the year was Rs. 3,874 Crores (previous year Rs. 4,372 Crores). The normalised EBIDTA increased to Rs. 95.14 Crores as compared to Rs. 85.05 Crores, an increase of 12%, mainly attributable to increase in volumes of higher margin Gas Distribution in Autogas and Packed Gas Cylinders and increase in sourcing fees. The Government's LPG reforms as well as the Company's penetration in new states/ cities for Gas Retailing has a favourable impact on the business.

The Company has now considerably changed the business model of wholesaling of Gas, thereby substantially reducing the risk of Foreign Exchange fluctuations.

OUTLOOK FOR THE COMPANY

The Oil and Gas logistics business continues to show good potential as India's consumption of petroleum, LPG and chemicals increases.

The Company is poised to take advantage of growth opportunities by setting up additional capacities at different Ports in Liquid Logistics and by increase in turnaround times in Gas business.

The Policy change of Oil price deregulation and Cap on Subsidized Cylinders together with Direct Benefit Transfer (DBT) scheme to distribute subsidies for cooking gas, will further boost the growth opportunities for the Company in its Gas business.

The Company follows a clear strategy: to build a necklace of oil and chemical terminals around the coastline of India at key ports; to develop a network of inland terminals to service the oil companies; and to construct and develop a retail LPG distribution network of Autogas stations and commercial cylinder distributorship.

DIVIDEND

The company continues to evaluate and manage its dividend policy to build long term Shareholder value.

The Directors are pleased to recommend the Final Dividend of 22.5% i.e. Rs.2.25 per Share aggregating to total dividend of 40% i.e Rs. 4 per Share(including interim dividend of Rs. 1.75 per share) for the year ended 31st March, 2013 (previous year Rs.2.00 per Share), which if approved at the forthcoming Annual General Meeting will be paid to those Equity Shareholders of the Company whose names appear as per the Register of Members/ Depositories as on the Friday, i.e. 19th July 2013.

SUB DIVISION OF SHARES

The Members vide resolution passed through Postal Ballot on 19th November, 2010 had approved the sub division of shares from the face value of Rs.10/- each to Rs.2/- each. The Company has deferred giving effect to this resolution.

NEW PROJECTS

The Company has continued undertaking new Projects at a pace requisitioned by the present industrial scenario of Oil & Gas.

The Greenfield Project of setting up Bulk Liquid Terminal of 60,190 KL at Haldia has progressed well. Phase I of the project with 25% capacity has already been commissioned and put to commercial use. The balance capacity shall get completed during the first half of FY 2014-15. The expanded facilities at the Eastern Port shall enable the Company to expand its horizons by catering to market of North-East and Eastern States.

The Group has now initiated a Project at Pipavav Port, Gujarat for setting up a Bulk Liquid and Gas Storage Terminal. The Project contains additional capacity of 120,000 KL of Bulk Liquid and 2700 MT of Gas.

The Project will augment the ability of Aegis to offer its customers a comprehensive portfolio of facilities for a large variety of cargoes at different ports. The expanded facilities shall enable the Group to expand its horizons by catering to untapped markets in Western Gujarat, North India, etc.

MARINE PRODUCTS DIVISION:

The Marine Products Division initiated in 2012 has continued doing well. During the year the Company has been able to expand the business of supplying Marine Fuels at Kochi Port also.

CREDIT RATING

During the year Short Term Credit Rating of “A1+” (A One Plus) has been continued by Credit Rating Agency **Credit Analysis and Research Ltd. (CARE)**. However, in view of very high volatility in the foreign exchange rates and consequent increase in hedging cost prevailed during 2011-12 and first half of 2012-13, Company’s long-term Credit rating was revised from “AA” to “AA-”(Double A Minus). The Company has since been successful in changing the business model during second half of 2012-13 to substantially reduce impact of foreign exchange rate and thereby the major risk of currency fluctuations has been done away with.

SUBSIDIARY COMPANIES

The Company has seven subsidiary/ wholly owned subsidiaries as on 31st March, 2013 having business akin and germane to the business of holding Company, whose details are given in the Annual Report and there has been no change in the nature of business of its Subsidiaries during the year.

CONSOLIDATED FINANCIAL STATEMENTS

In compliance with the directions by Ministry of Corporate Affairs, Govt. of India (MCA), the Consolidated Financial Statements of Aegis Group as provided in this Annual Report is prepared in accordance with the Accounting Standard (AS21) "CONSOLIDATED FINANCIAL STATEMENTS". The Consolidated Financial Statements include Financial Results of its Subsidiary Companies.

For information of members, a statement containing brief financial details of the Company's subsidiaries for the year ended March 31, 2013 is included in this Annual Report. The Annual Accounts of these subsidiaries will be made available to the holding and subsidiary companies' Members seeking such information at any point of time. The annual accounts of the subsidiary companies will also be kept for inspection by any Member at Head / Corporate Office of the Company and that of the subsidiary companies concerned.

FIXED DEPOSITS

During the year under review, the Company has not invited any fresh fixed deposits nor renewed any existing fixed deposits from its shareholders and general public. The outstanding fixed deposit as at the close of the Financial Year ended 31st March, 2013 amounted to Rs. 1.68 Crores.

Deposits of Rs. 3.52 Crores, which fell due for repayment during the financial year have been paid by the Company. However, an amount of Rs. 0.08 Crores remained unclaimed by the depositors as at the close of accounting year. There were no overdue deposits other than those unclaimed at the year end. There is no default in payment of interest and repayment of matured deposits & interest thereon by the Company.

CORPORATE GOVERNANCE

A report on Corporate Governance, as stipulated under Clause 49 of the Listing Agreement together with a certificate of compliance from the Auditors, forms part of this report.

MANAGEMENT DISCUSSION AND ANALYSIS

In compliance with Clause 49 of the Listing Agreement, a separate section on Management Discussion and Analysis which also includes further details on the state of affairs of the Company forms part of this Annual Report.

LISTING OF COMPANY'S SECURITIES

EQUITY SHARES

The Company's Equity Shares continue to remain listed with the Bombay Stock Exchange Ltd. and National Stock Exchange of India Ltd. and the stipulated Listing Fees for the Financial Year 2013-14 have been paid to both the Stock Exchanges.

NON CONVERTIBLE DEBENTURES

The Company's Redeemable Non-Convertible Debentures are listed on the Wholesale Debt Market Segment of National Stock Exchange of India Ltd. and the stipulated Listing Fees for the Financial Year 2013-14 have been paid.

DIRECTORS

Pursuant to section 256 of the Companies Act, 1956 and Articles of Association of the Company, Mr. Kapoorchand M. Chandaria, Mr. Ratilal P. Chandaria and Mr. Kanwaljit S. Nagpal, Directors of the Company retires by rotation and being eligible, offer themselves for re-appointment.

In compliance with the Clause 49 IV (G) of the Listing Agreement, brief resume of the aforesaid directors, their expertise and other details of Directors proposed to be re-appointed are provided in the Corporate Governance Report. Appropriate resolutions for re-appointment of the aforesaid directors are being placed for approval of the members at the ensuing Annual General Meeting.

AUDITORS

The Auditors of the Company M/s. Deloitte Haskins & Sells, Chartered Accountants, Mumbai, holds office until the conclusion of the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The Company has received a letter from the Auditors to the effect that their reappointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956 and that they are not disqualified for such re-appointment within the meaning of Section 226 of the said Act.

OCCUPATIONAL HEALTH, SAFETY & ENVIRONMENT

The Company is holding coveted certifications, viz. ISO-9001 (2008), ISO-14001 (2004) and OHSAS-18001 (2007) and thereby meet all Quality, Environmental Safety Standards specified under these Certifications.

Certificate of Merit was awarded to Mumbai Terminal for achieving Zero accident frequency rate in the Year 2011, in Maharashtra Safety Awards Competition organized by National Safety Council- Maharashtra Safety. The meritorious award was received through the hands of Chairman – National Safety Council, Maharashtra Chapter on 15th September, 2012.

The Company has rolled out Health, Safety & Environment (HSE) priorities including framing of "Aegis Group HSE Policy", launching of "Aegis Golden Rules", Group Level HSE performance measure, Remedial Action Plan tracker, in December 2012 taking a step forward in demonstrating sound HSE performance.

Periodic programmes and regular seminars are being arranged for middle and senior executives to impart training in respect of different functional and general management areas.

The Company continues to extend support to various Industry forums e.g. Bombay Chamber of Commerce and Industry, Indian Merchant Chambers, Indian Chemical Counsel, etc. in the field of HSE and Infrastructure.

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 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, to the extent as are applicable to the Company, are given in Annexure 'A' to the Directors' Report.

PARTICULARS OF EMPLOYEES

In terms of the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended, the name and other particulars of the employees are required to be set out in the Annexure to the Directors Report. However as per the provisions of Section 219(1)(b)(iv) of the said Act, the Annual Report excluding the aforesaid information is being sent to all the Members of the Company and others entitled thereto. Members who are interested in obtaining such particulars may write to the Company at its Corporate Office.

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors would like to inform the Members that the Audited Accounts for the financial year ended 31st March, 2013 are in full conformity with the requirement of the Companies Act, 1956. The Financial Results are audited by the Statutory Auditors, Messrs Deloitte Haskins & Sells.

THE DIRECTORS FURTHER CONFIRM THAT:

- (i) in the preparation of the Annual Accounts, the applicable accounting standards have been followed;
- (ii) the accounting policies are consistently applied and reasonable, prudent judgment and estimates are made 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 profits of the Company for that period;
- (iii) the Directors have taken proper and sufficient care for the 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 fraud and other irregularities;
- (iv) the Directors have prepared the Annual Accounts on a 'going concern' basis.

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

Place : Mumbai
Dated: 30th May, 2013

Raj K. Chandaria
Vice- Chairman & Managing Director

ANNEXURE A TO THE DIRECTORS REPORT

(Information under Section 217 (1) (e) of the Companies Act, 1956, read with Companies (Disclosure of Particulars in Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended 31st March, 2013)

A. CONSERVATION OF ENERGY

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

The Company has taken following measures for energy conservation at the factories:

1. Installation of higher capacity LPG/Propane heater.
Benefits -
 - a. Increase capacity from exiting 22 MT/h to 75 MT/h
 - b. Saving in energy to the tune of 22 KW/h.
 - c. Enhancement in the operating life of heater by replacement of material of construction of tubes from carbon steel to stainless steel 304 which resulted in un-interrupted service to the customers.
 - d. Facilitate improved measurement & monitoring of operating parameters.
2. Recycling of treated effluent water for terminal use helped to reduce water consumption.
3. External consultant has been appointed for Energy Audit of Terminal Sites.

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

The Company continues its efforts and aforesaid measures on ongoing basis for reduction of consumption of energy.

c) Total energy consumption and energy consumption per unit of production as per Form A of the Rules is not applicable to the Company.

B. TECHNOLOGY ABSORPTION

Efforts made in technology absorption as per Form 'B' of the Rules is enclosed.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

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

FORM B

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION 2012 – 2013

RESEARCH AND DEVELOPMENT (R&D)

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

TECHNOLOGY ADOPTION AND INNOVATION

The Company migrated to SIMATIC PCS 7 and trained the operators with the new system, and the features of this product was right for the kind of process and functionality required.

The SIMATIC PCS 7 offers high system availability, investment security and future-safe technology, together with a reduced total cost of ownership. It offers flexibility, scalability, integrated safety, batch processing and energy management.

No new Technology is imported during the financial year.

For and on behalf of the Board

Place : Mumbai
Dated: 30th May, 2013

Raj K. Chandaria
Vice- Chairman & Managing Director

REPORT ON CORPORATE GOVERNANCE

1. Company's philosophy on code of governance

The Company believes in transparency, professionalism and accountability, the guiding principles of corporate governance. The good corporate governance generates goodwill amongst all its stakeholders including business partners, customers, employees and investors, earns respect from society and brings about a consistent sustainable growth for the Company and its investors.

Your Company is focused to operate within the well accepted parameters of ethics and integrity and constantly endeavors to adopt best practices of Corporate Governance and improve on these aspects on an ongoing basis. In order to achieve this objective, the Company is driven by the two guiding principles i.e. improving the effectiveness of the Board of Directors in supervising management; and improving the quality of information and communication with our stakeholders.

The Company is in compliance with the Corporate Governance norms stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges.

2. Board of Directors

a. Composition of Board

The Board of Directors of the Company comprises of 9 (Nine) Directors including a Non-Executive Chairman, Vice Chairman & Managing Director, Managing Director & CEO and other Non-Executive Directors. These Directors bring in a wide range of skills and experience to the Board. None of the Directors on the Board is a member on more than 10 (Ten) Committees and Chairman of more than 5 (five) committees as specified under clause 49 of the Listing Agreement, across all the Companies in which they are Directors. The necessary disclosures regarding Committee positions have been made by the Directors.

Details of the Directorship, Membership and Chairmanship in other companies for each Director of the Company and their shareholdings and attendance at the meetings for the financial year ended on 31st March, 2013 are as follows:

Sr. No.	Name of the Director	No. of shares held	Category	Attendance particulars		# Directorships in other Public Companies	^ Committee Positions in other Public Companies	
				Board Meetings Attended	AGM Attended		Chair-man	Member
1.	Mr. Kapoorchand. M. Chandaria (Chairman)	—	NED-NI-C	3	Yes	3	1	—
2.	Mr. Raj K. Chandaria (Vice Chairman & Managing Director)	—	ED-NI-VC	2	—	5	—	2
3.	Mr. Anish K. Chandaria (Managing Director & CEO)	—	ED-NI	4	Yes	5	1	1
4.	Mr. Anil M. Chandaria	—	NED-NI	—	—	—	—	—
5.	Mr. Ratilal P. Chandaria	—	NED-I	1	—	1	—	—
6.	Mr. Dinesh J. Khimasia	—	NED-I	4	Yes	4	2	2
7.	Mr. Rajnikant J. Karavadia	36	NED-I	4	Yes	—	—	—
8.	Mr. Kanwaljit S. Nagpal	100	NED-I	4	Yes	4	—	4
9.	Mr. Vasantraai H. Pandya	—	NED-I	3	—	2	1	—

REPORT ON CORPORATE GOVERNANCE

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

ED-NI-VC : Executive Director - Non Independent - Vice Chairman

ED-NI : Executive Director - Non Independent

NED-NI : Non-Executive Director - Non Independent

NED-I : Non-Executive Director - Independent

Excludes Alternate Directorships and directorships in private companies, foreign companies and Section 25 companies.

^ Represents Memberships / Chairmanships of Audit Committee and Shareholders' / Investors' Grievance Committee of other public Companies

Mr. Kapoorchand M. Chandaria, Mr. Raj K. Chandaria, Mr. Anish K. Chandaria and Mr. Anil M. Chandaria, Directors of the Company are related to each other.

b. Board procedure and Access to information

The Board of Directors (the "Board") is responsible for the management of the business of the Company and meets regularly for discharging its role and functions.

The Board of the Company reviews all information provided periodically for discussion and consideration at its meetings in terms of Clause 49 of the Listing Agreement. Further, the Board is also apprised of all the developments in the Company.

Detailed Agenda is circulated to the Directors in advance. All material information is incorporated in the agenda for facilitating meaningful and focused discussion at the meetings. Where it is not practicable to enclose any document to the agenda, the same is placed before the meeting. In special and exceptional circumstances, additional item(s) on the agenda are permitted to be discussed at the Meeting.

The Board meets at least once in a quarter to review the quarterly results and other items on the agenda. Additional meetings are held, when necessary. The meetings of the Board are generally convened at the Company's Corporate Office at Mumbai. In case of urgency or when the Board meeting is not practicable to be held, the matters are resolved via Circular Resolution, which is then noted by the Board in its next meeting.

The Independent Directors play an important role in deliberations at the Board and Committee meetings and bring to the Company their expertise in the fields of business, commerce, finance, management and law.

The minutes of the Board Meetings are circulated in advance to all Directors and confirmed at subsequent Meeting.

The Board also reviews the declarations made by the Managing Director/ Chief Financial Officer/Unit Head of the Company regarding compliance of all applicable laws on a quarterly basis.

c. Board Meetings

During the year ended 31st March, 2013, four Board Meetings were held. These were held on:

1. 29th May, 2012
2. 14th August, 2012
3. 29th October, 2012
4. 7th February, 2013

REPORT ON CORPORATE GOVERNANCE

d. Code of Business Conduct and Ethics for Board of Directors and Senior Management

The Company has in place the Code of Business Conduct and Ethics for Board of Directors and Senior Management (the Code) approved by the Board of Directors. The Code has been communicated to Directors and the members of the senior management.

The Code has been displayed on the Company's website www.aegisindia.com.

All the Board members and senior management have confirmed compliance with the Code for the year ended 31st March, 2013. A declaration to this effect signed by the Managing Directors forms part of this Annual Report.

e. Brief Note on the Directors seeking appointment/re-appointment at the 56th Annual General Meeting

In compliance with Clause 49 IV (G) of Listing Agreement, brief resume, expertise and details of other directorships, membership in committees of Directors of other companies and shareholding in the Company of the Directors proposed to be re-appointed are as under.

Name of the Director	Mr. Kapoorchand M. Chandaria	Mr. Ratilal P. Chandaria	Mr. Kanwaljit S. Nagpal
Date of Birth	04/04/1930	24/10/1922	21/11/1969
Date of Appointment as Director	11/04/1960	07/11/1979	31/01/2003
Qualification	B.COM	Sr. Cambridge	B.Com
Brief resume & Expertise in specific functional areas	<p>Mr. Kapoorchand M. Chandaria, aged 83 years, is a person of Indian origin and a British citizen. He is a Commerce Graduate by qualification and is actively associated with the Company ever since its inception. He continues to be a driving force for the development of the Company and the Company is benefited immensely from his industrial experience over the years.</p> <p>He has also promoted and developed business in U.K. Europe and Asia. At present he is also involved in several charitable activities in rural development in India.</p>	<p>Mr. Ratilal P. Chandaria, aged 90 years, is a senior member of Chandaria family. He started his carrier in India by setting up family's industries, coastal and road transportation and other business in India. He then became totally involved with his family business in diversifying their interest from trading into industry in Kenya. He was instrumental in expanding industrial interest in other African countries. Subsequently, he extended his involvement in expanding into business and industrial possibilities in Europe, South East Asia and America where his family has now established firmly.</p>	<p>Mr. Kanwaljit S. Nagpal, aged 43 years, has been associated with the Company as Alternate Director since 1999. He is a Commerce Graduate from Mumbai. He has experience of over a decade in the business of Chemicals, Bulk Drugs, Solvents, different types of Oils etc. and is also into the business of plastic moulding.</p>

REPORT ON CORPORATE GOVERNANCE

		Apart from his business and industrial activities he has been associated with many social and charitable activities since last 60 years in various countries in Africa, Asia, Far East U.K., Canada, etc.	
*Directorships in other Public Limited Companies	Hindustan Aegis LPG Ltd. Aegis Gas (LPG) Pvt. Ltd. Eastern India LPG Co. Pvt. Ltd.	Steelco Gujarat Ltd.	Sea Lord Containers Ltd. Hindustan Aegis LPG Ltd. Konkan Storage Systems (Kochi) Pvt. Ltd. Aegis Gas (LPG) Pvt. Ltd.
**Committee Positions held in other Companies C - Chairman M - Member	<u>Audit Committee</u> Aegis Gas (LPG) Pvt. Ltd. (C) <u>Shareholder Grievance Committee</u> Nil	<u>Audit Committee</u> Nil <u>Shareholder Grievance Committee</u> Nil	<u>Audit Committee</u> Sea Lord Containers Ltd. (M) Hindustan Aegis LPG Ltd. (M) Aegis Gas (LPG) Pvt. Ltd. (M) <u>Shareholder Grievance Committee</u> Hindustan Aegis LPG Ltd. (M)
No. of shares held in the Company	Nil	Nil	100

Notes:

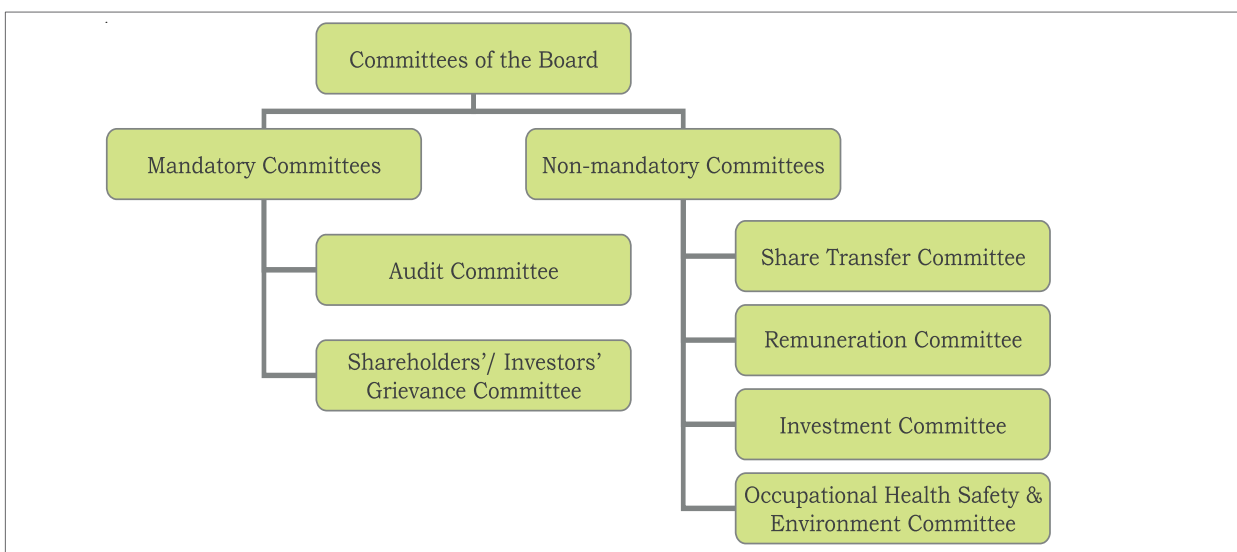
* Excludes Alternate Directorships and directorships in private companies, foreign companies and section 25 companies.

** Represents Memberships / Chairmanships of Audit Committee and Shareholders' / Investors' Grievance Committee of other public Companies

f. Board Committees

To focus effectively on the issues and ensure expedient resolution of diverse matters, the Board has constituted a set of Committees with specific terms of reference/ scope. The Board has established various Mandatory Committees such as Audit Committee, Shareholders' / Investors' Grievance Committee and Non-mandatory Committees such as Share Transfer Committee, Remuneration Committee, Investment Committee and Occupational Health Safety & Environment Committee. The minutes of the meetings of all committees are placed before the Board from time to time for discussion/ noting/ ratification.

REPORT ON CORPORATE GOVERNANCE



3. Audit Committee

a. Composition, Meetings & Attendance

Audit Committee for the year ended 31st March, 2013 comprised of three Non- Executive Directors, out of which two are Independent directors. Mr. Dinesh J. Khimasia, Chairman of the Committee is an Independent and Non-Executive Director. All the members of the Audit Committee have adequate accounting and financial knowledge and the composition of the Committee is in compliance with the requirements of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement with the Stock Exchanges.

The Managing Directors, Statutory Auditors, Chief Financial Officer are invited to attend meetings of the Audit Committee. The Internal Auditor and other executives are also invited, as may be considered appropriate at the meetings of the Audit Committee.

The Company Secretary acts as the Secretary to the Audit Committee.

Details of the Committee meetings, Composition and attendance by the members of the committee during the financial year ended 31st March, 2013 is given in the table below:

Members	Category	No. of Meetings Attended	Date of Audit Committee Meetings
Mr. Dinesh J. Khimasia (Chairman)	NED - I	4	29/05/2012
Mr. Kapoorchand M. Chandaria	NED	3	14/08/2012
Mr. Kanwaljit S. Nagpal	NED	4	29/10/2012
			07/02/2013

NED-NI : Non Executive Director

NED Non Executive Director - Independent

b. Terms of Reference

The terms of reference, role and scope of the Audit Committee covers the matters specified under Clause 49 of the Listing Agreement read with Section 292A of the Companies Act, 1956 such as overseeing of the Company

Auditors and fixation of their fees, reviewing with the Management, quarterly, half yearly and annual

REPORT ON CORPORATE GOVERNANCE

financial statements, changes in accounting policies& practices, compliances with the accounting standards, related party transactions, if any, review of uses/ application of funds raised through an issue i.e. public issue, rights issue, preferential issue, etc before they are submitted to the Board of Directors.

The Audit Committee's functions include reviewing the internal audit reports, adequacy of the internal audit functions, its structure, reporting process, audit coverage and frequency of internal audits. The responsibility of the Committee is to also review the findings of any internal investigation by the internal auditors in matters relating to suspected fraud or irregularity or failure of internal control systems of material nature, if any and report the same to the Board.

4. Remuneration Committee

a. Composition, Meetings and Attendance

The Remuneration Committee during the year ended 31st March, 2013 comprised of the following members:

Members	Category	No. of Meetings Attended
Mr. Dinesh J. Khimasia	NED - I	2
Mr. Rajnikant J. Karavadia	NED - I	2
Mr. Kanwaljit S. Nagpal	NED - I	2

NED –I : Non Executive Director - Independent

Remuneration Committee Meeting was held on 29th May, 2012 for considering and recommending remuneration by way of Commission payable to Mr. Raj. K. Chandaria, Vice Chairman & Managing Director and Mr. Anish K. Chandaria, Managing Director & CEO of the Company for the year 2011-12. The Remuneration Committee meeting was also held on 7th February, 2013 for recommending the remuneration of the Managing Directors to the Board, if re-appointed, w.e.f., 1st April, 2013 until the term of their tenure as Managing Directors.

The Company Secretary acts as the Secretary to the Remuneration Committee.

b. Terms of Reference

The Remuneration Committee has been constituted to review the performance of the Managing Directors and recommend to the Board the overall compensation/ commission payable to Managerial Personnel viz. Managing Director / Executive Director / CEO/ Manager within the overall limits prescribed under the Companies Act, 1956, subject to other necessary approvals.

c. Executive Director's Compensation

There is no remuneration being paid to the Managing Directors under schedule XIII of the Companies Act, 1956 except Commission which is approved by the Board of Directors and the Shareholders. The remuneration payable to the Managing Director is considered and recommended by the Remuneration Committee of the Board of Directors.

The Shareholders had approved payment of commission @ not exceeding 5% of the profits u/s. 198 of the Companies Act, 1956. The Board of Directors, based on the recommendation of the Remuneration Committee, have approved the payment of Rs. 225 Lacs, being 3.84% of the profit u/s. 198 of the Companies Act, 1956 for the year ended 31st March, 2013 to each of the Managing Directors.

REPORT ON CORPORATE GOVERNANCE

	Commission payable Amount (Rs. In lacs)
Mr. Raj K. Chandaria, Vice-Chairman & Managing Director	225
Mr. Anish K. Chandaria, Managing Director & CEO	225

The re-appointment of Managing Director is for a period of five years w.e.f. 1st April, 2013. If Managing Directors wish to resign/withdraw from the services of the Company an advance notice of six months is required, provided that the Board may waive the notice period.

No shares have been allotted under the ESOP till date nor are any stock options granted to any of the Directors/ Employees during the financial year under review.

d. Non-Executive Directors' Compensation and disclosures

Apart from sitting fees that are paid to the Non-Executive and Independent Directors for attending Board /Committee meetings, no other fees/ commission was paid during the year ended 31st March, 2013. During the period under review, there was no pecuniary relationship or business transaction by the Company with Non-Executive Directors.

Sitting fees payable to the Directors for attending each meeting of the Board of Directors was Rs.12,000/- and subsequently increased to Rs.15,000/- w.e.f. 7th February, 2013. The sitting fees paid for attending the meetings of the Audit Committee, Investors' Grievance Committee and Share Transfer Committee is Rs.1,000/- each. The sitting fees paid to non-executive Director for attending the meeting of the Occupational Health Safety & Environment Committee is Rs.20,000/-. The total amount of sitting fees paid during the financial year 2012-13 to Non-Executive Directors are as under :

Name of the Director	Sitting fees (Rs.)	Remuneration (Rs.)	Total (Rs.)
Mr. Kapoorchand M. Chandaria	59,000	—	59,000
Mr. Anil M. Chandaria	—	—	—
Mr. Ratilal P. Chandaria	12,000	—	12,000
Mr. Dinesh J. Khimasia	83,000	—	83,000
Mr. Rajnikant J. Karavadia	57,000	—	57,000
Mr. Kanwaljit S. Nagpal	2,67,000	—	2,67,000
Mr. Vasantrai H. Pandya	36,000	—	36,000

5. Shareholders'/ Investors' Grievance Committee**a. Composition, Meetings & Attendance**

The details of Committee Meetings, Composition and attendance by the members of the Committee during the financial year ended 31st March, 2013 are given in the table below.

Members	Category	No. of Meetings Attended	Date of Shareholders'/ Investors' Grievance Committee Meetings
Mr. Kapoorchand M. Chandaria (Chairman)	NED-NI	3	29/05/2012
Mr. Dinesh J. Khimasia	NED-I	4	14/08/2012
Mr. Kanwaljit S. Nagpal	NED-I	4	29/10/2012 07/02/2013

NED-NI : Non Executive Director - Non Independent

NED-I :Non Executive Director - Independent

REPORT ON CORPORATE GOVERNANCE

b. Terms of Reference

The Shareholders'/Investors' Grievance Committee is constituted to oversee Shareholders'/Investor Grievance and its redressal and overview the functions of Registrar & Share Transfer Agents.

c. Name & Designation of the Compliance Officer

Ms. Monica T. Gandhi is appointed as Company Secretary & Chief Manager – Legal of the Company by the Board of Directors of the Company at its meeting held on 7th February, 2013. She also acts as Compliance Officer of the Company.

d. Shareholders complaints

The total number of complaints received and resolved to the satisfaction of investors during the year under review and their break-up is provided as under :

Type of Complaints	No. of Complaints		
	Received	Resolved	Pending
Non receipts of Demat Credit	1	1	0
Non receipt of Allotment Advise/ Refund Orders	0	0	0
Non receipt of Share Certificate(s)	3	3	0
Non receipt of Annual Report	1	1	0
Non receipt of Dividend on Shares	2	2	0
Total	7	7	0

6. Other Committees

In addition to the above Committees, the Board has constituted 3 more non-mandatory Committees, viz. Share Transfer Committee, Investment Committee and Occupational Health Safety & Environment Committee, wherein the terms of reference/ scope have been prescribed by the Board of Directors of the Company. The meetings of the said committees are held as and when necessary and the minutes of the same are placed at meeting of the Board of Directors for its noting.

7. Information on Shareholders' Meetings

a. Location and time where the Annual General Meetings were held in last 3 years :

Year	Date	Location	Time
31/03/2010	17/07/2010	Hotel Galaxy Inn, National Highway No.8, Near Koparli Road, G.I.D.C., Vapi 396 195, Dist. Valsad, Gujarat.	11.00 a.m.
31/03/2011	29/07/2011	Same as above	11.00 a.m.
31/03/2012	31/07/2012	Same as above	11.00 a.m.

b. No Special Resolution was passed in the previous three Annual General Meetings (AGM). Also no Special Resolution was passed last year through Postal Ballot.

c. Following Special Resolutions were passed at the Extraordinary General Meetings (EGM) of the members and through Postal Ballot during the previous three years :

REPORT ON CORPORATE GOVERNANCE

Sr. No.	Particulars	EGM/ Postal Ballot	Date of the EGM/ Postal Ballot Result declaration
1.	Issue and allotment of 21,20,190 Equity Shares of Rs.10/- each for cash at a price of Rs.322/- per share to Infrastructure India Holdings Fund LLC ("IIHF"), on preferential basis u/s 81(1A) of the Companies Act, 1956.	EGM	23/03/2011
2.	Alteration of the Articles of Association u/s 31 of the Companies Act, 1956 to give effect to the Subscription cum Shareholders Agreement entered into with IIHF for above mentioned preferential issue of Equity Shares.		
3.	Raising of funds upto Rs.100 crores on a private placement basis including allotment under Qualified Institutional Placement of the equity shares and/ or equity linked instruments under Section 81(1A) of the Companies Act, 1956 and applicable Securities and Exchange Board of India Regulations.	EGM	20/12/2010
4.	Alteration of Articles of Association u/s 31 of the Companies Act, 1956 for Sub-division of face value of Equity Shares from Rs.10/- to Rs.2/- per share. (The said resolution is not yet given effect to by the Board of Directors of the Company)	Postal Ballot	19/11/2010
5.	Special resolution for empowering the Board of Directors to give loans and / or corporate guarantee and / or make investment in Sea Lord Containers Limited, a subsidiary company, in excess of the limit prescribed under Section 372 A of the Companies Act, 1956.	Postal Ballot	19/03/2010
6.	Investment in 3,23,81,000 equity shares of Shell Gas LPG (India) Private Limited (SGLIPL) by way of acquisition of 100% of the paid up capital of SGLIPL.	EGM	28/01/2010

d. Procedure for Postal Ballot

After receiving approval of the Board of Directors, Notice of the Postal Ballot, text of the Resolution and the Explanatory Statement, Postal Ballot form and self-addressed postage envelopes are sent to the shareholders to enable them to consider and vote for or against the proposal within a period of 30 days from the date of dispatch. The calendar of events containing the activity chart is filed with the Registrar of Companies within 7 days of passing of the Resolution by the Board of Directors. After the last day for receipt of ballots, the Scrutinizer, after due verification, submits the results to the Chairman. Thereafter, the Chairman declares the result of the Postal Ballot. The same is then published in the newspapers, displayed on the Company website and Notice Board and intimated to the stock exchanges.

e. No Special Resolution at present, is proposed to be passed through postal ballot.**8. Subsidiary Companies**

The Company has following subsidiary/ wholly owned subsidiaries:

1. Sea Lord Containers Limited
2. Konkan Storage Systems (Kochi) Private Limited
3. Aegis Gas (LPG) Private Limited
4. Eastern India LPG Company Private Limited
5. Hindustan Aegis LPG Limited
6. Aegis Group International PTE Limited, Singapore
7. Aegis International Marine Services PTE Limited, Singapore

REPORT ON CORPORATE GOVERNANCE

The Company is in compliance with corporate governance clause 49(III) of the Listing Agreement with regard to its subsidiary companies. The Board of Directors of the Company regularly reviews the minutes of the Board Meetings, financial statements (in particular investments made) and significant transactions and arrangements entered into by the unlisted subsidiary companies.

9. Disclosures

a. Related party Transactions

There were no materially significant related party transactions with its Promoters, Directors, the Management or relatives that have a potential conflict with the interests of the Company at large.

The transactions with the related parties as per requirements of Accounting Standard 18 (AS18) "Related Party Disclosures" are disclosed in the Notes to the Accounts in the Annual Report.

b. Compliances by the Company

The Company has complied with all the requirements of the Stock Exchange(s) or Securities and Exchange Board of India or any Statutory Authority on matters related to capital markets, as applicable from time to time.

c. No penalty was imposed or strictures passed against the Company by the Stock Exchanges or SEBI or any statutory authorities on any matter related to capital markets during last three years.

d. The Company has placed before the Audit Committee the statement of utilization of funds raised through preferential issue on quarterly/ annual basis.

e. The Company follows the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956. The company has not adopted a treatment different from that prescribed in any Accounting Standard, in the preparation of financial statements.

f. The Managing Director and Chief Financial Officer of the Company have certified to the Board on financial and other matters in accordance with Clause 49(V) of the Listing Agreement for the financial year ended 31st March, 2013.

g. Presently the Company does not have a formal Whistle Blower Policy. However all the Company's personnel are free to approach any Management Member/ Audit Committee for any concern.

h. The Board of Directors of the Company evaluates and assesses the major risks and the risk minimization procedures and its implementation, from time to time.

i. The Company has complied with the applicable mandatory requirements in terms of Clause 49 of the Listing Agreement.

j. The Company has fulfilled the following non-mandatory requirements as prescribed in Annexure 1D to Clause 49 of the Listing Agreement with the Stock Exchanges:

i. The Company has set up a Remuneration Committee as stated under appropriate heading detailed in this report.

ii. The Company has a non-executive Chairman.

iii. The Company continues to have a regime of unqualified financial statements.

REPORT ON CORPORATE GOVERNANCE

10. Means of Communication

- a. **Stock Exchange Intimation:** The unaudited quarterly financial results are announced within forty-five days from the end of each quarter and the audited annual results are announced within 60 days from the end of the last quarter. The aforesaid financial results after being taken on record by the Audit Committee and Board of Directors, are communicated to the Stock Exchanges where the shares of the Company are listed. Any news, updates or vital/ useful information to shareholders are being intimated to stock exchanges and are being displayed on the Company's website www.aegisindia.com.
- b. **Newspapers:** During the financial year 2012-13, financial results (Quarterly & Annual) were published in newspapers viz. The Financial Express (English edition) and Daman Ganga Times (Regional Gujarati edition) in the format prescribed under Clause 41 of the Listing agreement with the stock exchanges where the shares of the Company are listed.
- c. **Website:** The financial results are also posted on the Company's Website www.aegisindia.com. The Company's website provides information about its business and the Section on "Investor Relations" serves to inform and service the Shareholders allowing them to access information at their convenience.
- d. **Annual Report:** Annual Report is circulated to all the members within the required time frame, physically through post and via Email, wherever the Email ID is available in accordance with the "Green Initiative Circular" issued by MCA.
- e. **Investor Email ID of the Registrar & Share Transfer Agents:** All the share related requests/ queries/ correspondence, if any, are to be forwarded by the investors to the Registrar and Transfer Agents of the Company Sharepro Services (India) Pvt. Ltd. and/ or email them to sharepro@shareproservices.com
- f. **Designated Email ID for Complaints/ Redressal:** In compliance of clause 47(f) of the Listing Agreement entered into with the Stock Exchanges, the Company has designated an email ID secretarial@aegisindia.com exclusively for the purpose of registering complaints/ grievances by investors. Investors whose requests/ queries/ correspondence remain unresolved can send their complaints/ grievances to the above referred e-mail ID and the same would be attended to promptly by the Company.
- g. **NSE Electronic Application Processing System (NEAPS):** The NEAPS is a web based application designed by NSE for Corporates. The Shareholding Pattern, Corporate Governance Report, Results and Board Meeting / Corporate Action Announcements are filed electronically on NEAPS.
- h. **BSE Corporate Compliance & Listing Centre (Listing Centre):** The Listing Centre is a web based application designed by BSE for Corporates. The Shareholding Pattern, Corporate Governance Report, Results, Analyst Presentations, Press Release and other intimations are filed electronically on BSE's Listing Centre.
- i. **SEBI Complaints Redress System (SCORES):** The investor complaints are processed in a centralized web based complaints redress system. The Action Taken Reports are uploaded online by the Company for any complaints received on Scores platform, thereby making it convenient for the investors to view their status online.
- j. News releases/ Investor Updates and Investor presentations made to Institutional Investors and analysts are regularly uploaded on the Company's website www.aegisindia.com under the Investor Relations section, after its submission to the stock exchanges viz BSE & NSE.

REPORT ON CORPORATE GOVERNANCE

11. General Shareholders Information

- a. Annual General Meeting proposed to be held :

Day, Date & Time : Wednesday, 31st July, 2013, 11.30 a.m.
 Venue : Fortune Park Galaxy,
 National Highway No. 8,
 G.I.D.C, Vapi 396195,
 Gujarat.

- b. Calendar for the Financial year 2013-14 :

Accounting Year : 1st April, 2013 to 31st March, 2014

Financial Calendar (Tentative) :

Unaudited Financial Results for the quarter ended 30 th June, 2013	By 14 th August, 2013
Unaudited Financial Results for the quarter & half year ended 30 th September, 2013	By 14 th November, 2013
Unaudited Financial Results for the quarter & nine months ended 31 st December, 2013	By 14 th February, 2014
Audited Financial Results for the year ended 31 st March, 2014	Within 60 days from the year ended 31 st March, 2014

- c. Book closure date : Saturday, 20th July, 2013 to Wednesday, 31st July, 2013
 (both days inclusive)
- d. Dividend Payment date (If declared) : On or before 25th August, 2013
- e. i. Listing of equity shares on the Stock Exchange : 1. Bombay Stock Exchange Ltd. (BSE)
 P. J. Towers, Dalal Street, Mumbai – 400 023.
 Stock Code - 500003
2. National Stock Exchange of India Ltd. (NSE)
 Exchange Plaza, Bandra Kurla Complex,
 Bandra (East), Mumbai – 400 051.
 Stock Code – AEGISCHEM
- ii. ISIN No. for the Company's Equity Shares in Demat form : INE208C01017
- iii. Depositories connectivity : NSDL and CDSL
- f. i. 9.75% 250 Redeemable Non-Convertible Debentures of Rs.10,00,000/- each is listed on the Wholesale Debt Market Segment of NSE website under ISIN No. INE208C07014.
- ii. 10.20% 250 Redeemable Non-Convertible Debentures of Rs.10,00,000/- each is listed on the Wholesale Debt Market Segment of NSE website under ISIN No. INE208C07022.

REPORT ON CORPORATE GOVERNANCE

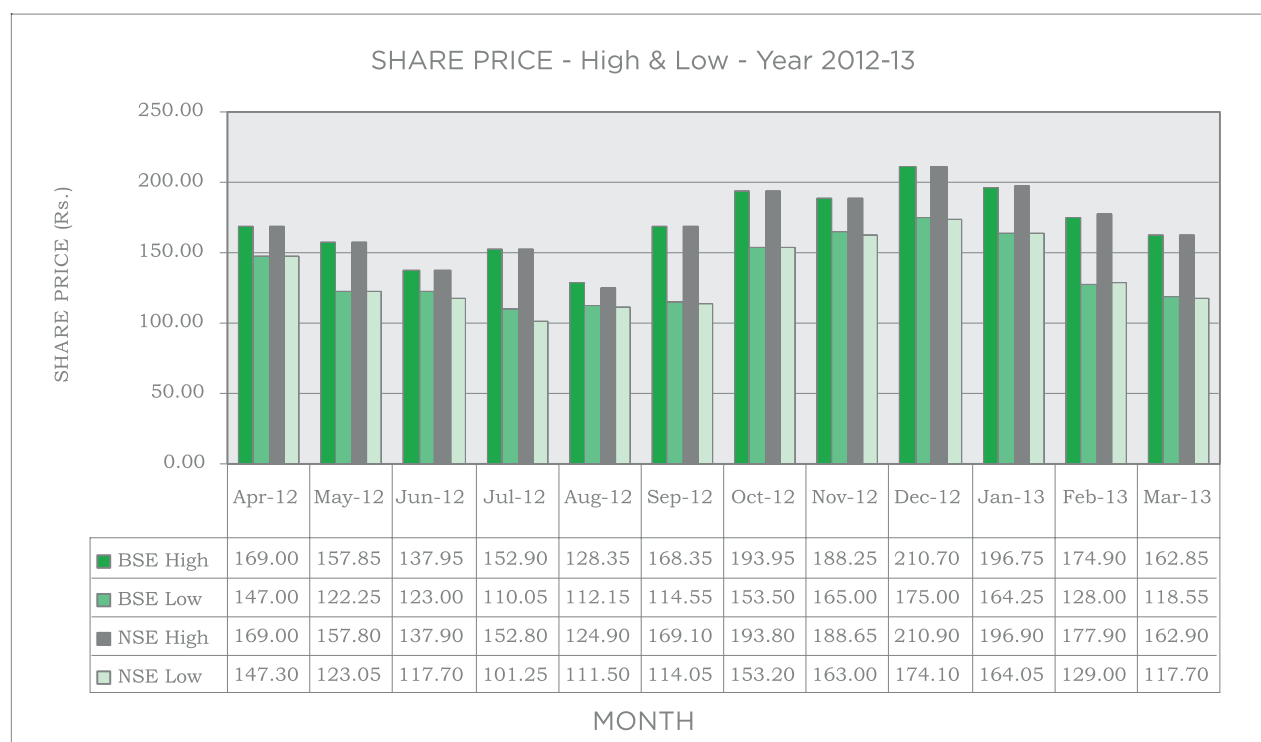
Notes :

1. Listing Fees of the Equity Shares and Non Convertible debentures for the year 2013-14 has been paid to Stock Exchanges viz., BSE and NSE, as may be applicable. The delisting application was made in the year 2006 to Delhi Stock Exchange (DSE), pursuant to Shareholders resolution dated 29th September, 2005, for voluntary delisting in compliance of SEBI Delisting Guidelines and the delisting intimation is awaited from DSE and hence the listing fees from the year 2007-08 onwards is not payable.
2. Custodial Fees of the Equity Shares and Non Convertible Debentures for the year 2013-14 has been paid to the depositories viz.: NSDL and CDSL.

g. Stock Price Data

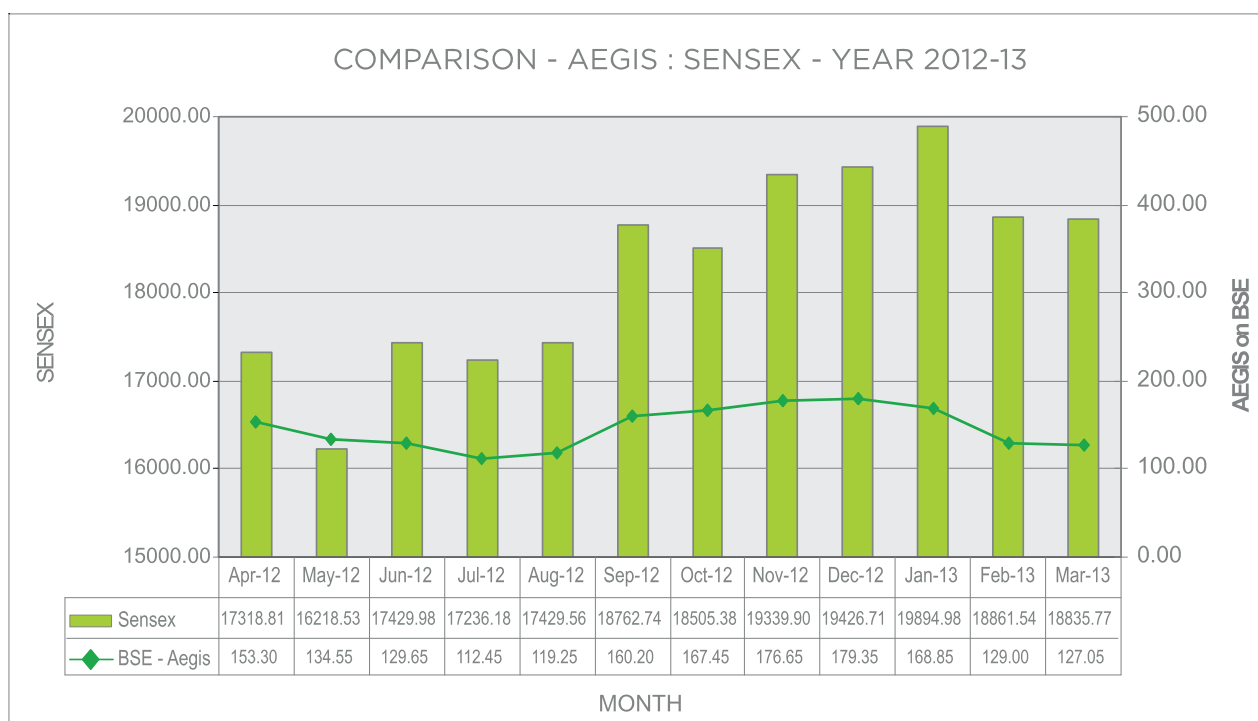
Monthly High/ Low of market price of the Company (BSE) and National Stock Exchange of India Limited (NSE) during the year is furnished below:

Market Price Data

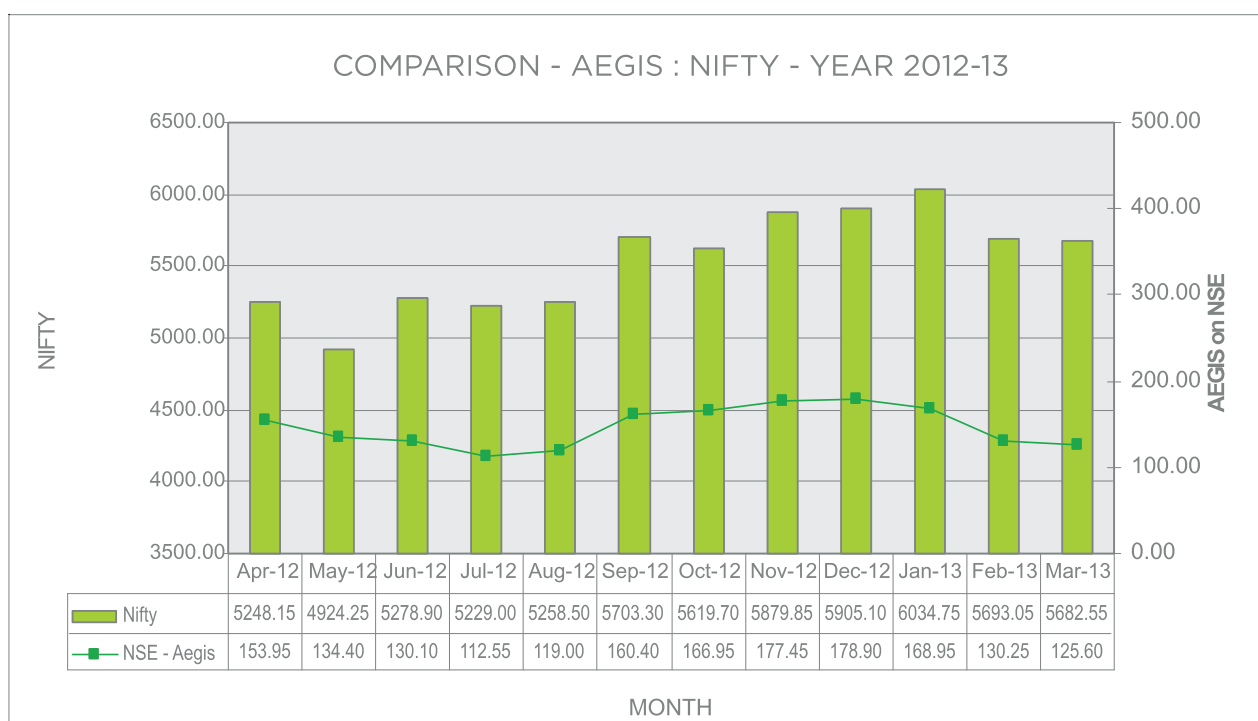


REPORT ON CORPORATE GOVERNANCE

Performance in comparison to broad-based indices



Performance in comparison to broad-based indices



REPORT ON CORPORATE GOVERNANCE**h. Share Transfer System, Dematerialisation and liquidity:**

The Board has delegated the authority for approving transfer, transmission, remat, if any etc. of company's securities to the Share Transfer Committee comprising of 4 (four) non-executive Directors viz. Mr. Kapoorchand M. Chandaria (Chairman), Mr. Dinesh J. Khimasia, Mr. Kanwaljit S. Nagpal, Mr. Rajnikant J. Karavadia. The Share Transfer System is summed up briefly as under:

1. The Registrar & Share Transfer Agent, after processing valid Share Transfer Forms, forwards the Transfer Register for the approval of the Share Transfer Committee;
2. The said Committee meets weekly and approves the Share Transfers;
3. The Share Transfer Register duly signed by Committee Members is forwarded to the Registrar;
4. The Registrar thereafter dispatches the Share Certificates duly endorsed to the Transferee;
5. The Company obtains from a practicing Company Secretary, half-yearly certificate of compliance with the share transfer formalities as required under Clause 47(c) of the Listing Agreement with Stock Exchange(s) and files a copy of the certificate with the Stock Exchange(s).

As on 31st March, 2013, 3,15,30,140 shares being 94.40% of the Share Capital of the Company are in dematerialized form.

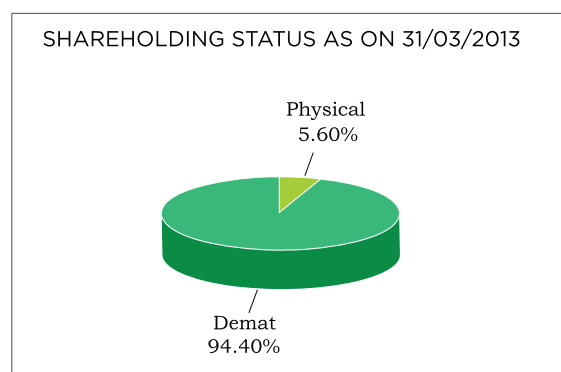
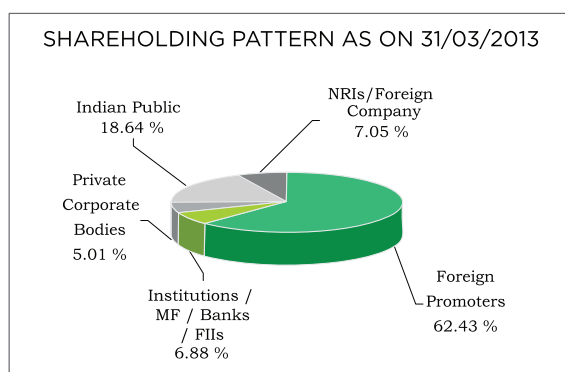
i. Distribution of Shareholding as on 31st March, 2013 :

Range	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
Upto 500	22,785	91.820	28,38,645	8.499
501 - 1000	1,225	4.937	9,20,906	2.757
1001 - 2000	450	1.813	6,63,392	1.986
2001 - 3000	126	0.508	3,14,983	0.943
3001 - 4000	45	0.181	158,202	0.474
4001 - 5000	35	0.141	1,61,263	0.483
5001 - 10000	66	0.266	4,54,051	1.359
10001- 334000000	83	0.334	2,78,88,558	83.499
TOTAL	24,815	100.000	3,34,00,000	100.000

j. Categories of Shareholding as on 31st March, 2013 :

Categories	No. of shares held	Percentage Shareholding
Foreign Promoters	2,08,52,360	62.43
Institutions / MF / Banks / FIIs	22,97,293	6.87
Private Corporate Bodies	16,72,302	5.01
Indian Public	62,24,297	18.64
NRIs/Foreign Company	23,53,748	7.05
TOTAL	3,34,00,000	100.00

REPORT ON CORPORATE GOVERNANCE



k. There are no Outstanding GDRs/Warrants or any Convertible Instruments as on date.

l. Transfer of unclaimed dividend/ application money to Investor Education and Protection Fund :

Pursuant to the provisions of Sections 205A and 205C of the Act, the dividend, Matured Deposits and Interest thereon which remains unclaimed/unpaid for a period of seven years from its due date is required to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government.

The last date(s) for claiming payment of the unclaimed/ unpaid dividend are provided hereunder:

Date of dividend declaration	Year	Last date for claiming the unclaimed dividend
21/09/2006	2005-06	19/10/2013
11/09/2007	2006-07	09/10/2014
24/12/2007	2007-08 (Interim)	21/01/2015
27/09/2008	2007-08 (Final)	25/10/2015
23/04/2009	2008-09 (Interim)	21/05/2016
31/07/2009	2008-09 (Final)	29/08/2016
24/11/2009	2009-10 (Interim)	22/12/2016
17/07/2010	2009-10 (Final)	15/08/2017
30/10/2010	2010-11 (Interim)	29/11/2017
29/07/2011	2010-11 (Final)	27/08/2018
30/07/2012	2011-12	28/08/2019
07/02/2013	2012-13 (Interim)	07/03/2020

Members are requested to get in touch with the Registrar & Share Transfer Agents for encashing the unclaimed amounts, if any, standing to the credit of their account.

After transfer of the said amounts to the IEPF, no claims in this respect shall lie against the IEPF or the Company nor shall any payment be made in respect of such claims.

m. Liquid Logistics & Gas Division:

Plot No. 72, Mahul Village,
Trombay,
Mumbai

n. Shares related queries/ communications may be addressed to the Registrar & Share Agents:

Sharepro Services (India) Pvt. Ltd.
13 AB, Samhita Warehousing Complex, 2nd Floor,
Near Sakinaka Telephone Exchange,
Andheri Kurla Road, Sakinaka,
Andheri (E), Mumbai
Email: sharepro@shareproservices.com

DECLARATION RELATING TO CODE OF CONDUCT

All the Board Members and Senior Management Personnel have, for the year ended 31st March 2013, affirmed compliance with the Code of Conduct applicable to them as laid down by the Board of Directors in terms of Clause 49 (1) (D) (ii) of the Listing Agreement entered into with the Stock Exchanges.

For AEGIS LOGISTICS LTD

RAJ K. CHANDARIA
Vice Chairman & Managing Director

ANISH K. CHANDARIA
Managing Director & CEO

Place : Mumbai
Dated: 30th May, 2013

CERTIFICATE

Auditors' certificate to the Members of Aegis Logistics Limited on compliance of the conditions of corporate governance for the year ended 31st March, 2013, under Clause 49 of the listing agreements with relevant Stock Exchanges.

We have examined the compliance of conditions of Corporate Governance by Aegis Logistics Limited ("the Company") for the year ended 31st March 2013, as stipulated in Clause 49 of the Listing Agreements of the said Company with the relevant Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For DELOITTE HASKINS & SELLS

Chartered Accountants
(Registration No. 117366W)

R. Laxminarayan
Partner
Membership No: 33023

Mumbai,
Dated: 30th May, 2013

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF AEGIS LOGISTICS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **Aegis Logistics Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2013, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 ("the Act") and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2013;
- (b) in the case of the Statement of Profit and Loss, of profit of the Company for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

INDEPENDENT AUDITORS' REPORT

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that:
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement comply with the Accounting Standards referred to in Section 211(3C) of the Act.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2013 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2013 from being appointed as a director in terms of Section 274 (1) (g) of the Act.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Registration No. 117366W)

R. LAXMINARAYAN
Partner
Membership No: 33023

Mumbai,
Dated: 30th May, 2013

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date on the accounts of AEGIS LOGISTICS LIMITED ("the Company") for the year ended 31st March, 2013)

- (i) Having regard to the nature of the Company's business / activities / results during the year, clauses (xiii) regarding chit fund, nidhi / mutual benefit fund / societies and (xiv) regarding dealing or trading in shares, securities, debentures and other investments of paragraph 4 of the Order are not applicable to the Company.
 - (ii) In respect of its fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
 - (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) The fixed assets disposed off during the year, in our opinion, do not constitute a substantial part of the fixed assets of the Company and such disposal has, in our opinion, not affected the going concern status of the Company.
 - (iii) In respect of its inventory:
 - (a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals.
 - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
 - (iv) According to the information and explanations given to us the Company has neither granted nor taken any loans, secured or unsecured, to or from companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act 1956.
- In view of what has been stated above, sub-clauses (b), (c), (d), (f) and (g) of clause (iii) of the Order are not applicable to the Company for the year.
- (v) In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the Company, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control systems.

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

- (vi) According to the information and explanations given to us, there are no contracts or arrangements that need to be entered into a Register in pursuance of Section 301 of the Companies Act, 1956. Hence, we have no comments to offer in respect of clause v (b) of the Order.
- (vii) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 58A and 58AA or any other relevant provisions of the Companies Act, 1956, the Companies (Acceptance of Deposits) Rules, 1975 and the Directives issued by the Reserve Bank of India with regard to the deposits accepted from the public. According to the information and explanations given to us, no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal.
- (viii) In our opinion, the internal audit functions carried out during the year by a firm of Chartered Accountants appointed by the Management have been commensurate with the size of the Company and the nature of its business.
- (ix) We are informed that maintenance of Cost Records has not been prescribed by the Central Government under Section 209(1) (d) of the Companies Act, 1956 for the Company.
- (x) According to the information and explanations given to us in respect of statutory dues:
- (a) The Company has been generally regular in depositing undisputed dues, including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income tax, Sales tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
- (b) There were no undisputed amounts payable in respect of Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income tax, Sales tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues in arrears as at 31st March, 2013 for a period of more than six months from the date they became payable.
- (c) Details of dues of Sales Tax which has not been deposited as on 31st March, 2013 on account of disputes are given below:

Statute	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates	Amount involved (Rs. in lacs)
Central Sales Tax Act, 1956	Central Sales Tax	Joint Commissioner of Sales Tax (APP) I, Mumbai	Financial year 2008-2009	3.55
MVAT Act, 2002	Value Added Tax	Joint Commissioner of Sales Tax (APP) I, Mumbai	Financial year 2008-2009	9.52

- (xi) The Company has no accumulated losses as at 31st March, 2013 and has not incurred any cash losses during the financial year covered by our audit and the immediately preceding financial year.

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

- (xii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks, financial institutions and debenture holders.
- (xiii) According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiv) The Company has given guarantees amounting to Rs.61,220.50 lacs for loans taken by its subsidiaries from banks and against the credits availed by the subsidiaries from the suppliers. In our opinion and according to the information and explanations given to us, the terms and conditions, of such guarantees, are not prima facie prejudicial to the interest of the Company.
- (xv) In our opinion and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained, other than temporary deployment pending application.
- (xvi) In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet, we report that funds raised on short-term basis have not been used during the year for long- term investment.
- (xvii) The Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956 during the year.
- (xviii) According to the information and explanations given to us, the Company has created securities / charges in respect of debentures issued and outstanding at the year end.
- (xix) The Company has not raised any money by public issue during the year.
- (xx) 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 has been noticed or reported during the year.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Registration No. 117366W)

R. LAXMINARAYAN
Partner
Membership No: 33023

Mumbai,
Dated: 30th May, 2013

BALANCE SHEET AS AT 31ST MARCH, 2013

Particulars	Note No.	As at 31st March, 2013		As at 31st March, 2012
		Rupees in lacs	Rupees in lacs	Rupees in lacs
I. EQUITY AND LIABILITIES				
(1) SHAREHOLDERS' FUNDS				
(a) Share Capital	2	3,340.45		3,340.45
(b) Reserves & surplus	3	28,964.68		26,422.67
			32,305.13	29,763.12
(2) NON-CURRENT LIABILITIES				
(a) Long-term borrowings	4	8,214.31		3,961.10
(b) Deferred tax liabilities (Net)	5	1,800.64		1,919.87
(c) Other Long term liabilities	6	631.32		672.27
(d) Long-term provisions	7	414.12		313.15
			11,060.39	6,866.39
(3) CURRENT LIABILITIES				
(a) Short-term borrowings	8	5,003.02		3,919.21
(b) Trade payables	9	2,849.75		2,145.26
(c) Other current liabilities	10	2,223.82		1,981.59
(d) Short-term provisions	11	971.07		986.13
			11,047.66	9,032.19
TOTAL			54,413.18	45,661.70
II. ASSETS				
(1) NON-CURRENT ASSETS				
(a) Fixed assets				
(i) Tangible assets	12	14,804.67		12,496.89
(ii) Intangible assets	12	228.28		270.05
(iii) Capital work-in-progress	12	5,709.94		1,568.77
		20,742.89		14,335.71
(b) Non-Current Investments	13	11,693.60		10,696.02
(c) Long-term loans and advances	14	8,387.30		5,936.84
(d) Other non-current assets	15	57.41		65.93
			40,881.20	31,034.50
(2) CURRENT ASSETS				
(a) Current Investments	16	517.74		1,331.08
(b) Inventories	17	1,250.47		822.53
(c) Trade receivables	18	2,925.27		3,140.95
(d) Cash and Cash equivalents	19	6,815.99		7,375.40
(e) Short-term loans and advances	20	1,394.37		1,497.52
(f) Other Current assets	21	628.14		459.72
			13,531.98	14,627.20
TOTAL			54,413.18	45,661.70

See accompanying notes to the financial statements
In terms of our report attached.

For Deloitte Haskins & Sells
Chartered Accountants

R. Laxminarayan
Partner
Mumbai,
Dated : 30th May, 2013

For and on behalf of the Board of Directors

Raj K. Chandaria
Anish K. Chandaria

Vice Chairman & Managing Director
Managing Director & CEO

Dinesh J. Khimasia
Rajnikant J. Karavadia
Vasantra H. Pandya
Kanwaljit S. Nagpal

Directors

Monica T. Gandhi
Company Secretary &
Chief Manager - Legal

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2013

Particulars	Note No.	Current Year		Previous Year
		Rupees in lacs	Rupees in lacs	Rupees in lacs
I. Revenue from operations	22		38,377.38	28,430.44
II. Other income	23		1,801.16	1,638.05
III. Total Revenue (I + II)			40,178.54	30,068.49
IV. Expenses:				
Purchases of Stock-in-Trade	24		24,953.70	15,738.77
Changes in Inventories of Stock-in-Trade	25		(471.33)	28.93
Employee benefits expense	26		2,802.70	2,318.29
Finance costs	27		955.89	724.67
Depreciation and amortization expense	28		1,188.55	1,135.77
Other Expenses	29		5,364.88	4,770.92
Total expenses			34,794.39	24,717.35
V. Profit before tax (III-IV)			5,384.15	5,351.14
VI. Tax expense:				
(1) Current tax		1,598.78		1,740.68
(2) Deferred tax Credit		(119.23)		(45.25)
(3) Excess provision for Income tax of earlier year		(102.77)		(450.01)
			1,376.78	1,245.42
VII. Profit for the year after tax from continuing operations (V-VI)			4,007.37	4,105.72
VIII. Earnings per equity share in Rupees (Face Value of Rs. 10/- each):	30			
Basic and Diluted			12.00	12.29

See accompanying notes to the financial statements
In terms of our report attached.

For Deloitte Haskins & Sells
Chartered Accountants

R. Laxminarayan
Partner
Mumbai,
Dated : 30th May, 2013

For and on behalf of the Board of Directors

Raj K. Chandaria
Anish K. Chandaria

Vice Chairman & Managing Director
Managing Director & CEO

Dinesh J. Khimasia
Rajnikant J. Karavadia
Vasantra H. Pandya
Kanwaljit S. Nagpal

} Directors

Monica T. Gandhi
Company Secretary &
Chief Manager - Legal

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

Particulars	Current Year		Previous Year
	Rupees in lacs	Rupees in lacs	Rupees in lacs
A. Cash Flow from Operating Activities:			
Profit Before Tax		5,384.15	5,351.14
Adjustments for:			
Depreciation and amortization expense	1,188.55		1,135.77
Interest Expense	955.89		724.67
Interest Income	(821.69)		(725.71)
Dividend Income	(174.67)		(132.39)
Dividend Income - Non Current	(574.42)		-
Diminution in value of Current Investments	2.46		-
Sundry Debit Balances written off	-		1.70
Loss on sale of Fixed Assets	14.93		10.16
(Profit) on sale of Long Term Investments	-		(4.08)
		591.05	1,010.12
Operating Profit Before Working Capital Changes		5,975.20	6,361.26
(Increase) / Decrease in Inventories	(427.94)		56.01
(Increase) in Trade and Other Receivables	(377.18)		(2,503.44)
Increase in Trade payables and Other liabilities			
(Current and non-current)	696.28		1,381.54
(Decrease) in Provisions (Current and Non-Current)	(16.94)		(495.98)
		(125.78)	(1,561.87)
Cash Generated from Operations		5,849.42	4,799.39
Direct Taxes Paid		(1,256.04)	(1,289.99)
Net Cash Flow from Operating Activities - A		4,593.38	3,509.40
B. Cash Flow from Investing Activities:			
Capital Expenditure on Fixed Assets	(7,616.27)		(2,155.64)
Proceeds from sale of Fixed Assets	5.61		9.30
Purchase of Long Term Investments	(997.58)		(3,828.13)
Sale of Long Term Investments	-		44.08
Sale of Current Investments	16,305.59		11,555.03
Purchase of Current Investments	(15,320.04)		(10,212.62)
(excluding reinvestment of dividend Rs. 174.67 lacs; Previous year Rs. 132.39 lacs)			
Loan to Subsidiaries	(2,385.34)		(151.19)
Loan repaid by Subsidiaries	75.00		-
Dividend Received from Long Term Investments	574.42		-
Interest Received	831.67		530.11
Net Cash used in Investing Activities - B		(8,526.94)	(4,209.06)
C. Cash Flow from Financing Activities:			
Increase in Other Borrowings (net)	1,083.81		2,622.85
Proceeds from Long Term Borrowings	4,770.05		231.12
Repayment of Long Term Borrowings	(516.84)		(407.27)
Dividend Paid			
(including tax on Distributed Profit) - Final	(753.84)		(771.62)
Dividend Paid			
(including tax on Distributed Profit) - Interim	(586.14)		-
Interest Paid	(768.93)		(732.53)
Net Cash from Financing Activities - C		3,228.11	942.55
Net (Decrease) / Increase in Cash and Cash Equivalents A+B+C		(705.45)	242.89

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

Particulars	Current Year		Previous Year
	Rupees in lacs	Rupees in lacs	Rupees in lacs
Cash and cash equivalents at the beginning of the year		6,974.27	6,731.38
Cash and cash equivalents at the end of the year (refer reconciliation below)		6,268.82	6,974.27
Net (Decrease)/Increase in Cash and Cash Equivalents		(705.45)	242.89
Reconciliation of Cash and cash equivalents with the Balance Sheet:			
Cash and cash equivalents as per Balance Sheet (Refer Note 19)		6,815.99	7,375.40
Less: Bank balances not considered as Cash and cash equivalents as defined in AS 3 Cash Flow Statements		(547.17)	(401.13)
Cash and cash equivalents at the end of the year	TOTAL	6,268.82	6,974.27
Cash and cash equivalents at the end of the year *			
* Comprises:			
Balances with banks			
(i) In current accounts		82.60	980.75
(ii) In deposit accounts		6,068.17	5,898.00
(iii) In earmarked accounts (give details) (Refer Note (4) below)		118.05	95.52
	TOTAL	6,268.82	6,974.27

Notes:

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

In terms of our report attached.

For Deloitte Haskins & Sells
Chartered Accountants

R. Laxminarayan
Partner
Mumbai,
Dated : 30th May, 2013

For and on behalf of the Board of Directors

Raj K. Chandaria
Anish K. Chandaria

Vice Chairman & Managing Director
Managing Director & CEO

Dinesh J. Khimasia
Rajnikant J. Karavadia
Vasantrai H. Pandya
Kanwaljit S. Nagpal

} Directors

Monica T. Gandhi
Company Secretary &
Chief Manager Legal

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

1 SIGNIFICANT ACCOUNTING POLICIES:

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS:

The financial statements are prepared under historical cost convention on an accrual basis and in accordance with generally accepted accounting principles (GAAP) in India and comply with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 and other relevant provisions of the said Act.

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 revised schedule VI to the Companies Act, 1956. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has determined its operating cycle as twelve months for the purpose of current - non current classification of assets and liabilities.

1.2 USE OF ESTIMATES:

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

1.3 FIXED ASSETS:

TANGIBLE FIXED ASSETS:

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

INTANGIBLE ASSETS:

Intangible Assets are stated at cost of acquisition less accumulated amortization.

1.4 DEPRECIATION ON FIXED ASSETS:

- i) Depreciation on Tangible Fixed Assets is provided on original cost of Fixed Assets on straight line method under Section 205(2) (b) of the Companies Act, 1956 at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956 or the rates determined based on the useful lives of the assets as estimated by the management, whichever are higher.

The rate of depreciation determined on the basis of useful life of the fixed asset which is different from that prescribed under Schedule XIV is as under:

Description of Assets	Rate of Depreciation
Furniture & fixtures – Autogas Dispensing Station	10.00%

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

- iii) Lease hold Land has been amortized over the period of the lease on straight line basis.
- iv) Software is amortized on straight line basis over a period of its estimated useful life, however not exceeding 5 years.

1.5 IMPAIRMENT OF ASSETS:

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

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

1.6 INVESTMENTS:

Non-current Investments are shown at cost. However, when there is a decline, other than temporary, in the value of a non-current investment, the carrying amount is reduced to recognize the decline.

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

Investment in shares of a Company registered outside India is stated at cost by converting at the rate of exchange prevalent at the time of acquisition thereof.

1.7 INVENTORIES:

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

1.8 TIMING OF REVENUE RECOGNITION:

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

1.9 OPERATING REVENUE:

Sales turnover for the year is net of trade discounts and includes sales value of goods but excludes sales tax.

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

1.10 DIVIDEND AND INTEREST INCOME:

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

1.11 EMPLOYEE BENEFITS:

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

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

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

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

1.12 FOREIGN CURRENCY TRANSACTIONS:

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

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

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

1.13 HEDGE ACCOUNTING:

The Company uses foreign currency forward contracts and currency option contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and forecasted transactions. The Company designates these hedging instruments as fair value hedges applying the recognition and measurement principles set out in the Accounting Standard 30 "Financial Instruments: Recognition and Measurement" (AS-30).

The use of hedging instruments is governed by the Company's policies approved by the board of directors, which provide written principles on the use of such financial derivatives consistent with the Company's risk management strategy.

Hedging instruments are initially measured at fair value, and are remeasured at subsequent reporting dates.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the Statement of Profit and Loss. The hedged item is recorded at fair value and any gain or loss is recorded in the Statement of Profit and Loss and is offset by the gain or loss from the change in the fair value of the derivative.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting are recognized in the Statement of Profit and Loss as they arise.

1.14 OPERATING LEASE RENTALS:

Assets acquired on lease where all significant risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease Rentals are charged to the Statement of Profit and Loss on straight line basis over the lease term.

Assets leased out under operating leases are capitalized. Rental Income is recognized on straight line basis over the lease term.

1.15 BORROWING COST:

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

1.16 TAXES ON INCOME:

Income Taxes are accounted for in accordance with Accounting Standard (AS 22) – Accounting for Taxes on Income, notified under the Companies (Accounting Standards) Rules, 2006. Income Tax comprises both current and deferred tax.

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

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

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

1.17 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

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

Claims in respect of which the Company is of the opinion that they are frivolous or is legally advised that they are unsustainable in law are not considered as contingent liability as the possibility of an outflow of resources embodying economic benefits is remote. Contingent Assets are neither recognized nor disclosed in the financial statements.

1.18 CASH FLOW STATEMENT:

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

	As at 31st March, 2013	As at 31st March, 2012	As at 31st March, 2013	As at 31st March, 2012
2 Share Capital:	Number of shares	Number of shares	Rupees in lacs	Rupees in lacs
2.1 Authorized :				
Equity Shares of Rs.10 each	52,000,000	52,000,000	5,200.00	5,200.00
13.5% Cumulative Redeemable Preference Shares of Rs. 100 each	100,000	100,000	100.00	100.00
Redeemable Preference Shares of Rs.10/- each	6,000,000	6,000,000	600.00	600.00
		TOTAL	5,900.00	5,900.00
2.2 Issued, Subscribed and Fully Paid-up :				
Equity Shares of Rs.10 each	33,400,000	33,400,000	3,340.00	3,340.00
Add: Forfeited shares (amount originally paid up)			0.45	0.45
		TOTAL	3,340.45	3,340.45

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

	Number of shares		Share Capital Rupees in lacs	
	Current Year	Previous Year ended 31st March, 2012	Current Year	Previous Year ended 31st March, 2012
Shares outstanding as at the beginning of the year	33,400,000	33,400,000	3,340.00	3,340.00
Shares outstanding as at the end of the year	33,400,000	33,400,000	3,340.00	3,340.00

2.4 Rights, preferences and restrictions attached to equity shares (Issued Capital):

- Right to receive dividend as may be approved by the Board of Directors / Annual General Meeting.
- The Equity Shares are not repayable except in the case of a buyback, reduction of capital or winding up in terms of the provisions of the Companies Act, 1956.
- Every member of the company holding equity shares has a right to attend the General Meeting of the company and has a right to speak and on a show of hands, has one vote if he is present in person and on a poll shall have the right to vote in proportion to his share in the paid-up capital of the company.
- In terms of the Articles of Association of the Company no resolution shall be passed by the Board of Directors or Shareholders with respect to a "Fundamental Issue" unless the prior written consent of the Investor to whom equity shares have been issued on Preferential basis has been obtained. The Fundamental Issues, inter alia, include the following:

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

- (i) The transfer of any fixed assets by the company / subsidiaries exceeding 10% of its gross block;
- (ii) Any merger or reorganization, of the company / subsidiaries or the creation of a subsidiary not being a wholly owned subsidiary;
- (iii) Terms of appointment including remuneration payable to executive directors of the company;
- (iv) Any buyback of equity shares of the company / subsidiaries upto 4 years from the date of the investment;
- (v) Commencement of a new line of business;
- (vi) Exceeding a Debt equity ratio of 1.5 :1 on a consolidated basis.

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

Name of the shareholder	As at 31st March, 2013		As at 31st March, 2012	
	(No.s)	%	(No.s)	%
Huron Holdings Limited	11,926,057	35.71%	11,926,057	35.71%
Trans Asia Petroleum Inc	8,926,303	26.73%	8,926,303	26.73%
Infrastructure India Holding Fund LLC	2,120,190	6.35%	2,120,190	6.35%

2.6 Particulars of movements in equity shares for the period of five years immediately preceding the Balance Sheet date as per General Instruction 6 A (i):

	As at 31st March, 2013	As at 31st March, 2012
a) Aggregate number of equity shares allotted as fully paid up pursuant to contract(s) without payment being received in cash:		
- Pursuant to the Schemes of Arrangement/Amalgamation	6,945,801	6,945,801
b) Aggregate number of equity shares allotted as fully paid up by way of bonus shares.	12,506,710	12,506,710
c) Aggregate number of equity shares bought back.	1,020,473	1,020,473

3 Reserves and surplus:**3.1 Capital Reserve:**

Opening Balance	53.99	53.99
Closing Balance	53.99	53.99

3.2 Capital Reserve (Demerger):

Opening Balance	131.37	131.37
Closing Balance	131.37	131.37

3.3 Securities Premium Account:

Opening Balance	5,980.77	5,980.77
Closing Balance	5,980.77	5,980.77

Notes to the financial statements for the year ended 31st March, 2013 (Contd.)

	As at 31st March, 2013 Rupees in lacs	As at 31st March, 2012 Rupees in lacs
3.4 Debenture redemption reserve:		
Opening Balance	750.00	500.00
Add: Transferred from the Statement of Profit and Loss	—	250.00
Closing Balance	750.00	750.00
3.5 General Reserve:		
Opening Balance	1,337.87	927.30
Add: Transferred from the Statement of Profit and Loss	400.74	410.57
Closing Balance	1,738.61	1,337.87
3.6 Surplus - Balance in Statement of Profit and Loss:		
Opening Balance	18,168.67	15,499.89
Add : Profit after Tax for the year	4,007.37	4,105.72
Less : Appropriations:		
Transferred to General Reserve	(400.74)	(410.57)
Transferred to Debenture Redemption Reserve	—	(250.00)
Interim Dividend {Rs. 1.75 (Previous Year Rs. Nil) per share}	(584.50)	—
Corporate Dividend Tax thereon	(1.64)	—
Proposed Dividend - Final {Rs.2.25/- (Previous Year Rs. 2/-) per share}	(751.50)	(668.00)
Corporate Dividend Tax thereon	(127.72)	(108.37)
Closing Balance	20,309.94	18,168.67
TOTAL	28,964.68	26,422.67
4 Long term borrowings:		
4.1 Secured Loans:		
A) Debentures:		
1. 250 9.75% Non- Convertible, Redeemable Privately Placed Debentures of Rs.10,00,000/- each (Refer Note A.1 below)	2,500.00	2,500.00
Note:		
A.1 The Debentures carry a put option for the holders and a call option to the Company to get it redeemed at par at the end of five years from the date of allotment viz. 29th January 2010, failing which the Debentures will be redeemed at par in three equal annual instalments commencing from the end of 6th year from the date of allotment as under:		
Instalment	Redemption Date	
3rd Instalment	29th January, 2018	
2nd Instalment	29th January, 2017	
1st Instalment	29th January, 2016	
2. 250 10.20% Non- Convertible, Redeemable Privately Placed Debentures of Rs.10,00,000/- each (Refer Note A.2 below)	2,500.00	—

Notes to the financial statements for the year ended 31st March, 2013 (Contd.)

	As at 31st March, 2013 Rupees in lacs	As at 31st March, 2012 Rupees in lacs
Note:		
A.2 The Debentures carry a put option for the holders and a call option to the Company to get it redeemed at par at the end of five years from the date of allotment viz. 25th May 2012, failing which the Debentures will be redeemed at par in three annual instalments (Viz. 1st and 2nd Installments would be 33% each and 3rd Installment would be 34%) commencing from the end of 6th year from the date of allotment as under:		
Instalment	Redemption Date	
3rd Instalment	25th May, 2020	
2nd Instalment	25th May, 2019	
1st Instalment	25th May, 2018	
Above Debentures are secured by way of mortgage of specific immovable properties of the Company situated at Trombay on pari passu basis.		
B) Term Loans from Banks:		
1 Loan from Bank of Baroda Refer Notes (i) and (ii) below	892.68	1,281.12
2 Loans against Vehicles (Refer Notes (iii) and (iv) below)	32.53	10.48
3 Loan from Axis Bank (Refer Notes (v) below)	1,798.00	-
4 Loan from HDFC Bank (Refer Notes (vi) below)	450.00	-
Notes:		
(i) Secured by mortgage of specific immovable properties of the Company situated at Trombay and Vapi ranking pari passu and hypothecation of movable properties of the Company subject to prior charge in favour of bankers for Working Capital Loans.		
(ii) Loan from Bank of Baroda carries an interest rate of 10.50% p.a. as on date of disbursement and same is reset with movement of Benchmark Prime Lending Rate (BPLR).		
Loan from Bank of Baroda is repayable in 60 monthly instalments of Rs. 32.37 lacs each after two years from the date of first disbursement on 30th September, 2010		
(iii) Secured by hypothecation of specific Vehicles		
(iv) Loans are repayable in Equated Monthly Instalments of varying amounts (including interest) within maximum tenor of 60 months and the rate of interest ranges from 9% to 10% p.a.		
(v) Loan from Axis Bank carries an interest rate of 11.25% p.a. as on date of disbursement and same is reset with movement of Axis Bank Base Rate (ABBR).		
Loan from Axis Bank is repayable in 96 equal monthly installments commencing from 31st January, 2013.		

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

	As at 31st March, 2013 Rupees in lacs	<i>As at 31st March, 2012 Rupees in lacs</i>
Loan from Axis Bank is secured by Exclusive first charge by way of mortgage on the office property situated at Peninsula Business Park, Mumbai and hypothecation of movable assets of that office.		
(vi) Loan from HDFC Bank carries an interest rate of 11% p.a. as on date of disbursement and same is reset with movement of HDFC Bank Base Rate.		
Loan from HDFC Bank is repayable in 30 equal quarterly installments commencing six months from disbursement date Viz, 13th February, 2013.		
Loan from HDFC Bank is secured by hypothecation of moveable fixed assets of the Haldia Project and mortgage of leasehold rights of approx. 3.74 acres of land at Haldia.		
Sub Total (A)	8,173.21	<i>3,791.60</i>
4.2 Unsecured Loans:		
Fixed Deposits	41.10	<i>169.50</i>
Terms and Conditions of the Fixed Deposits:		
The above Deposits have been accepted by the Company in accordance with the Companies (Acceptance of Deposits) Rules, 1975.		
The deposits have been accepted for periods ranging from 12 months to 36 months		
The rate of interest ranges from 9% p.a. to 10.50% p.a.		
The deposits are repayable only on maturity. However, the Company may at its sole discretion permit premature withdrawals but not before the completion of 6 months.		
Sub Total (B)	41.10	<i>169.50</i>
Total (A) + (B)	8,214.31	<i>3,961.10</i>
5 Deferred tax liabilities (Net):		
Major components of deferred tax are:		
Depreciation on Fixed Assets	2,014.66	<i>2,074.34</i>
Provision for Doubtful Debts	(11.78)	<i>(11.78)</i>
Disallowances under section 43B & others	(202.24)	<i>(142.69)</i>
Net Deferred Tax Liability	1,800.64	<i>1,919.87</i>
6 Other Long-term Liabilities:		
Deposits from Dealers	631.32	<i>672.27</i>
Total	631.32	<i>672.27</i>
7 Long-term provisions:		
Provision for Compensated Absences	164.92	<i>56.72</i>
Provision for Gratuity	249.20	<i>256.43</i>
Total	414.12	<i>313.15</i>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

	As at 31st March, 2013 Rupees in lacs	As at 31st March, 2012 Rupees in lacs
8 Short-term borrowings:		
(Secured)		
Buyer's Credit from Banks	4,612.86	3,919.21
Secured by charge on movable properties of the Company and further secured by second charge on specific immovable properties of the Company situated at Trombay and Vapi, ranking pari passu.		
Overdraft from Bank of Baroda	390.16	-
Secured by lien on Fixed Deposits placed by the Company		
Total	5,003.02	3,919.21
9 Trade payables:		
Sundry Payables - other than micro and small enterprises	2,849.75	2,140.38
Payable to Related Party (Refer Note No.34)		
- Hindustan Aegis LPG Limited, a Subsidiary	-	4.88
Total	2,849.75	2,145.26
10 Other current liabilities:		
Current maturities of long-term Secured Loan (See 4.1(B) (1) above)	388.44	388.44
Current maturities of long-term Secured Loan (See 4.1(B) (2) above)	26.64	30.19
Current maturities of long-term Secured Loan (See 4.1(B) (3) above)	312.50	-
Current maturities of long-term Secured Loan (See 4.1(B) (4) above)	50.00	-
Current maturities of long-term Unsecured Loan (See 4.2 above)	126.70	348.40
Current maturities of long-term Secured Loan	-	103.90
Loan from IDBI Bank carries interest rate of 9.30% p.a. as on date of disbursement and same is reset with movement of BPLR.		
Loan from IDBI Bank is repayable in 24 monthly instalments of Rs. 70.83 lacs each commencing from 1st December, 2009.		
Interest accrued but not due on borrowings	284.12	97.16
Unpaid Dividends *	118.05	95.52
Unpaid Matured Deposits and Interest Accrued thereon*	8.10	10.70
Amounts Payable under Capital Contracts	253.42	389.51
Other Payables:		
(i) Statutory Dues	344.90	277.77
(ii) Commission payable to the Vice Chairman & Managing Director and the Managing Director & CEO (Refer Note 34)	310.95	240.00
Total	2,223.82	1,981.59
* These do not include any amounts due and outstanding to be credited to the Investor Education and Protection Fund.		
11 Short-term provisions:		
Provision for Compensated Absences	23.35	2.00
Provision for Gratuity	68.50	15.48
Provision for Tax (Net of Advance Tax)	-	192.28
Proposed Dividend - Final	751.50	668.00
Corporate Dividend Tax -Final	127.72	108.37
Total	971.07	986.13

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

12 Fixed Assets:

	Gross Block (at Cost)			Accumulated Depreciation			Net Block	
	As at 1st April, 2012	Additions	Deletions	As at 31st March, 2013	As at 1st April, 2012	Charge for the year	On Disposals	As at 31st March, 2013
Rupees in lacs								
a) Tangible Assets:								
Land - Freehold	425.82 (425.82)	- (-)	- (-)	425.82 (425.82)	- (-)	- (-)	- (-)	425.82
Land - Leasehold	332.82 (332.82)	- (-)	- (-)	332.82 (332.82)	40.09 (29.00)	11.09 (11.09)	- (-)	281.64
Buildings	2,258.22 (2,244.03)	3,010.14 (14.19)	- (-)	5,268.36 (2,258.22)	372.23 (335.70)	43.87 (36.53)	- (-)	4,852.26
Plant and Equipment	20,146.26 (19,681.37)	271.62 (464.89)	- (-)	20,417.88 (20,146.26)	10,915.97 (9,980.22)	958.20 (935.75)	- (-)	8,543.71
Furniture and Fixtures	360.96 (336.93)	45.63 (24.03)	- (-)	406.59 (360.96)	122.05 (98.99)	24.85 (23.06)	- (-)	259.69
Vehicles	286.51 (285.44)	60.99 (45.43)	41.03 (44.36)	306.47 (286.51)	81.49 (81.25)	26.47 (26.14)	20.49 (25.90)	219.00
Office Equipment	501.98 (424.26)	51.20 (790.06)	- (1.34)	553.18 (501.98)	283.85 (247.74)	46.78 (36.45)	- (0.34)	222.55
TOTAL	24,312.57 (23,730.67)	3,439.58 (627.60)	41.03 (45.70)	27,711.12 (24,312.57)	11,815.68 (10,772.90)	1,111.26 (1,069.02)	20.49 (26.24)	14,804.67
b) Intangible Assets:								
Computer Software - Acquired	434.02 (352.25)	43.10 (81.77)	- (-)	477.12 (434.02)	163.97 (89.74)	84.87 (74.23)	- (-)	228.28
TOTAL	434.02 (352.25)	43.10 (81.77)	- (-)	477.12 (434.02)	163.97 (89.74)	84.87 (74.23)	- (-)	228.28
c) Capital Work-in-Progress								
								5,709.94
								20,742.89
								1,568.77
								14,335.71

(Figures in brackets represent those of the previous year)

Notes:

- (1) Buildings include **Rs. 5.58 lacs** (Previous Year Rs. 5.58 lacs) for premises in a Co-operative Society against which the shares of the face value of Rs. 500 are held under the bye-laws of the society.
- (2) Gross Block of Assets includes Freehold Land at Trombay of the value of **Rs.38.53 lacs** (Previous Year Rs. 38.53 lacs) given on lease to Sealord Containers Limited, a subsidiary of the Company.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

	As at 31st March, 2013 Rupees in lacs	<i>As at 31st March, 2012 Rupees in lacs</i>
13 Non-current Investments: (Fully Paid Up, At Cost)		
1 Trade Investments:		
(a) Investments in Equity instruments of Subsidiaries (Refer Note 34):		
9,37,500 shares of Rs. 10 each of Sea Lord Containers Limited (Quoted)	96.81	96.81
10,000 shares of Rs. 10 each of Eastern India LPG Company Private Limited (Unquoted)	1.00	1.00
1,00,000 shares of Rs. 10 each of Konkan Storage Systems (Kochi) Private Limited (Unquoted)	10.00	10.00
21,344 Shares of USD 1 each of Aegis Group International Pte Ltd., Singapore (Unquoted)	10.00	10.00
32,381,000 Shares of Rs.10 each of Aegis Gas (LPG) Private Limited (Unquoted)	1,647.04	1,647.04
49,999 Shares of USD 1 each of Aegis International Marine Services Pte Ltd., Singapore (Unquoted)	26.44	26.44
(b) Investments in Preference Shares of a Subsidiary (Unquoted) (Refer Note 34):		
12,00,000 6% Cumulative Redeemable shares of Rs.100 each of Sealord Containers Limited	1,200.00	1,200.00
38,00,000 8% Non Cumulative Redeemable shares of Rs. 100 each of Sealord Containers Limited	3,800.00	3,800.00
39,00,000 (Previous Year 29,00,000) 8% Non-Cumulative Redeemable shares of Rs.100 each of Hindustan Aegis LPG Limited	3,900.00	2,900.00
2 Investment in Government Securities (Unquoted):		
Government Securities of the Face Value of Rs. 0.48 lacs (Deposited with Government authorities)	0.48	0.48
3 Other Investments (Non-Trade):		
(a) Investments in Equity Instruments (Quoted):		
289 Equity Shares of Rs. 10 each of JIK Industries Limited	0.29	0.29
Less: Provision for diminution in value of investments	(0.26)	(0.26)
	0.03	0.03
(b) Investments in Debentures (Quoted):		
10,000 9.75% Debentures of Rs.1,000 each of Shri Ram Transport Finance Limited	100.00	100.00
423 11.35% Non-Convertible Debentures of Rs. 1,000 each of Shriram Transport Finance Limited	4.23	4.23
50 11.8% Perpetual Bonds of Rs. 1,000,000 each of Tata Iron & Steel Company Limited	500.00	500.00
20,000 12.25% Non-Convertible Debentures of Rs. 1,000 each of Muthoot Finance Limited	200.00	200.00
(c) Other non-current investments:		
Investment under Portfolio Management Services managed by Anand Rathi Portfolio Management Services Limited (unquoted):		

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

		As at 31st March, 2013 Rupees in lacs	<i>As at 31st March, 2012 Rupees in lacs</i>
	Face Value		
i) In Equity Instruments:			
15,023 units of Marwar Consultancy Private Limited	1	0.15	<i>0.15</i>
15,011 units of Vahin Advisors and Traders Private Limited	1	0.15	<i>0.15</i>
14,979 units of Jade Stone Development And Holding Private Limited	1	0.15	<i>0.15</i>
14,975 units of Prabal Traders and Advisors Private Limited	1	0.15	<i>0.15</i>
14,928 units of Zwenzi Traders Advisors Private Limited	1	0.15	<i>0.15</i>
14,918 units of Sherin Advisors and Traders Private Limited	1	0.15	<i>0.15</i>
15,354 units (Previous year Nil) of Swarg Advisors and Traders Private Limited	1	0.15	-
15,305 units (Previous year Nil) of Suryanagari Trading and Consultancy Private Limited	1	0.15	-
ii) In Debentures:			
29,238 units of Sherin Advisors and Traders Private Limited - Debentures	100	29.24	<i>29.24</i>
29,156 units of Zwenzi Traders Advisors Private Limited - Debentures	100	29.16	<i>29.16</i>
14,641 units of Prabal Traders and Advisors Private Limited - Debentures	100	14.64	<i>14.64</i>
12,521 units of Vahin Advisors and Traders Private Limited - Debentures	100	12.52	<i>12.52</i>
12,399 units of Jade Stone Development And Holding Private Limited - Debentures	100	12.40	<i>12.40</i>
12,337 units of Marwar Consultancy Private Limited - Debentures	100	12.34	<i>12.34</i>
Nil units (Previous year 86,60,000) of Marwar Consultancy Private Limited - Debentures	1	-	<i>86.60</i>
42,834 units (Previous year Nil) of Swarg Advisors and Traders Private Limited - Debentures	100	42.83	-
40,890 units (Previous year Nil) of Suryanagari Trading and Consultancy Private Limited - Debentures	100	40.89	-
153,349 units (Previous Year Nil) of Reliance Liquid Fund - Treasury Plan - Weekly Dividend	1,000.00	2.35	-
iii) Uninvested amounts lying in Portfolio Management Scheme a/c		-	<i>2.19</i>
		197.57	<i>199.99</i>
Total		11,693.60	<i>10,696.02</i>

	Cost		Market Value	
	As at 31st March, 2013 Rupees in lacs	<i>As at 31st March, 2012 Rupees in lacs</i>	As at 31st March, 2013 Rupees in lacs	<i>As at 31st March, 2012 Rupees in lacs</i>
(a) Aggregate value of Quoted Investments*	901.07	<i>901.07</i>	856.09	<i>826.75</i>
(b) Aggregate value of Unquoted Investments	10,792.53	<i>9,794.95</i>	-	-
	11,693.60	<i>10,696.02</i>	856.09	<i>826.75</i>
(c) Aggregate provision for diminution in value of investments	0.26	<i>0.26</i>		

* includes listed but not traded investment having cost of **Rs.96.81 lacs** (Previous Year Rs. 96.81 lacs) for which market value is not available.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

		As at 31st March, 2013 Rupees in lacs	As at 31st March, 2012 Rupees in lacs
14 Long-term loans and advances: (Unsecured and considered good)			
Deposits with Government Authorities and Others		527.66	482.03
Cenvat Credit and Service tax Setoff (net)		334.46	-
Advance Tax (Net of Provision for Tax)		904.03	1,144.00
Loans and advances to related parties (Refer Note 34)			
(a) Eastern India LPG Private Limited		68.24	68.24
(b) Konkan Storage Systems (Kochi) Private Limited		4,167.57	4,242.57
(c) Hindustan Aegis LPG Limited		630.13	-
(d) Aegis Gas (LPG) Private Limited		1,755.21	-
Total		8,387.30	5,936.84
15 Other non-current assets:			
Trade Receivables (Unsecured and considered good)			
Considered Good		-	-
Considered Doubtful		50.52	50.52
		50.52	50.52
Less: Provision for Doubtful Trade receivables		(50.52)	(50.52)
		-	-
Unamortized Premium on Shares and Debentures		57.41	65.93
Total		57.41	65.93
16 Current Investments Non-trade (At Lower Of Cost And Fair Value):			
In Units of Mutual Fund (Fully paid up)	Face Value		
Nil (Previous year 4,000,000) of Reliance Fixed			
Horizon Fund - XIX - Series 10 - Growth Plan	10	-	400.00
889,967 of IDFC Small & Midcap Equity(SME) Fund - Dividend	13	118.02	120.47
Nil (Previous year 4,000,000) of			
Birla Sun Life FTP Series CX - Growth	10	-	400.00
39931.148 (Previous year 41023.433) of Baroda Pioneer			
Treasury Advantage Fund - Daily Dividend Fund	1,000	399.72	410.60
Share Application Money:			
Nil units (Previous year 1,516 units) Suryanagari Trading			
And Consultancy Private Limited		-	0.01
Total		517.74	1,331.08
	Amount	Market Value	
	As at 31st March, 2013 Rupees in lacs	As at 31st March, 2013 Rupees in lacs	As at 31st March, 2012 Rupees in lacs
(a) Aggregate value of Quoted Investments	-	-	-
(b) Aggregate value of Unquoted Investments	517.74	-	-
(c) Aggregate provision for diminution in value of investments	Nil	Nil	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

	As at 31st March, 2013 Rupees in lacs	As at 31st March, 2012 Rupees in lacs
17 Inventories:		
(At cost or net realizable value whichever is lower)		
Stock-in-Trade		
- Liquified Petroleum Gas	789.83	298.08
- Others - Machinery for Autogas Dispensing Station	127.34	147.76
Stores and Spare Parts	333.30	376.69
Total	1,250.47	822.53
18 Trade receivables (Unsecured):		
Trade Receivables outstanding for a period exceeding six months from the date they are due for payment:		
Considered Good	803.20	1,030.98
Considered Doubtful	-	-
	803.20	1,030.98
Less: Provision for Doubtful Trade receivables	-	-
	803.20	1,030.98
Other Trade Receivables - Considered Good	2,122.07	2,109.97
Total	2,925.27	3,140.95
19 Cash and Cash equivalents:		
Balances with banks		
(i) In current accounts	82.60	980.75
(ii) In deposit accounts (Refer Notes below)	6,068.17	5,898.00
(iii) In earmarked accounts		
- Unpaid dividend accounts	118.05	95.52
- Balances held as margin money against guarantees and other commitments (Refer Notes below)	547.17	401.13
Total	6,815.99	7,375.40
Of the above, the balances that meet the definition of Cash and cash equivalents as per Accounting Standard (AS - 3) "Cash Flow Statements" is	6,268.82	6,974.27
Notes:		
a) (i) Deposits included in Balances with banks which have an original maturity of more than 12 months.	3,824.93	3,770.12
(ii) Margin monies included in Balances with banks which have an original maturity of more than 12 months.	383.90	312.85
(iii) Deposits included in Balances with banks which have a maturity of more than 12 months from the Balance Sheet date.	50.00	345.00
(iv) Margin Monies included in Balances with banks which have a maturity of more than 12 months from the Balance Sheet date.	19.54	44.50

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

	As at 31st March, 2013 Rupees in lacs	As at 31st March, 2012 Rupees in lacs
b) Deposits placed out of deposits received from some of the dealers of the company placed with the banks which is subject to a lien of the banks for granting credit facilities to such dealers.	<u>39.80</u>	<u>40.00</u>
c) Deposits placed with the bank which is subject to a lien of Mumbai Port Trust for granting Way Leave Permission.	<u>77.12</u>	<u>77.12</u>
20 Short-term loans and advances: (Unsecured and considered good)		
Advances to Suppliers	447.75	1,264.97
Balance with Government Authorities	599.26	32.51
Prepaid Expenses	235.87	200.04
Cenvat Credit and Service tax Setoff (net)	111.49	-
Total	<u>1,394.37</u>	<u>1,497.52</u>
21 Other current assets:		
Interest accrued on Debentures / Fixed deposits with bank	258.51	268.49
Unbilled Revenue	296.32	58.02
Foreign Exchange Gain - Mark-to-Market Basis (Net)	64.61	6.45
Unamortized Interest on Buyers Credit & Premium on Option Contracts	-	118.06
Unamortized Premium on Shares and Debentures	8.70	8.70
Total	<u>628.14</u>	<u>459.72</u>
	Current Year	Previous Year
	Rupees in lacs	Rupees in lacs
22 Revenue from operations:		
Sales - Traded Goods		
- Liquified Petroleum Gas	27,348.10	17,583.77
- Others - Machinery for Autogas Dispensing Station	114.32	98.30
	<u>27,462.42</u>	<u>17,682.07</u>
Service Revenue		
- Liquid Terminal Division	7,538.68	6,382.12
- Gas Terminal Division	3,295.45	4,285.58
	<u>10,834.13</u>	<u>10,667.70</u>
Other Operating Revenue		
- Lease Rental	80.83	80.67
Total	<u>38,377.38</u>	<u>28,430.44</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

	Current Year	<i>Previous Year</i>
	Rupees in lacs	<i>Rupees in lacs</i>
23 Other income:		
Dividend on Current Investments (non-trade)	174.67	242.59
Dividend on Non Current Investments (Trade)	574.42	–
Profit on sale of Non-Current Investments (non-trade)	–	3.40
Interest on Investments (Non-Current, non-trade)	93.25	84.65
Interest on loans and advances, deposit with banks etc.	728.44	641.06
Income on account of claim	130.00	–
Miscellaneous Receipts	85.45	109.79
Profit on Foreign Exchange Fluctuation (net)	4.13	–
Provision for Way leave Fees Written back	–	477.46
Sundry Credit Balances Written Back	–	79.10
Rental Income	10.80	–
Total	1,801.16	1,638.05
24 Purchases of Traded Goods:		
Liquified Petroleum Gas	24,879.99	15,590.72
Others - Machinery for Autogas Dispensing Station	73.71	148.05
Total	24,953.70	15,738.77
25 Changes in Inventories of Traded Goods:		
Inventories at the end of the year		
Liquified Petroleum Gas	789.83	298.08
Others - Machinery for Autogas Dispensing Station	127.34	147.76
Sub-total (A)	917.17	445.84
Inventories at the beginning of the year		
Liquified Petroleum Gas	298.08	388.94
Others - Machinery for Autogas Dispensing Station	147.76	85.83
Sub-Total (B)	445.84	474.77
(B) -(A)	(471.33)	28.93
26 Employee benefits expense:		
Salaries and Wages	2,505.01	2,078.24
Contribution to Provident and Other Funds	187.31	152.74
Staff Welfare Expenses	110.38	87.31
Total	2,802.70	2,318.29

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

	Current Year	<i>Previous Year</i>
	Rupees in lacs	<i>Rupees in lacs</i>
27 Finance costs:		
Interest Expense	845.13	605.33
Other Borrowing Cost	110.76	119.34
Total	955.89	724.67
28 Depreciation and amortization expense:		
Depreciation of Tangible Assets	1,111.26	1,069.02
Amortization of Intangible Assets	84.87	74.23
Less : Transferred to Capital Work-in-Progress	(7.58)	(74.8)
Total	1,188.55	1,135.77
29 Other Expenses:		
Advertisement	35.58	25.58
Sundry Debit Balances written off	-	1.70
Commission on Sales	340.04	459.71
Commission to Directors (Refer Note 34)	450.00	240.00
Communication Expenses	79.01	67.39
Diminution in value of Current Investments	2.46	-
Directors' Sitting Fees	3.34	3.70
Donations	220.75	179.66
Loss on Foreign Exchange Fluctuation (net)	-	369.42
Amortization of Premium on Forward and Currency Option Contracts	378.85	57.30
Insurance	256.09	187.78
Lease Rentals	259.66	306.24
Legal and Professional charges	357.05	358.13
Loss on Sale of Fixed Assets	14.93	10.16
Labour and Other Charges	289.00	189.03
Power and Fuel	524.68	499.25
Printing and Stationery	45.09	39.12
Rates and Taxes (including Wealth Tax)	248.44	106.33
Rebates & Discount	40.04	55.51
Rent	29.67	19.52
Repairs - Buildings	19.18	0.87
Repairs - Others	78.59	53.41
Repairs to Machinery	160.23	176.90
Stores and Spare parts consumed	328.02	266.93
Travelling, Conveyance and Vehicle Expenses	364.32	327.90
Water Charges	70.17	41.91
Way Leave Fees	487.82	467.38
Miscellaneous Expenses (including Security services, Books, Subscription, Selling expenses etc.)	281.87	260.09
Total	5,364.88	4,770.92

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

		Current Year	<i>Previous Year</i>
		Rupees in lacs	<i>Rupees in lacs</i>
30 Earnings per share:			
The Numerators and denominators used to calculate Earnings per Share:			
Nominal Value of Equity Share (Rs.)	Rs.	10/-	10/-
Net Profit available for equity shareholders(Rs. In lacs) - (A)	Rs.	4,007.37	4,105.72
Weighted Average number of shares outstanding during the year - (B)	Nos.	33,400,000	33,400,000
Basic and Diluted Earnings Per Share (Rs.) - (A) / (B)	Rs.	12.00	12.29
31 Capital and other commitments:			
(a) Claims against the Company not acknowledged as debts		12.00	12.00
(b) Income Tax / Sales Tax demands disputed in appeal		40.07	27.00
(c) Estimated amount of contracts remaining to be executed on Capital Account and not provided for (Net of Advances)		143.70	402.53
(d) Letters of Credit given on behalf of Subsidiaries		13,577.50	1,881.45
In respect of items mentioned under Paragraphs (a) and (b) above, till the matters are finally decided, the financial effect cannot be ascertained.			
(e) Guarantees given to Banks against repayment of loans advanced from time to time to Sea Lord Containers Limited., a Subsidiary of the Company to the extent of Rs. 6,650 lacs (Previous year Rs. 6,650 lacs). The balance of such loan outstanding as at 31st March, 2013 was Rs. 4,575 lacs (Previous Year Rs. 5,450 lacs)			
(f) Guarantees given to Banks against repayment of working capital facilities advanced from time to time to Hindustan Aegis LPG Limited, a wholly owned subsidiary of the Company to the extent of Rs.23,100 lacs (Previous Year Rs. 20,250 lacs). The amount of such facilities availed against guarantee as at 31st March, 2013 was Rs. 12,029 lacs (Previous Year Rs. 19,805 lacs).			
(g) Guarantees given to Suppliers against credit extended to Aegis Group International Pte Limited, Hindustan Aegis LPG Limited and Aegis Gas (LPG) Private Limited, wholly owned subsidiaries of the Company to the extent of Rs.16,293 lacs (Previous Year Rs. 27,306 lacs). The amount of such credit availed against guarantee as at 31st March, 2013 was Rs. 24,974.75 lacs (Previous Year Rs. 33,264.95 lacs).			
(h) Guarantees given to Banks against repayment of working capital facilities advanced from time to time to Aegis Gas LPG Private Limited, a wholly owned subsidiary of the Company to the extent of Rs.1,600 lacs (Previous Year Rs. Nil lacs). The amount of such facilities availed against guarantee as at 31st March, 2013 was Rs. 1,500 lacs (Previous Year Rs. Nil).			

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

	Current Year	<i>Previous Year</i>
	Rupees in lacs	<i>Rupees in lacs</i>
32 Payments to Auditors for the year:*		
(a) As Auditors	17.75	17.75
(b) For taxation matters,	2.00	2.00
(c) For Other services - Limited Review and Certification Work	10.20	13.70
(d) For reimbursement of expenses	0.12	0.20
(e) Service Tax	3.08	3.87
Total	<u>33.15</u>	<u>37.52</u>

* Excludes payment of **Rs. 6.45 lacs** (Previous Year Rs. 11.66 lacs) for Taxation matters to an affiliated firm covered by a networking arrangement which is registered with the Institute of Chartered Accountants of India.

33 Segment Reporting - Basis of preparation:

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

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

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

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

During the year, investments made by the Company have exceeded 10% of its total assets. However, such investments have not exceeded 10% of its total assets as per Consolidated Financial Statement of the Company. Hence, Investments are not treated as separate reportable segment by the Company. Consequently, Segment information has been presented on the basis of Accounting Standard (AS 17) "Segment Reporting" as applicable to the Consolidated Financial Statements of the Company as specified under Paragraph 4 of the said standard.

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

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

	Liquid Terminal Division Rupees in lacs	Gas Terminal Division Rupees in lacs	Total Rupees in lacs
Segment Revenue	7,546.25 <i>6,428.12</i>	30,831.13 <i>22,002.32</i>	38,377.38 <i>28,430.44</i>
Segment Results	3,322.04 <i>2,961.94</i>	3,842.05 <i>3,512.19</i>	7,164.09 <i>6,474.13</i>
Add : Interest Income			821.69 <i>725.71</i>
Less : (1) Interest Expenses			955.89 <i>724.67</i>
(2) Other unallocable expenditure (net)			1,645.74 <i>1,124.03</i>
Profit before Tax			5,384.15 <i>5,351.14</i>
Less : Taxation			1,376.78 <i>1,245.42</i>
Profit after Tax			4,007.37 <i>4,105.72</i>
Segment Assets	15,460.78 <i>11,773.06</i>	9,049.27 <i>8,991.40</i>	24,510.05 <i>20,764.46</i>
Other unallocable assets			29,903.13 <i>24,897.24</i>
Total Assets			54,413.18 <i>45,661.70</i>
Segment Liabilities	1,214.93 <i>1,074.13</i>	2,712.07 <i>2,511.26</i>	3,927.00 <i>3,585.39</i>
Other unallocable liabilities			4,963.72 <i>4,432.88</i>
Total Liabilities			8,890.72 <i>8,018.27</i>
Segment Capital Expenditure	4,206.72 <i>1,877.98</i>	412.54 <i>250.05</i>	4,619.26 <i>2,128.03</i>
Other unallocable Capital Expenditure			3,004.59 <i>35.09</i>
Total Capital expenditure			7,623.85 <i>2,163.12</i>
Depreciation	550.73 <i>521.15</i>	590.80 <i>572.93</i>	1,141.53 <i>1,094.08</i>
Other unallocable Depreciation			47.02 <i>41.69</i>
Total Depreciation			1,188.55 <i>1,135.77</i>

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

34 Related Party Disclosures:

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

(a) List of related parties and relationships:

Sr. No.	Name of the Related Party	Relationship
1	Hindustan Aegis LPG Limited (HALPG)	Wholly owned subsidiary Company
2	Sea Lord Containers Limited	Subsidiary Company
3	Konkan Storage Systems (Kochi) Private Limited	Wholly owned Subsidiary Company
4	Eastern India LPG Company Private Limited	Wholly owned Subsidiary Company
5	Aegis Group International Pte Limited	Wholly owned Subsidiary Company
6	Aegis Gas (LPG) Private Limited	Wholly owned Subsidiary Company
7	Aegis International Marine Services Pte. Limited	Wholly owned Subsidiary Company
8	Mr. R.K.Chandaria	Key Management Personnel
9	Mr. A.K.Chandaria	Key Management Personnel
10	Trans Asia Petroleum Inc.(Tapi)	Tapi has significant influence over the Company
11	Huron Holdings Limited (Huron)	Huron has significant influence over the Company

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

Rs. in Lacs

1b) Transactions during the year with related parties:

[illegible]

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

	Current Year	<i>Previous Year</i>
	Rupees in lacs	<i>Rupees in lacs</i>
35 Reconciliation of opening and closing balance of the present value of the defined benefit obligation for gratuity is given below:		
Components of employer expense		
Current service cost	28.81	25.64
Interest cost	24.67	16.69
Expected return on plan assets	(3.33)	(4.87)
Actuarial losses/(gains)	17.14	106.05
Total expense recognized in the Statement of Profit and Loss	67.29	143.51
Actual contribution and benefit payments for year		
Actual contributions	21.50	15.23
Net asset / (liability) recognized in the Balance Sheet		
Present value of defined benefit obligation	357.50	290.22
Fair value of plan assets	(39.80)	(18.31)
Net asset / (liability) recognized in the Balance Sheet	317.70	271.91
Change in defined benefit obligations (PBO) during the year		
Present value of PBO at beginning of the year	290.22	208.62
Current service cost	28.81	25.64
Interest cost	24.67	16.69
Benefit Paid	(3.34)	(66.78)
Actuarial (gains) / losses	17.14	106.05
Present value of PBO at the end of the year	357.50	290.22
Change in fair value of assets during the year		
Plan assets at beginning of the year	18.31	64.99
Expected return on plan assets	3.33	4.87
Actual company contributions	21.50	15.23
Benefit Paid	(3.34)	(66.78)
Actuarial gain/(loss) on Plan Assets	-	-
Plan assets at the end of the year	39.80	18.31
Actual return on plan assets	3.33	4.87
Actuarial assumptions		
Discount rate	8.25%	8.50%
Expected return on plan assets	9.25%	9.15%
Salary escalation	6.25%	6.50%
Mortality tables	LIC (1994-96) Ultimate	<i>LIC (1994-96) Ultimate</i>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013**Experience adjustments**

Gratuity	2012-13	2011-12	2010-11	2009-10	2008-09
Present value of PBO	357.50	290.22	208.62	184.35	148.87
Fair value of plan assets	39.80	18.31	64.99	51.31	55.13
Funded status [Surplus / (Deficit)]	(317.70)	(271.91)	(143.63)	(133.04)	(93.74)
Experience gain / (loss) adjustments on plan liabilities	(17.20)	-	(3.03)	21.57	(25.05)
Experience gain / (loss) adjustments on plan assets	-	-	-	-	-

Actuarial assumptions for long-term compensated absences

Discount rate	8.25%	8.50%
Salary escalation	6.25%	6.50%

Notes:

- (i) The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations.
- (ii) The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.
- (iii) In absence of specific details of plan assets from LIC, the details of plan assets have not been furnished. The details of experience adjustment relating to Plan assets are not readily available in valuation report and hence are not furnished.
- (iv) The Company's best estimate of contributions expected to be paid to the plan during the annual period beginning after 31st March, 2013 is **Rs.23.94 Lacs** (Previous Year Rs. 27 lacs)
- (v) The above information is certified by the actuary and relied upon by the Auditors.
- (vi) Employee Benefits Expenses Include:
 - a) Employees' Compensated absences **Rs. 179.22 lacs** (Previous Year Rs 29.74 lacs).
 - b) Contribution to Provident Fund **Rs. 85.60 lacs** (Previous Year Rs. 66.48 lacs).

36 Value of Imports Calculated on C.I.F. bases in respect of:

(i) Trading Goods	19,631.81	12,124.27
(ii) Stores & Spares	6.31	12.09

37 Expenditure in foreign currency on account of:

Interest Expense	124.97	82.32
Other Matters - Travelling, etc.	17.09	22.87

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013**38 Value of stores and spares consumed:**

	Current Year		Previous Year	
	Rupees in lacs	Percentage of Total Consumption	Rupees in lacs	Percentage of Total Consumption
Imported	16.03	4.89%	7.81	13.60%
Indigenous	311.99	95.11%	259.12	86.40%
TOTAL	328.02	100.00%	266.93	100%

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

	Current Year Rupees in lacs	Previous Year Rupees in lacs
39 Earning in foreign currency:		
Service Revenue	–	132.50
Sales - Trading Goods	369.00	–
40 Amount remitted during the year in foreign currency on account of dividends:		
Final Dividend:		
(i) Number of Non-Resident Shareholders	3	3
(ii) Number of Shares held by them on which Dividend was due	22,972,550	22,972,550
(iii) Year to which Dividend relates	2011-12	2010-11
(iv) Amount remitted (Rs. in lacs)	459.45	459.45
Interim Dividend:		
(i) Number of Non-Resident Shareholders	3	–
(ii) Number of Shares held by them on which Dividend was due	22,972,550	–
(iii) Year to which Dividend relates	2012-13	–
(iv) Amount remitted (Rs. in lacs)	402.02	–
Except for the above shareholders, the Company has not made any remittance in foreign currency on account of dividends during the year. The Company does not have information as to the extent to which remittances in foreign currencies on account of dividends have been made to non-resident shareholders.		

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

		Current Year	<i>Previous Year</i>
		Rupees in lacs	<i>Rupees in lacs</i>
41	There are no Micro, Small and Medium Enterprises, as defined in the Micro, Small, Medium Enterprises Development Act, 2006, to whom the Company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made.		
	The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the information available with the Company. This has been relied upon by the auditors.		
42	The details of derivative instruments and foreign currency exposures are as under:		
	The Company uses derivative instruments (Forward Cover and Options Contracts) to hedge its risks associated with foreign currency fluctuations. The use of derivative instruments is governed by the Company's strategy approved by the Board of Directors, which provide principles on the use of such derivative instruments consistent with the Company's Risk Management Policy. The Company does not use derivative instruments for speculative purposes.		
	Outstanding Short Term Derivative Contracts entered into by the Company on account of payables:		
	As at	US Dollar Equivalent (in lacs)	INR Equivalent (in lacs)
	31.03.2013	107.58	5,842.67
	31.03.2012	68.79	3,497.97
43	Disclosure of Loans / Advances to Subsidiaries, Associate Companies etc. (As required by clause 32 of the listing agreements with the Stock Exchanges):		
	Subsidiary Companies :	(Rs. in lacs) Amount Outstanding	(Rs. in lacs) Max. Amount Outstanding
1	Aegis Gas (LPG) Private Limited	1,755.21	1,755.21
	<i>Previous year</i>	-	-
2	Konkan Storage Systems (Kochi) Private Limited	4,167.57	4,242.57
	<i>Previous year</i>	4,242.57	4,242.57
3	Eastern India LPG Company Private Limited	68.24	68.24
	<i>Previous year</i>	68.24	68.24
4	Hindustan Aegis LPG Limited	630.13	630.13
	<i>Previous year</i>	-	3,524.00

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

	Current Year	<i>Previous Year</i>
	Rupees in lacs	<i>Rupees in lacs</i>
Notes:		
(a) Loans and advances to employees and investments by such employees in the shares of the Company are excluded from the above disclosure.		
(b) The above loans are repayable after 5 years from the dates of disbursement.		
(c) In respect of the loan of Rs.1,755.21 lacs (Previous Year Nil) given to Aegis Gas (LPG) Private Limited, loan of Rs. 4,167.57 lacs (Previous Year Rs. 4,242.57 lacs) given to Konkan Storage Systems (Kochi) Private Limited, loan of Rs.68.24 lacs (Previous Year Rs. 68.24 lacs) given to Eastern India LPG Company Private Limited and loan of Rs. 630.13 lacs (Previous Year 3,524 lacs) given to Hindustan Aegis LPG Limited, wholly owned subsidiaries of the Company, no interest is charged.		
However, the provisions of Section 372A of the Companies Act, 1956 are not applicable to loans covered under (c) above in view of the loanees being wholly owned subsidiaries of the Company.		
44 The Company had issued in the Financial Year ended 31st March, 2011, 21,20,190 Equity Shares on Preferential basis for a total consideration of Rs.6,827.01 Lacs.		
The objects of the issue, inter-alia, were to fund the Capex plan of the Group and / or Working Capital requirements. The utilization of the proceeds, after considering Share Issue Expenses, is as under:		
Particulars	Current Year	<i>Previous Year</i>
Capital Expenditure	1,266.75	<i>533.00</i>
Fixed Deposits with Scheduled Banks	3,404.97	<i>3,830.26</i>
Investment in Bonds of Corporate Bodies	500.00	<i>528.00</i>
Investment in Non Convertible Debentures of Corporate Bodies	304.23	<i>300.00</i>
Investments under the Portfolio Management Services maintained by Anand Rathi Financial Services Limited	197.57	<i>200.00</i>
Investment in units of Mutual Funds	517.74	<i>800.00</i>
TOTAL	6,191.26	<i>6,191.26</i>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

	Current Year	<i>Previous Year</i>
	Rupees in lacs	<i>Rupees in lacs</i>
<p>45 The Company holds 100,000 equity shares of Rs. 10 each amounting to Rs. 10 lacs in Konkan Storage Systems (Kochi) Private Limited (Konkan), a wholly owned subsidiary of the Company. The Company has also given a loan of Rs.4,167.57 lacs (Previous Year Rs. 4,242.57 lacs). As per the audited accounts of Konkan for the year ended 31st March, 2013, the accumulated losses are Rs. 878.54 lacs (Previous Year Rs. 892.86 lacs) as against the paid up capital of Rs. 10 lacs. Consequently, there is a fall in the value of the investments and ability of the Company to repay the loan is also impaired. However, in view of the fact that these investments are held as strategic, long term investments and the Company expects improvement in the long run, no provision is considered necessary in the accounts of the company, for the diminution in the value of the investments as well as the probable non-recovery or partial recovery of the loan as aforesaid.</p> <p>46 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.</p>		

For and on behalf of the Board of Directors

Raj K. Chandaria Vice Chairman & Managing Director
 Anish K. Chandaria Managing Director & CEO

Dinesh J. Khimasia
 Rajnikant J. Karavadia
 Vasantrai H. Pandya
 Kanwaljit S. Nagpal

} Directors

Monica T. Gandhi
 Company Secretary &
 Chief Manager - Legal

INDEPENDENT AUDITORS' REPORT TO THE BOARD OF DIRECTORS OF AEGIS LOGISTICS LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **Aegis Logistics Limited** (the “Company and its subsidiaries (the Company and its subsidiaries constitute “the Group”)), which comprise the Consolidated Balance Sheet as at 31st March, 2013, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

The Company's Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on the financial statements / financial information of the subsidiaries referred to below in the Other Matter paragraph, the aforesaid consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

**INDEPENDENT AUDITORS' REPORT
TO THE BOARD OF DIRECTORS OF AEGIS LOGISTICS LIMITED**

- (a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2013;
- (b) in the case of the Consolidated Statement of Profit and Loss, of the profit of the Group for the year ended on that date; and
- (c) in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

Other Matter

We did not audit the financial statements / financial information of six subsidiaries, whose financial statements / financial information reflect total assets (net) of Rs. 51,242.41 lacs as at 31st March, 2013 (Previous Year Rs. 30,974.48 lacs), total revenues of Rs. 99,385.13 lacs (Previous Year Rs. 53,184.92 lacs) and net cash flows amounting to Rs. 1,666.49 lacs (Previous Year Rs. 785.24 lacs) for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors.

Our opinion is not qualified in respect of this matter.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Registration No. 117366W)

R. LAXMINARAYAN
Partner
Membership No: 33023

Mumbai,
Dated: 30th May, 2013

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2013

Particulars	Note No.	As at 31st March, 2013		As at 31st March, 2012
		Rupees in lacs	Rupees in lacs	Rupees in lacs
I. EQUITY AND LIABILITIES				
(1) SHAREHOLDERS' FUNDS				
(a) Share Capital	4	3,340.45		3,340.45
(b) Reserves & surplus	5	27,621.95		25,820.66
			30,962.40	29,161.11
(2) MINORITY INTEREST			499.15	344.26
(3) NON-CURRENT LIABILITIES				
(a) Long-term borrowings	6	11,822.64		8,536.10
(b) Deferred tax liabilities (Net)	7	1,871.84		1,919.87
(c) Other Long term liabilities	8	1,297.05		1,224.65
(d) Long-term provisions	9	457.73		338.32
			15,449.26	12,018.94
(4) CURRENT LIABILITIES				
(a) Short-term borrowings	10	19,492.30		2,00,660.57
(b) Trade payables	11	28,601.06		49,132.64
(c) Other current liabilities	12	4,232.48		3,094.19
(d) Short-term provisions	13	1,295.77		1,352.57
			53,621.61	2,54,239.97
TOTAL			1,00,532.42	2,95,764.28
II. ASSETS				
(1) NON-CURRENT ASSETS				
(a) Fixed assets				
(i) Tangible assets	14	27,884.05		22,056.54
(ii) Intangible assets	14	292.62		346.65
(iii) Capital work-in-progress	14	8,294.39		6,261.56
		36,471.06		28,664.75
(b) Goodwill on Consolidation		1,370.70		1,370.70
(c) Non-Current Investments	15	1,002.71		1,005.42
(d) Deferred Tax Assets (net)	16	-		71.32
(e) Long-term loans and advances	17	6,076.91		3,290.85
(f) Other non-current assets	18	57.41		65.93
			44,978.79	34,468.97
(2) CURRENT ASSETS				
(a) Current Investments	19	558.09		1,332.69
(b) Inventories	20	1,853.57		1,198.94
(c) Trade receivables	21	29,740.78		52,450.65
(d) Cash and Cash equivalents	22	20,454.51		1,91,201.62
(e) Short-term loans and advances	23	2,072.47		2,106.45
(f) Other Current assets	24	874.21		13,004.96
			55,553.63	2,61,295.31
TOTAL			1,00,532.42	2,95,764.28

See accompanying notes to the financial statements
In terms of our report attached.

For Deloitte Haskins & Sells
Chartered Accountants

R. Laxminarayan
Partner
Mumbai,
Dated : 30th May, 2013

For and on behalf of the Board of Directors

Raj K. Chandaria
Anish K. Chandaria

Vice Chairman & Managing Director
Managing Director & CEO

Dinesh J. Khimasia
Rajnikant J. Karavadia
Vasantra H. Pandya
Kanwaljit S. Nagpal

Directors

Monica T. Gandhi
Company Secretary &
Chief Manager - Legal

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2013

Particulars	Note No.	Current Year		Previous Year
		Rupees in lacs	Rupees in lacs	Rupees in lacs
I. Revenue from operations	25		3,98,164.12	4,46,383.08
II. Other income	26		23,189.81	10,426.33
III. Total Revenue (I + II)			4,21,353.93	4,56,809.41
IV. Expenses:				
Purchases of Stock-in-Trade	27		3,76,949.78	4,26,138.96
Changes in Inventories of Stock-in-Trade	28		(623.83)	386.16
Employee benefits expense	29		3,280.18	2,733.16
Finance costs	30		5,963.08	4,211.68
Depreciation and amortization expense	31		1,906.15	1,745.59
Other expenses	32		28,558.20	17,503.40
Total expenses			4,16,033.56	4,52,718.95
V. Profit before tax (III-IV)			5,320.37	4,090.46
VI. Tax expense:				
(1) Current tax		2,233.50		2,328.16
(2) Deferred tax Charge / (Credit)		23.29		(9.11)
(3) MAT Credit		(368.00)		-
(4) Excess provision for Income tax of earlier year		(83.15)		(466.75)
			1,805.64	1,852.30
VII. Profit for the year after tax from continuing operations (V-VI)			3,514.73	2,238.16
VIII. Minority Interest			154.89	269.91
IX. Profit for the year (VII - VIII)			3,359.84	1,968.25
X. Earnings per equity share in Rupees (Face Value of Rs. 10/- each):	33			
Basic and Diluted			10.06	5.89

See accompanying notes to the financial statements
In terms of our report attached.

For Deloitte Haskins & Sells
Chartered Accountants

R. Laxminarayan
Partner
Mumbai,
Dated : 30th May, 2013

For and on behalf of the Board of Directors

Raj K. Chandaria
Anish K. Chandaria

Vice Chairman & Managing Director
Managing Director & CEO

Dinesh J. Khimasia
Rajnikant J. Karavadia
Vasantra H. Pandya
Kanwaljit S. Nagpal

Directors

Monica T. Gandhi
Company Secretary &
Chief Manager - Legal

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

Particulars	Current Year		Previous Year
	Rupees in lacs	Rupees in lacs	Rupees in lacs
A. Cash Flow from Operating Activities:			
Profit Before Tax		5,320.37	4,090.46
Adjustments for:			
Depreciation and amortization expense	1,906.15		1,745.59
Interest Expenses	6,023.33		4,211.68
Interest Income	(17,219.22)		(8,757.51)
Dividend Income	(215.09)		(214.32)
Diminution in value of Current Investments	2.46		-
Diminution in value of Current Investments written back	-		(109.52)
Sundry Debit Balances written off	-		2.33
Loss on sale of Fixed Assets	14.21		10.16
(Profit) on sale of Non Current Investments	-		(4.08)
		(9,488.16)	(3,115.67)
Operating Loss/ Profit Before Working Capital Changes		(4,167.79)	974.79
(Increase) / Decrease in Inventories	(654.63)		391.21
Decrease / (Increase) in Trade and Other Receivables	2,38,238.49		(54,247.79)
(Decrease) / Increase in Trade and Other payables	(52,076.13)		41,285.45
(Decrease) in Provisions (Current and Non-Current)	(65.99)		(303.91)
		1,85,441.74	(12,875.04)
Cash Generated from / (used in) Operations	1,81,273.95	(11,900.25)	
Direct Taxes Paid		(3,848.23)	(2,816.40)
Net Cash Flow from / (used in) Operating Activities	A	1,77,425.72	(14,716.65)
B. Cash Flow from Investing Activities:			
Capital Expenditure on Fixed Assets	(9,733.61)		(3,440.29)
Proceeds from sale of Fixed Assets	6.45		9.30
Purchase of Non-Current Investments	2.42		(853.54)
Sale of Current Investments	46,778.07		69,812.01
Purchase of Current Investments (excluding reinvestment of dividend Rs.215.09 lacs; Previous year Rs. 214.32 lacs)	(45,831.25)		(68,279.76)
Deposits placed with banks as Margin Monies and Securities against borrowings	-		(1,78,292.79)
Dividend Received	40.42		-
Interest Received	18,972.15		6,712.38
Net Cash generated from / (used in) Investing Activities	B	10,234.65	(1,74,332.69)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

Particulars	Current Year		Previous Year
	Rupees in lacs	Rupees in lacs	Rupees in lacs
C. Cash Flow from Financing Activities:			
(Decrease) / Increase in Other Borrowings (net)	(1,78,383.98)		1,99,025.41
Proceeds from Long Term Borrowings	4,770.05		231.12
Repayment of Long Term Borrowings	(1,116.84)		(996.27)
Dividend Paid (including tax on Distributed Profit) - Final	(847.03)		(771.62)
Dividend Paid (including tax on Distributed Profit) - Interim	(586.14)		-
Interest Paid	(5,836.37)		(4,209.13)
Net Cash (used in) / from Financing Activities - C		(1,82,000.31)	1,93,279.51
Net Increase in Cash and Cash Equivalents - A+B+C		5,660.06	4,230.17
Cash and Cash Equivalents as at the end of the year (refer reconciliation below) :			
- Cash & Balances in Current Accounts with Banks	10,412.35		5,655.53
- Deposits with Banks	8,002.50		7,099.26
	18,414.85		12,754.79
Less: Cash and Cash Equivalents as at the beginning of the year	(12,754.79)		(8,524.62)
Net Increase in Cash and Cash Equivalents		5,660.06	4,230.17
Reconciliation of Cash and cash equivalents with the Balance Sheet:			
Cash and cash equivalents as per Balance Sheet (Refer Note 22)	20,454.51		1,91,201.62
Less: Bank balances not considered as Cash and cash equivalents as defined in Accounting Standard (AS - 3) "Cash Flow Statements"	(2,039.66)		(1,78,446.83)
Net Cash and cash equivalents (as defined in AS 3 Cash Flow Statements) included in Note 22		18,414.85	12,754.79

Note:

- (1) Cash and Cash Equivalents do not include Fixed Deposits with Banks kept as Margin Money and as Escrow Account.
- (2) Figures in bracket denote outflow of cash.
- (3) The above Cash Flow Statement has been prepared under the "Indirect Method" set out in Accounting Standard (AS - 3) "Cash Flow Statements".

In terms of our report attached.

For Deloitte Haskins & Sells
Chartered AccountantsR. Laxminarayan
Partner
Mumbai,
Dated : 30th May, 2013

For and on behalf of the Board of Directors

Raj K. Chandaria
Anish K. ChandariaVice Chairman & Managing Director
Managing Director & CEODinesh J. Khimasia
Rajnikant J. Karavadia
Vasantra H. Pandya
Kanwaljit S. Nagpal

} Directors

Monica T. Gandhi
Company Secretary &
Chief Manager - Legal

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

1 PRINCIPLES OF CONSOLIDATION:

The consolidated financial statements relate to Aegis Logistics Limited (“the Company”) and its subsidiaries and an associate, which together constitute the Group. The consolidated financial statements have been prepared on the following basis:

- (i) The financial statements of the Company and its subsidiary companies are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealized profits or losses in accordance with Accounting Standard (AS- 21) “Consolidated Financial Statements”.
- (ii) Minority Interest’s share of net profit / loss of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.
- (iii) Minority Interest’s share of net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the Company’s shareholders.
- (iv) In case of associates where the Company directly or indirectly through subsidiaries holds 20% or more of equity or the Company exercises significant influence through representation on the Board of Directors of the other Company, investments are accounted for using equity method in accordance with Accounting Standard (AS-23) “Accounting for Investments in Associates in Consolidated Financial Statements”.
- (v) The difference between the cost of investment in the subsidiaries / associate and the share of net assets at the time of acquisition of shares in the subsidiaries / associate is identified in the financial statements as Goodwill or Capital Reserve as the case may be.
- (vi) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and appropriate adjustments are made to the financial statements of subsidiaries / associate when they are used in preparing the consolidated financial statements that are presented in the same manner as the Company’s separate financial statements.
- (vii) As required by Accounting Standard (AS-23) “Accounting for Investments in Associates on Consolidated Financial Statements”, the carrying amounts of investments in Associates is adjusted for post acquisition change in the Company’s share in the net assets of the associates after eliminating unrealised profits or losses, if any.

- 2 The list of the subsidiaries of the Company which are included in the consolidation and the Group’s holding therein are as under:

	<u>Name of Subsidiary</u>	<u>Country of Incorporation</u>	<u>Percentage Holding-Share</u>
(i)	Sea Lord Containers Limited	India	75%
(ii)	Konkan Storage Systems (Kochi) Private Limited	India	100%
(iii)	Eastern India LPG Co Private Limited	India	100%
(iv)	Aegis Group International Pte. Limited	Singapore	100%
(v)	Aegis Gas (LPG) Private Limited	India	100%
(vi)	Hindustan Aegis LPG Limited	India	100%
(vii)	Aegis International Marine Services Pte. Limited	Singapore	100%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013**3 SIGNIFICANT ACCOUNTING POLICIES:****3.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS:**

The financial statements have been prepared under the historical cost convention on an accrual basis and in accordance with the generally accepted accounting principles in India and the provisions of the Companies Act, 1956.

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 revised schedule VI to the Companies Act, 1956. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has determined its operating cycle as twelve months for the purpose of current - non current classification of assets and liabilities.

3.2 USE OF ESTIMATES:

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

3.3 FIXED ASSETS:**TANGIBLE FIXED ASSETS:**

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

INTANGIBLE ASSETS:

Intangible Assets are stated at cost of acquisition less accumulated amortization.

3.4 DEPRECIATION ON FIXED ASSETS:

- i) Depreciation on Tangible Fixed Assets is provided on original cost of Fixed Assets on straight line method under Section 205(2) (b) of the Companies Act, 1956 at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956 or the rates determined based on the useful lives of the assets as estimated by the management, whichever are higher.

The rate of depreciation determined on the basis of useful life of the fixed asset which is different from that prescribed under Schedule XIV is as under:

Description of Assets:	Rate of Depreciation
Furniture & fixtures – Autogas Dispensing Station	10.00%

- ii) Depreciation on additions to fixed assets during the year has been provided on prorata basis from the date of such additions. Depreciation on assets sold, discarded or demolished has been provided on pro-rata basis.
- iii) Lease hold Land has been amortised over the period of the lease on straight line basis.
- iv) Software is amortised on straight line basis over a period of its estimated useful life, however not exceeding 5 years.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

3.5 IMPAIRMENT OF ASSETS:

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

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

3.6 INVESTMENTS:

Non-current Investments are shown at cost. However, when there is a decline, other than temporary, in the value of a non-current investment, the carrying amount is reduced to recognise the decline.

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

3.7 INVENTORIES:

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

3.8 TIMING OF REVENUE RECOGNITION:

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

3.9 OPERATING REVENUE:

Sales turnover for the year is net of trade discounts and includes sales value of goods but excludes sales tax.

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

3.10 DIVIDEND AND INTEREST INCOME:

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

3.11 EMPLOYEE BENEFITS:

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

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

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

3.12 FOREIGN CURRENCY TRANSACTIONS:

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

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

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

3.13 HEDGE ACCOUNTING:

The Company uses foreign currency forward contracts and currency option contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and forecasted transactions. The Company designates these hedging instruments as fair value hedges applying the recognition and measurement principles set out in the Accounting Standard 30 "Financial Instruments: Recognition and Measurement" (AS-30).

The use of hedging instruments is governed by the Company's policies approved by the board of directors, which provide written principles on the use of such financial derivatives consistent with the Company's risk management strategy.

Hedging instruments are initially measured at fair value, and are remeasured at subsequent reporting dates.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the Statement of Profit and Loss. The hedged item is recorded at fair value and any gain or loss is recorded in the Statement of Profit and Loss and is offset by the gain or loss from the change in the fair value of the derivative.

Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting are recognised in the Statement of Profit and Loss as they arise.

3.14 OPERATING LEASE RENTALS:

Assets acquired on lease where all significant risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease Rentals are charged to the Statement of Profit and Loss on straight line basis over the lease term.

Assets leased out under operating leases are capitalised. Rental Income is recognised on straight line basis over the lease term.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

3.15 BORROWING COST:

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

3.16 TAXES ON INCOME:

Income Taxes are accounted for in accordance with Accounting Standard (AS 22) – Accounting for Taxes on Income, notified under the Companies (Accounting Standards) Rules, 2006. Income Tax comprises both current and deferred tax.

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

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

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

3.17 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

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

Claims in respect of which the Company is of the opinion that they are frivolous or is legally advised that they are unsustainable in law are not considered as contingent liability as the possibility of an outflow of resources embodying economic benefits is remote. Contingent Assets are neither recognized nor disclosed in the financial statements.

3.18 CASH FLOW STATEMENT:

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

3.19 GOODWILL:

Goodwill arising out of consolidation of financial statements of Subsidiaries is not amortized. However, the same is tested for impairment at each Balance Sheet Date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

	As at 31st March, 2013	As at 31st March, 2012	As at 31st March, 2013	As at 31st March, 2012
4 Share capital:				
	Numbers	Numbers	Rupees in lacs	Rupees in lacs
4.1 Authorized:				
Equity Shares of Rs.10 each	52,000,000	52,000,000	5,200.00	5,200.00
13.5% Cumulative Redeemable Preference Shares of Rs. 100 each	100,000	100,000	100.00	100.00
Redeemable Preference Shares of Rs.10/- each	6,000,000	6,000,000	600.00	600.00
TOTAL			5,900.00	5,900.00
4.2 Issued, Subscribed and Fully Paid-up:				
Equity Shares of Rs.10 each	33,400,000	33,400,000	3,340	3,340
Add: Forfeited shares (amount originally paid up)			0.45	0.45
TOTAL			3,340.45	3,340.45

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

	Number of shares		Share Capital Rupees in lacs	
	Current Year	Previous Year ended 31st March, 2012	Current Year	Previous Year ended 31st March, 2012
Shares Outstanding as at the beginning of the year	33,400,000	33,400,000	3,340.00	3,340.00
Shares Outstanding as at the end of the year	33,400,000	33,400,000	3,340.00	3,340.00

4.4 Rights, preferences and restrictions attached to equity shares (Issued Capital):

- Right to receive dividend as may be approved by the Board of Directors / Annual General Meeting
- The Equity Shares are not repayable except in the case of a buyback, reduction of capital or winding up in terms of the provisions of the Companies Act, 1956.
- Every member of the company holding equity shares has a right to attend the General Meeting of the company and has a right to speak and on a show of hands, has one vote if he is present in person and on a poll shall have the right to vote in proportion to his share in the paid-up capital of the company.
- In terms of the Articles of Association of the Company no resolution shall be passed by the Board of Directors or Shareholders with respect to a "Fundamental Issue" unless the prior written consent of the Investor to whom equity shares have been issued on Preferential basis has been obtained. The Fundamental Issues, inter alia, include the following:
 - The transfer of any fixed assets by the company / subsidiaries exceeding 10% of its gross block;
 - Any merger or reorganization, of the company / subsidiaries or the creation of a subsidiary not being a wholly owned subsidiary;
 - Terms of appointment including remuneration payable to executive directors of the company;
 - Any buyback of equity shares of the company / subsidiaries upto 4 years from the date of the investment;
 - Commencement of a new line of business;
 - Exceeding a Debt equity ratio of 1.5 :1 on a consolidated basis.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013**4.5 List of shareholders who hold more than 5% of equity shares in the company:**

Name of the shareholder	As at 31st March, 2013		As at 31st March, 2012	
	(Numbers)	%	(Numbers)	%
Huron Holdings Limited	11,926,057	35.71%	11,926,057	35.71%
Trans Asia Petroleum Inc	8,926,303	26.73%	8,926,303	26.73%
Infrastructure India Holding Fund LLC	2,120,190	6.35%	2,120,190	6.35%

4.6 Particulars of movements in equity shares for the period of five years immediately preceding the Balance Sheet date as per General Instruction 6 A (i) :

	As at 31st March, 2013	As at 31st March, 2012
a) Aggregate number of equity shares allotted as fully paid up pursuant to contract(s) without payment being received in cash:		
- Pursuant to the Schemes of Arrangement / Amalgamation	6,945,801	6,945,801
b) Aggregate number and class of shares allotted as fully paid up by way of bonus shares.	12,506,710	12,506,710
c) Aggregate number and class of shares bought back	1,020,473	1,020,473

5 Reserves and surplus:**5.1 Capital Reserve:**

Opening Balance	54.90	54.90
Closing Balance	54.90	54.90

5.2 Capital Reserve (Demerger):

Opening Balance	131.37	131.37
Closing Balance	131.37	131.37

5.3 Capital Redemption Reserve:

Opening Balance	422.20	422.20
Closing Balance	422.20	422.20

5.4 Capital Reserve on Consolidation:

Opening Balance	145.84	145.84
Closing Balance	145.84	145.84

5.5 Securities Premium Account:

Opening Balance	5,980.77	5,980.77
Closing Balance	5,980.77	5,980.77

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

	As at 31st March, 2013 Rupees in lacs	<i>As at 31st March, 2012 Rupees in lacs</i>
5.6 Debenture redemption reserve:		
Opening Balance	750.00	500.00
Add: Transferred from the Statement of Profit and Loss	–	250.00
Closing Balance	750.00	750.00
5.7 General Reserve:		
Balance at beginning of year	1,438.04	1,027.47
Add: Transferred from the Statement of Profit and Loss	400.74	410.57
Balance at end of year	1,838.78	1,438.04
5.8 Surplus - Balance in Statement of Profit and Loss:		
Balance at beginning of year	16,897.54	16,366.23
Add: Profit after Tax for the year	3,359.84	1,968.25
Less: Appropriations:		
Transferred to General Reserve	(400.74)	(410.57)
Transferred to Debenture Redemption Reserve	–	(250.00)
Interim Dividend {Rs.1.75 (Previous Year Rs. Nil-) per share}	(584.50)	–
Corporate Dividend Tax thereon	(1.64)	–
Corporate Dividend Tax on Preference Share Dividend declared by a Subsidiary Company	(93.19)	–
Proposed Dividend - Final {Rs.2.25 (Previous Year Rs. 2/-) per share}	(751.50)	(668.00)
Corporate Dividend Tax thereon	(127.72)	(108.37)
Balance at end of year	18,298.09	16,897.54
TOTAL	27,621.95	25,820.66

6 Long term borrowings:**6.1 Secured Loans:****A) Debentures:**

250 9.75% Non- Convertible, Redeemable Privately Placed Debentures of Rs.10,00,000/- each (Refer Note A.1 below)

2,500.00 2,500.00

Note:

A.1 The Debentures carry a put option for the holders and a call option to the Company to get it redeemed at par at the end of five years from the date of allotment viz. 29th January 2010, failing which the Debentures will be redeemed at par in three equal annual instalments commencing from the end of 6th year from the date of allotment as under:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

		As at 31st March, 2013 Rupees in lacs	As at 31st March, 2012 Rupees in lacs
Instalment	Redemption Date		
3rd Instalment	29th January, 2018		
2nd Instalment	29th January, 2017		
1st Instalment	29th January, 2016		
250 10.2% Non- Convertible, Redeemable Privately Placed Debentures of Rs.10,00,000/- each (Refer Note A.2 below)		2,500.00	–
Note:			
A.2 The Debentures carry a put option for the holders and a call option to the Company to get it redeemed at par at the end of five years from the date of allotment viz. 25th May 2012, failing which the Debentures will be redeemed at par in three annual instalments (Viz. 1st and 2nd Installments would be 33% each and 3rd Installment would be 34%) commencing from the end of 6th year from the date of allotment as under:			
Instalment	Redemption Date		
3rd Instalment	25th May, 2020		
2nd Instalment	25th May, 2019		
1st Instalment	25th May, 2018		
Above Debentures are secured by way of mortgage of specific immovable properties of the Company situated at Trombay on pari passu basis.			
B) Term Loans from Banks:			
1) a) Loan from Bank of Baroda Refer Notes (i) and (ii) below		892.68	1,281.12
b) Loan from Bank of Baroda Refer Note (iii) below		2,108.33	2,475.00
2) Loans against Vehicles (Refer Notes (iv) and (v) below)		32.53	10.48
3) Loan from Axis Bank (Refer Note (vi) below)		1,500.00	2,100.00
4) Loan from Axis Bank (Refer Note (vii) below)		1,798.00	–
5) Loan from HDFC Bank (Refer Note (viii) below)		450.00	–
(i) Secured by mortgage of specific immovable properties of the Group situated at Trombay, Kochi and Vapi ranking pari passu and hypothecation of movable properties of the Group and a corporate guarantee; subject to prior charge in favour of bankers for Working Capital Loans			

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

	As at 31st March, 2013 Rupees in lacs	<i>As at 31st March, 2012 Rupees in lacs</i>
<p>(ii) Loan from Bank of Baroda carries an interest rate of 10.50% p.a. as on date of disbursement and same is reset with movement of Benchmark Prime Lending Rate (BPLR).</p> <p>Loan from Bank of Baroda is repayable in 60 monthly instalments of Rs. 32.37 lacs each after two years from the date of first disbursement on 30th September, 2010</p> <p>(iii) Secured by first charge on the Fixed Assets at Mahul.</p> <p>Loan from Bank of Baroda carries an interest rate of 10% p.a. as on date of disbursement and same is reset with movement of Benchmark Prime Lending Rate (BPLR) Rate .</p> <p>Loan from Bank of Baroda is repayable in 90 monthly instalments of Rs. 30.56 lacs per month after 30 months from the date of first disbursement on 31st December, 2009</p> <p>(iv) Secured by hypothecation of specific Vehicles</p> <p>(v) Loans are repayable in Equated Monthly Instalments of varying amounts (including interest) within maximum tenor of 60 months and the rate of interest ranges from 9% to 10% p.a.</p> <p>(vi) Loan from Axis Bank carries interest rate of 9.50% p.a. as on date of disbursement for one year. At present loan carries an interest rate of 11.25% per annum and same is reset with movement in Base Rate.</p> <p>Loan from Axis Bank are repayable in 30 quarterly instalments of Rs. 150 lacs per quarter after 30 months from the date of first disbursement on 30th June, 2009</p> <p>The same is secured by mortgage of immovable properties and hypothecation of moveable plant & machinery situated at Ambapada and Guaranteed by a Corporate Guarantee of the Holding Company and a fellow subsidiary Company as well as hypothecation of moveable plant & machinery of a fellow subsidiary Company.</p> <p>(vii) Loan from Axis Bank carries an interest rate of 11.25% p.a. as on date of disbursement and same is reset with movement of Axis Bank Base Rate (ABBR).</p> <p>Loan from Axis Bank is repayable in 96 equal monthly installments commencing from 31st January, 2013.</p> <p>Loan from Axis Bank is secured by Exclusive first charge by way of mortgage on the office property situated at Peninsula Business Park, Mumbai and hypothecation of movable assets of that office.</p> <p>(viii) Loan from HDFC Bank carries an interest rate of 11% p.a. as on date of disbursement and same is reset with movement of HDFC Bank Base Rate.</p> <p>Loan from HDFC Bank is repayable in 30 equal quarterly installments commencing six months from disbursement date Viz, 13th February, 2013.</p> <p>Loan from HDFC Bank is secured by hypothecation of moveable fixed assets of the Haldia Project and mortgage of leasehold rights of approx. 3.74 acres of land at Haldia.</p>		
Sub Total (A)	11,781.54	8,366.60

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

	As at 31st March, 2013 Rupees in lacs	As at 31st March, 2012 Rupees in lacs
6.2 Unsecured Loans		
Fixed Deposits	41.10	169.50
Terms and Conditions of the Fixed Deposits:		
The above Deposits have been accepted by the Company in accordance with the Companies (Acceptance of Deposits) Rules, 1975.		
The deposits have been accepted for periods ranging from 12 months to 36 months		
The rate of interest ranges from 9% p.a. to 10.50% p.a.		
The deposits are repayable only on maturity. However, the Company may at its sole discretion permit premature withdrawals but not before the completion of 6 months.		
Sub Total (B)	41.10	169.50
7 Deferred Tax Liabilities (Net):	Total (A) + (B)	
Major components of deferred tax are:	11,822.64	8,536.10
Depreciation on Fixed Assets	2,237.76	2,074.34
Provision for Doubtful Debts	(11.78)	(11.78)
Disallowances under section 43 B & others	(354.14)	(142.69)
Net Deferred Tax Liability	1,871.84	1,919.87
8 Other Long-term Liabilities:		
(Unsecured)		
Deposits from Dealers	1,291.00	1,222.65
Earnest Money Deposits / Retention Money Payable	6.05	2.00
Total	1,297.05	1,224.65
9 Long-term provisions:		
Provision for Gratuity	268.17	275.70
Provision for Compensated Absences	189.56	62.62
Total	457.73	338.32
10 Short-term borrowings:		
Buyer's Credit from Banks (Secured)	19,102.14	199,643.57
Secured by charge on movable properties of the Company and further secured by second charge on specific immovable properties of the Company situated at Trombay and Vapi, ranking pari passu. In respect of subsidiaries' borrowing, same are secured by hypothecation of its movable properties and charge on Fixed Deposits maintained by the subsidiaries with Banks.		
Overdraft from Bank of Baroda	390.16	-
Secured by lien on Fixed Deposits placed by the Company		

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

	As at 31st March, 2013 Rupees in lacs	<i>As at 31st March, 2012 Rupees in lacs</i>
Unsecured Loans from related parties (Refer Note no. 36) :		
- Asia Infrastructure Pte. Limited, a company in which the Promoter of the Group has a significant influence	-	1,017.00
Total	19,492.30	2,00,660.57
11 Trade payables:		
Sundry Payables - other than micro and small enterprises	28,601.06	49,132.64
Total	28,601.06	49,132.64
12 Other current liabilities:		
Current maturities of long-term Secured Loan (See Note 6.1(B) (1) (a) above)	388.44	388.44
Current maturities of long-term Secured Loan (See Note 6.1(B) (1) (b) above)	366.66	275.00
Current maturities of long-term Secured Loan	-	103.90
Loan from IDBI Bank carries interest rate of 9.30% p.a. as on date of disbursement and same is reset with movement of BPLR.		
Loan from IDBI Bank is repayable in 24 monthly instalments of Rs. 70.83 lacs per month commencing from 1st December, 2009.		
Current maturities of long-term Secured Loan (See Note 6.1(B) (2) above)	26.64	30.19
Current maturities of long-term Secured Loan (See Note 6.1(B) (3) above)	600.00	600.00
Current maturities of long-term Secured Loan (See Note 6.1(B) (4) above)	312.50	-
Current maturities of long-term Secured Loan (See Note 6.1(B) (5) above)	50.00	-
Current maturities of long-term Unsecured Loan (See Note 6.2 above)	126.70	348.40
Interest accrued but not due on borrowings	320.44	13.37
Unpaid Dividends*	118.07	95.52
Unpaid Matured Deposits and Interest Accrued thereon*	8.10	10.70
Amounts Payable under Capital Contracts	709.58	400.56
Advance from Customers	93.80	41.01
Deposit from Customers	107.50	-
Advance Storage Rentals	88.86	34.16
Other Payables		
(i) Statutory Dues	604.24	512.94
(ii) Commission payable to the Vice Chairman & Managing Director and the Managing Director & CEO (Refer Note 36)	310.95	240.00
Total	4,232.48	3,094.19
* These do not include any amounts due and outstanding towards the Investor Education and Protection Fund.		
13 Short-term provisions:		
Provision for Compensated Absences	24.63	2.10
Provision for Gratuity	70.77	16.68
Provision for Tax (Net of Advance Tax)	321.15	557.42
Proposed Dividend - Final	751.50	668.00
Corporate Dividend Tax -Final	127.72	108.37
Total	1,295.77	1,352.57

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

14 Fixed Assets:

	Gross Block (at Cost)				Accumulated Depreciation			Net Block	
	As at 1st April, 2012	Additions	Deletions	As at 31st March, 2013	As at 1st April, 2012	Charge for the year	On Disposals	As at 31st March, 2013	As at 31st March, 2012
Rupees in lacs									
a) Tangible Assets									
Land - Freehold	453.48 (453.48)	- (-)	- (-)	453.48 (453.48)	1.48 (1.48)	- (-)	- (-)	1.48 (1.48)	452.00
Land - Leasehold	1,199.80 (1,199.80)	- (-)	- (-)	1,199.80 (1,199.80)	168.55 (124.14)	44.41 (44.41)	- (-)	212.96 (168.55)	1,031.25
Buildings	2,531.68 (2,515.61)	3,263.74 (16.07)	- (-)	5,795.42 (2,531.68)	423.65 (381.24)	51.50 (42.41)	- (-)	475.15 (423.65)	2,108.03
Plant and Equipment	30,986.83 (29,852.34)	4,230.74 (1,134.49)	0.83 (-)	35,216.74 (30,986.83)	13,354.41 (11,877.75)	1,598.34 (1,476.66)	0.83 (-)	14,951.92 (13,354.41)	17,632.42
Furniture and Fixture	427.38 (400.96)	45.95 (26.42)	- (-)	473.33 (427.38)	147.20 (119.05)	28.64 (28.15)	- (-)	175.84 (147.20)	280.18
Vehicles	369.69 (333.20)	6771 (80.85)	41.03 (44.36)	396.37 (369.69)	102.37 (97.04)	34.14 (31.23)	20.49 (25.90)	116.02 (102.37)	267.32
Office Equipment	646.73 (554.95)	56.52 (93.12)	0.15 (1.34)	703.10 (646.73)	361.39 (316.68)	59.47 (45.05)	0.04 (0.34)	420.82 (361.39)	285.34
TOTAL	36,615.59 (35,310.34)	7664.66 (1,350.95)	42.01 (45.70)	44,238.24 (36,615.59)	14,559.05 (12,917.38)	1,816.50 (1,667.91)	21.36 (26.24)	16,354.19 (14,559.05)	22,056.54
b) Intangible Assets									
Computer Software - Acquired	528.55 (386.59)	43.20 (141.96)	- (-)	571.75 (528.55)	181.90 (96.74)	97.23 (85.16)	- (-)	279.13 (181.90)	346.65
TOTAL	528.55 (386.59)	43.20 (141.96)	- (-)	571.75 (528.55)	181.90 (96.74)	97.23 (85.16)	- (-)	279.13 (181.90)	346.65
c) Capital Work-in-Progress								8,294.39	6,261.56

(Figures in brackets represent those of the previous year)

Note:

Buildings include **Rs. 5.58 lacs** (Previous Year Rs. 5.58 lacs) for premises in a Co-operative Society against which the shares of the face value of Rs. 500 are held under the bye-laws of the society.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

	As at 31st March, 2013 Rupees in lacs	As at 31st March, 2012 Rupees in lacs
15 Non-current Investments:		
(Fully Paid Up, At Cost)		
1 Investments in Government Securities (Unquoted):		
Government Securities	0.88	1.16
2 Other Investments:		
(a) Investments in Equity Instruments (Quoted)		
Equity Shares of Companies	0.03	0.03
(b) Investments in Debentures (Quoted):		
Debentures of Companies	804.23	804.23
(c) Other non-current investments:		
Investment in Rental Yield and Appreciation Portfolio managed by Anand Rathi Portfolio Management Services Limited (Unquoted):		
i) In Equity Instruments	–	0.90
ii) In Debentures	197.57	196.90
iii) In Share Application Money	–	0.01
iv) Uninvested amounts lying in Portfolio Management heme a/c	–	2.19
Total	1,002.71	1,005.42
	Cost	Market Value
	As at 31st March, 2013 Rupees in lacs	As at 31st March, 2013 Rupees in lacs
	<i>As at 31st March, 2012 Rupees in lacs</i>	<i>As at 31st March, 2012 Rupees in lacs</i>
Aggregate value of Quoted Investments	804.26	856.09
Aggregate value of Unquoted Investments	198.45	–
	1,002.71	856.09
Aggregate provision for diminution in value of investments	0.26	0.26
	As at 31st March, 2013 Rupees in lacs	As at 31st March, 2012 Rupees in lacs
16 Deferred Tax Assets (Net):		
Major components of deferred tax are:		
Depreciation on Fixed Assets	–	71.32
Net Deferred Tax Asset	–	71.32
17 Long-term loans and advances:		
(Unsecured and considered good)		
Deposits with Government Authorities and Others	875.85	891.21
Advance Tax (Net of Provision)	4,079.08	2,179.49
MAT Credit Entitlement	385.61	219.90

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

	As at 31st March, 2013 Rupees in lacs	As at 31st March, 2012 Rupees in lacs
Capital Advances	395.12	–
Cenvat Credit and Service tax Setoff (net)	334.46	–
Prepaid Expenses	6.79	0.25
Total	6,076.91	3,290.85
18 Other non-current assets:		
Trade Receivables (Unsecured and considered good)		
Considered Good	–	–
Considered Doubtful	61.87	52.54
	61.87	52.54
Less: Provision for Doubtful Trade receivables	(61.87)	(52.54)
	–	–
Unamortised Premium on Shares and Debentures	57.41	65.93
Total	57.41	65.93
19 Current Investments (At Lower Of Cost And Fair Value):		
In Units of Mutual Fund (Fully paid up) (Unquoted)	558.09	1,332.69
Total	558.09	1,332.69
20 Inventories:		
(At cost or net realisable value whichever is lower)		
Stock in Trade		
- Liquified Petroleum Gas & Marine Fuel	1,197.88	553.63
- Others - Machinery for Autogas Dispensing Station	127.34	147.76
Stores and Spare Parts	528.35	497.55
Total	1,853.57	1,198.94
21 Trade receivables (Unsecured):		
Trade Receivables outstanding for a period exceeding six months from the date they are due for payment:		
Considered Good	1,460.21	1,025.20
Considered Doubtful	–	–
	1,460.21	1,025.20
Less: Provision for Doubtful Trade receivables	–	–
	1,460.21	1,025.20
Other Trade Receivables - Considered Good	28,280.57	51,425.45
Total	29,740.78	52,450.65

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

	As at 31st March, 2013 Rupees in lacs	As at 31st March, 2012 Rupees in lacs
22 Cash and Cash Equivalents:		
Balances with banks		
(i) In current accounts	2,621.98	5,560.01
(ii) In deposit accounts (Refer Notes below)	15,664.23	1,85,144.96
(iii) In earmarked accounts		
- Unpaid dividend accounts	118.07	95.52
- Balances held as margin money or security against guarantees and other commitments (Refer Notes below)	547.17	401.13
Remittance in transit	1,503.06	-
Total	20,454.51	1,91,201.62
Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 Cash Flow Statements is	18,414.85	12,754.79
Notes:		
a) (i) Deposits included in Balances with banks which have an original maturity of more than 12 months.	4,425.24	4,370.19
(ii) Margin monies included in Balances with banks which have an original maturity of more than 12 months.	384.99	314.14
(iii) Deposits included in Balances with banks which have a maturity of more than 12 months from the Balance Sheet date.	50.00	345.00
(iv) Margin Monies included in Balances with banks which have a maturity of more than 12 months from the Balance Sheet date.	19.63	44.60
b) Deposits placed out of deposits received from some of the dealers of the company placed with the banks which is subject to a lien of the banks for granting credit facilities to such dealers.	39.80	40.00
c) Deposits placed with the bank as security against borrowings.	1,492.49	-
d) Deposits placed with the bank which is subject to a lien of Mumbai Port Trust for granting Way Leave Permission.	77.12	77.12
23 Short-term loans and advances:		
(Unsecured and considered good)		
Advance to Suppliers	896.87	1,538.35
Balance with Government Authorities and Others	624.04	36.49
Prepaid Contribution for Gratuity	16.84	26.66
Prepaid Expenses	327.02	497.79
Cenvat Credit and Service tax Setoff (net)	207.70	-
Advance Tax (Net of Provision)	-	7.16
Total	2,072.47	2,106.45

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

	As at 31st March, 2013 Rupees in lacs	<i>As at 31st March, 2012 Rupees in lacs</i>
24 Other current assets:		
Service Tax and other taxes receivable	–	43.56
Receivable - Income	0.61	50.11
Interest Accrued on Fixed deposit with Bank and Debentures	407.35	2,142.11
Unbilled Revenue	296.32	58.02
Unamortised Interest on Buyers Credit & Premium on Option Contracts	–	5,966.69
Foreign Exchange Gain - Mark-to-Market Basis (Net)	161.23	4,735.77
Unamortised Premium on Shares and Debentures	8.70	8.70
Total	874.21	13,004.96
	Current Year	<i>Previous Year</i>
	Rupees in lacs	<i>Rupees in lacs</i>
25 Revenue from operations:		
Sales - Traded Goods		
- Liquefied Petroleum Gas & Marine Fuel	383,600.35	432,040.13
- Others - Machinery for Autogas Dispensing Station	114.32	98.30
	383,714.67	432,138.43
Service Revenue		
- Liquid Terminal Division	10,789.22	9,328.46
- Gas Terminal Division	3,625.40	4,881.52
	14,414.62	14,209.98
Other Operating Revenue		
Lease Rent	34.83	34.67
Total	398,164.12	446,383.08
26 Other income:		
Sundry credit balances written back	–	94.18
Dividend on Current Investments (non-trade)	215.09	323.84
Profit on sale of Non-Current Investments (non-trade)	–	4.08
Interest on Investments (Non-Current, non-trade)	93.25	85.49
Income on account of Demurrage claim	1,222.80	583.75
Miscellaneous Receipts	101.92	185.51
Provision for Way leave Fees written back	–	477.46
Interest on loans and advances, deposit with banks etc.	17,131.40	8,672.02
Gain on Foreign Exchange Fluctuation (net)	4,414.55	–
Rental Income	10.80	–
Total	23,189.81	10,426.33

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

	Current Year	<i>Previous Year</i>
	Rupees in lacs	<i>Rupees in lacs</i>
27 Purchases of Traded Goods:		
Liquified Petroleum Gas & Marine Fuel	376,876.07	425,990.91
Others - Machinery for Autogas Dispensing Station	73.71	148.05
Total	376,949.78	426,138.96
28 Changes in Inventories of Traded Goods:		
Inventories at the end of the year		
Liquified Petroleum Gas & Marine Fuel	1,197.88	553.63
Others - Machinery for Autogas Dispensing Station	127.34	147.76
Sub-total (A)	1,325.22	701.39
Inventories at the beginning of the year		
Liquified Petroleum Gas & Marine Fuel	553.63	1,001.72
Others - Machinery for Autogas Dispensing Station	147.76	85.83
Sub-Total (B)	701.39	1,087.55
(B) -(A)	(623.83)	386.16
29 Employee benefits expense:		
Salaries and Wages	2,907.67	2,424.86
Contribution to Provident and Other Funds	231.51	190.31
Staff Welfare Expenses	141.00	117.99
Total	3,280.18	2,733.16
30 Finance costs:		
Interest Expense	5,247.86	3,150.15
Other Borrowing Costs	715.22	1,061.53
Total	5,963.08	4,211.68
31 Depreciation and amortization expense:		
Depreciation of Tangible Assets	1,816.50	1,667.91
Less: Depreciation transferred to Capital Work-in-Progress	(758)	(748)
	1,808.92	1,660.43
Amortization of Intangible Assets	97.23	85.16
Total	1,906.15	1,745.59

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

	Current Year	<i>Previous Year</i>
	Rupees in lacs	<i>Rupees in lacs</i>
32 Other Expenses:		
Advertisement	37.34	29.81
Sundry Debit Balances written off	-	2.33
Commission on Sales	406.00	541.47
Commission to Directors	450.00	240.00
Communication Expenses	93.89	78.77
Loss on sale of Non-Current Investments (non-trade)	2.46	-
Directors' Sitting Fees	7.92	4.26
Donations	265.36	179.66
Loss on Foreign Exchange Fluctuation (net)	-	5,551.54
Amortisation of Premium on Forward and Currency Option Contracts	21,914.38	6,017.64
Insurance	365.75	267.49
Lease Rentals	499.70	525.11
Legal and Professional charges	556.28	479.29
Loss on Sale of Fixed Assets	14.21	10.16
Labour and Other Charges	448.94	409.61
Power and Fuel	623.89	597.89
Printing and Stationery	53.76	45.81
Provision for doubtful debts	9.49	-
Rates and Taxes	361.52	191.56
Rebates & Discount	40.06	56.35
Rent	66.63	47.27
Repairs - Buildings	22.36	1.71
Repairs - Machinery	222.26	248.91
Repairs - Others	93.35	69.40
Stores and Spare parts consumed	382.44	345.46
Travelling, Conveyance and Vehicle Expenses	411.43	370.59
Water Charges	77.88	68.68
Way Leave Fees	583.91	560.06
Sales Promotion Expenses	166.29	145.66
Miscellaneous Expenses (including Security services, Books, Subscription, Selling expenses etc.)	380.70	416.91
Total	28,558.20	17,503.40

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

		Current Year	<i>Previous Year</i>
		Rupees in lacs	<i>Rupees in lacs</i>
33 Earnings per share:			
The Numerators and denominators used to calculate Earnings per Share:			
Nominal Value of Equity Share (Rs.)	Rs.	10/-	10/-
Net Profit available for equity shareholders(Rs. In lacs) = (A)	Rs.	3,359.84	1,968.25
Weighted Average number of shares outstanding during the year - (B) Nos.		33,400,000	33,400,000
Basic and Diluted Earnings Per Share (Rs.) - (A) / (B)	Rs.	10.06	5.89
34 Capital and other commitments			
(a) Claims against the Company not acknowledged as debts		112.51	31.95
(b) Income Tax / Sales Tax demands disputed in appeal		40.07	27.00
(c) Estimated amount of contracts remaining to be executed on Capital Account and not provided for (Net of Advances)		535.38	806.71
(d) Letters of Credit / Bank Guarantee		14,448.71	50.00
In respect of items mentioned under Paragraphs (a) and (b) above, till the matters are finally decided, the financial effect cannot be ascertained.			
(e) Guarantees given to Banks against repayment of loans advanced from time to time to Sea Lord Containers Limited., a Subsidiary of the Company to the extent of Rs.6,650 lacs (Previous year Rs. 6,650 lacs). The balance of such loan outstanding as at 31st March, 2013 was Rs.4,575 lacs (Previous Year Rs. 5,450 lacs)			
(f) Guarantees given to Banks against repayment of working capital facilities advanced from time to time to Hindustan Aegis LPG Limited, an associate till 31st January, 2011 and thereafter wholly owned subsidiary of the Company to the extent of Rs.23,100 lacs (Previous Year Rs. 20,250 lacs). The amount of such facilities availed against guarantee as at 31st March, 2013 was Rs. 12,029 lacs (Previous Year Rs. 19,805 lacs).			
(g) Guarantees given to Suppliers against credit extended to Aegis Group International Pte Limited, Hindustan Aegis LPG Limited and Aegis Gas (LPG) Private Limited, wholly owned subsidiaries of the Company to the extent of Rs. 16,293 lacs (Previous Year Rs. 27,306 lacs). The amount of such credit availed against guarantee as at 31st March, 2013 was Rs.24,974.75 lacs (Previous Year Rs. 33,264.95 lacs).			

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

	Current Year	<i>Previous Year</i>
	Rupees in lacs	<i>Rupees in lacs</i>
<p>(h) Guarantees given to Banks by Konkan Storage Systems (Kochi) Private Limited a subsidiary against repayment of loans advanced from time to time to Sea Lord Containers Ltd., another subsidiary, to the extent of Rs. 4,500 lacs (Previous year Rs. 4,500 lacs). The balance of such loan outstanding as at 31st March, 2013 was Rs.2,100 lacs (Previous Year Rs. 2,700 lacs).</p> <p>(i) Guarantees given to Banks against repayment of working capital facilities advanced from time to time to Aegis Gas (LPG) Private Limited, a wholly owned subsidiary of the Company to the extent of Rs.1,600 lacs (Previous Year Rs. Nil lacs). The amount of such facilities availed against guarantee as at 31st March, 2013 was Rs. 1,500 lacs (Previous Year Rs. Nil).</p>		
35 Segment Reporting - Basis of preparation		
The Group has identified two reportable business segments (Primary Segments) viz. Liquid Terminal Division and Gas Terminal Division.		
Liquid Terminal Division undertakes storage & terminalling facility of Oil & Chemical products.		
Gas Terminal Division relates to imports, storage & distribution of Petroleum products viz. LPG, Propane etc.		
Segments have been identified and reported taking into account, the nature of products and services, the differing risks and returns and the internal business reporting systems.		
The accounting policies adopted for the segment reporting are in line with the accounting policies of the company with the following additional policies for the segment reporting :		
<p>(a) Revenue and expenses have been identified to segment on the basis of their relationship to the operating activities of the segment. Revenue and expenses which relate to the enterprise as a whole and are not allocable to segment on a reasonable basis have been disclosed as “Other unallocable expenditure (net)”.</p> <p>(b) Segment assets and segment liabilities represent assets and liabilities in respective segments. It excludes investments, tax related assets and other assets and liabilities which cannot be allocated to a segment on a reasonable basis and hence have been disclosed as “Other unallocable assets / liabilities”.</p> <p>(c) In view of fact that customers of the Group are mostly located in India and there being no other significant revenue from customers outside India, there is no reportable secondary geographical segment at the Group level.</p>		

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

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

	Liquid Terminal Division Rupees in lacs	Gas Terminal Division Rupees in lacs	Total Rupees in lacs
Segment Revenue	10,750.79 9,222.64	387,413.33 437,160.44	398,164.12 446,383.08
Segment Results	5,002.58 4,417.05	(8,723.89) (3,748.26)	(3,721.31) 668.79
Add: Interest Income			17,224.65 8,757.51
Less: (1) Interest Expense			5,963.08 4,211.68
(2) Other unallocable expenditure (net)			2,219.89 1,124.16
Profit before Tax			5,320.37 4,090.46
Less: Taxation			1,805.64 1,852.30
Profit after Tax			3,514.73 2,238.16
Segment Assets	31,596.52 23,766.21	58,979.29 256,650.48	90,575.81 280,416.69
Other unallocable assets			9,956.61 15,347.59
Total Assets			100,532.42 295,764.28
Segment Liabilities	1,760.89 2,338.49	29,625.79 50,343.67	31,386.68 52,682.16
Other unallocable liabilities			6,369.25 4,380.08
Total Liabilities			37,755.93 57,062.24
Segment Capital Expenditure	4,767.39 2,468.82	1,968.70 943.86	6,736.09 3,412.68
Other unallocable Capital Expenditure			3,004.60 35.08
Total Capital expenditure			9,740.69 3,447.76
Depreciation	1,121.16 1,005.38	737.97 698.52	1,859.13 1,703.90
Other unallocable Depreciation			47.02 41.69
Total Depreciation			1,906.15 1,745.59

Note: Figures in italics represent previous year.

36 Related Party Disclosures

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

(a) List of related parties and relationships:

Sr. No.	Name of the Related Party	Relationship
1	Mr. Raj K. Chandaria	Key Management Personnel
2	Mr. Anish K. Chandaria	Key Management Personnel
3	Asia Infrastructure Pte Limited (AIPL)	A company in which the Promoters of the Company have a significant influence
4	Trans Asia Petroleum Inc.(Tapi)	Tapi has significant influence over the Company
5	Huron Holdings Limited (Huron)	Huron has significant influence over the Company

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013**(b) Transactions during the year with related parties:**

(Rs. in lacs)

Sr. No.	Nature of transaction	Key Management Personnel 1	Key Management Personnel 2	AIPL 3	Tapi 4	Huron 5	Total 6
(i)	Commission to Managing Directors	225.00 (120.00)	225.00 (120.00)				450.00 (240.00)
(ii)	Loan taken during the year			- (1,017.00)			- (1,017.00)
(iii)	Loan repaid during the year			1,017.00 (-)			1,017.00 (-)
(iv)	Interim Dividend				156.21 (-)	208.71 (-)	364.92 (-)
(v)	Proposed Dividend - Final				200.84 (178.53)	268.33 (238.52)	469.17 (417.05)
(vi)	Balance of Loan taken			- (1,017.00)			- (1,017.00)

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

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

Particulars	Current Year Rupees in lacs	Previous Year Rupees in lacs
Components of employer expense		
Current service cost	34.12	30.38
Interest cost	28.65	19.63
Expected return on plan assets	(7.95)	(9.33)
Actuarial losses/(gains)	24.34	109.04
Total expense recognized in the Statement of Profit and Loss	79.16	149.72
Actual contribution and benefit payments for year		
Actual contributions	21.63	15.23
Net asset / (liability) recognized in the Balance Sheet		
Present value of defined benefit obligation	410.61	337.08
Fair value of plan assets	(88.51)	(71.36)
Funded status [Surplus / (Deficit)]	-	-
Net asset recognized in the Balance Sheet of certain subsidiaries	-	26.66
Net asset / (liability) recognized in the Balance Sheet	322.10	292.38

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

Particulars	Current Year	<i>Previous Year</i>
	Rupees in lacs	<i>Rupees in lacs</i>
Change in defined benefit obligations (DBO) during the year		
Present value of DBO at beginning of the year	337.08	244.81
Acquisition Adjustment	–	–
Current service cost	34.12	30.38
Interest cost	28.65	19.63
Benefit Paid	(13.58)	(66.78)
Actuarial (gains) / losses	24.34	109.04
Present value of DBO at the end of the year	410.61	337.08
Change in fair value of assets during the year		
Plan assets at beginning of the year	71.36	113.58
Acquisition Adjustment	–	–
Expected return on plan assets	7.95	9.33
Actual company contributions	21.63	15.23
Benefit Paid	(12.43)	(66.78)
Actuarial gain/(loss) on Plan Assets	–	–
Plan assets at the end of the year	88.51	71.36
Actual return on plan assets	7.95	9.33
Actuarial assumptions		
Discount rate	8.25%	8.50%
Expected return on plan assets	9.15%	9.16%
Salary escalation	6.25%	6.50%
Mortality tables	LIC (1994-96) Ultimate	<i>LIC (1994-96) Ultimate</i>

Experience adjustments

Gratuity	2012-13	<i>2011-12</i>	<i>2010-11</i>	<i>2009-10</i>	<i>2008-09</i>
Present value of DBO	410.61	337.08	244.81	194.74	156.67
Fair value of plan assets	88.51	71.36	113.58	51.31	55.13
Funded status [Surplus / (Deficit)]	(322.10)	(265.72)	(131.23)	(143.43)	(101.54)
Experience gain / (loss) adjustments on plan liabilities	(1748)	(108.92)	0.61	21.67	(25.39)
Experience gain / (loss) adjustments on plan assets	–	–	–	–	–

Particulars**Actuarial assumptions for long-term compensated absences**

	Current Year	<i>Previous Year</i>
Discount rate	8.25%	8.50%
Salary escalation	6.25%	6.50%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

Notes:

- (i) The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations.
- (ii) The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.
- (iii) In absence of specific details of plan assets from LIC, the details of plan assets have not been furnished. The details of experience adjustment relating to Plan assets are not readily available in valuation report and hence are not furnished.
- (iv) The Company's best estimate of contributions expected to be paid to the plan during the annual period beginning after 31st March, 2013 is **Rs. 24.15 Lacs** (Previous Year Rs. 27.19 lacs)
- (v) The above information is certified by the actuary and relied upon by the Auditors.
- (vi) Employee Benefits Expenses Include:
- a) Employees' Compensated absences **Rs. 201.05 lacs** (Previous Year Rs 32.50 lacs).
- b) Contribution to Provident Fund **Rs. 106.98 lacs** (Previous Year Rs. 81.96 lacs).

38 Financial information of the Subsidiary Companies for the year ended 31st March 2013* :

(Rs. In Lacs)

Sr. Particulars No.	Sealord Containers Limited	Konkan Storage Systems (Kochi) Pvt. Limited	Aegis Group International Pte. Limited	Hindustan Aegis LPG Limited	Aegis Gas (LPG) Private Limited	Eastern India LPG Company Private Limited	Aegis International Marine Services Pte. Limited
1 Capital	5,125.00 (5,125.00)	10.00 (10.00)	10.00 (10.00)	3,997.80 (2,997.80)	3,238.10 (3,238.10)	1.00 (1.00)	26.44 (26.44)
2 Reserves & Surplus (Including Debit Balance in the Statement of Profit and Loss)	1,871.63 (1,252.06)	(878.54) (892.86)	3,943.06 (1,809.86)	(7,026.68) (3,431.48)	(1,059.12) (1,261.26)	(2.10) (1.48)	59.99 (11.10)
3 Total Assets	11,987.47 (12,112.17)	3,368.93 (3,403.95)	31,111.55 (42,694.79)	33,382.05 (231,764.42)	6,515.66 (3,251.04)	127.35 (127.78)	599.34 (1,123.12)
4 Total Liabilities	4,990.84 (5,735.09)	4,237.47 (4,286.81)	27,158.49 (40,874.93)	36,410.93 (232,198.10)	4,336.68 (1,274.20)	128.45 (128.26)	512.91 (1,085.58)
5 Investments	40.35 (-)	- (-)	- (-)	- (1.62)	246.66 (246.66)	- (-)	- (-)
6 Turnover	3,071.51 (2,893.54)	345.25 (136.19)	276,082.13 (338,033.66)	282,810.81 (373,870.44)	11,015.86 (7,837.40)	- (-)	5,663.80 (1,375.79)
7 Profit / (Loss) Before Tax	1,306.92 (1,342.13)	14.45 (157.01)	2,446.82 (1,759.12)	(3,595.20) (4,414.36)	297.51 (230.84)	(0.62) (1.48)	48.89 (11.10)
8 Provision for Tax (Including Deferred Tax)	19.75 (262.48)	0.13 (1.10)	313.62 (278.80)	- (15.64)	95.36 (82.34)	- (-)	- (-)
9 Profit / (Loss) After Tax	1,287.17 (1,079.65)	14.32 (155.91)	2,133.20 (1,480.32)	(3,595.20) (4,398.72)	202.15 (148.50)	(0.62) (1.48)	48.89 (11.10)
10 Proposed Dividend	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)

* Pursuant to General Circular No: 2 /2011 dated 8th February, 2011 issued by Ministry of Corporate Affairs with reference to Section 212(8) of the Companies Act, 1956.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013**39 The details of derivative instruments and foreign currency exposures are as under:**

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

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

<u>As at</u>	<u>US Dollar Equivalent (in lacs)</u>	<u>INR Equivalent (in lacs)</u>
31.03.2013	444.55	24,143.51
<i>31.03.2012</i>	<i>4,598.95</i>	<i>2,33,856.61</i>

40 The Company had issued in the Financial Year ended 31st March, 2011, 21,20,190 Equity Shares on Preferential basis for a total consideration of Rs.6,827.01 Lacs.

The objects of the issue, inter-alia, were to fund the Capex plan of the Group and / or Working Capital requirements. The utilization of the proceeds, after considering Share Issue Expenses, is as under:

<u>Particulars</u>	<u>Current Year</u>	<u>Previous Year</u>
Capital Expenditure	1,266.75	533.00
Fixed Deposits with Scheduled Banks	3,404.97	3,830.26
Investment in Bonds of Corporate Bodies	500.00	528.00
Investment in Non Convertible Debentures of Corporate Bodies	304.23	300.00
Investments under the Portfolio Management Services maintained by Anand Rathi Financial Services Limited	197.57	200.00
Investment in units of Mutual Funds	517.74	800.00
TOTAL	<u>6,191.26</u>	<u>6,191.26</u>

41 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

For and on behalf of the Board of Directors

Raj K. Chandaria
Anish K. Chandaria

Vice Chairman & Managing Director
Managing Director & CEO

Dinesh J. Khimasia
Rajnikant J. Karavadia
Vasantrao H. Pandya
Kanwaljit S. Nagpal

} Directors

Monica T. Gandhi
Company Secretary &
Chief Manager - Legal

Mumbai
Date: 30th May, 2013

GO GREEN TODAY

As “going green” becomes a global priority, your Company welcomes and supports the Green Initiative taken by the Ministry of Corporate Affairs permitting service of notice/ documents by Companies to its members through electronic mode. The above initiative will reduce paper consumption to a great extent and allow the members to contribute towards a greener environment. This will also ensure prompt receipt of communication and avoid loss in postal transit.

Members are requested to co-operate in helping the Company to implement the **‘Green initiative’** of the Government by updating their email addresses with their respective Depository Participants, in case of electronic shareholding; or registering their email addresses with the Company’s Registrar and Transfer Agents, in case of physical shareholding.



AEGIS LOGISTICS LIMITED

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

L. F. No.:

Client ID. No.:

No. of Shares held :

ATTENDANCE SLIP

I hereby record my presence at the 56th Annual General Meeting of the Company held on Wednesday, 31st July, 2013 at 11.30 a.m. at Fortune Park Galaxy, National Highway No.8, G.I.D.C., Vapi – 396 195, Gujarat.

.....
Full name of the Shareholder/Proxy

.....
Signature

Note : Shareholders attending the Meeting in person or by proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall.



AEGIS LOGISTICS LIMITED

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

L. F. No.:

Client ID. No.:

No. of Shares held :

FORM OF PROXY

I/We
of in the district of
being a member/members of AEGIS LOGISTICS LIMITED
hereby appoint of
or failing him of as
my/our proxy to attend and vote for me/us and on my/our behalf at the 56th Annual General Meeting of
the Company to be held on Wednesday, 31st July, 2013 at 11.30 a.m. and at any adjournment thereof.

Signed this day of 2013.

Signature of 1st holder

Signature of 2nd holder

Signature of 3rd holder

Affix
Re. 1/-
Revenue
Stamp here

Note : The proxy must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid Meeting.



AEGIS LOGISTICS LTD.

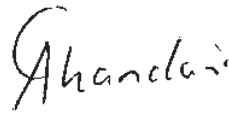
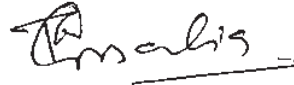

Corporate Office: 403, Peninsula Chambers, Peninsula Corporate Park, G.K. Marg, Lower Parel W, Mumbai 400 013, India.
Tel: +91 22 6666 3666 | Fax: +91 22 6666 3777

Registered Office: 502, 5th Floor, Skylon, G.I.D.C., Char Rasta, Vapi - 396 195, Dist. Valsad, Gujarat, India.
Tel: +91 22 2554 4832 | Fax: +91 22 2554 1969

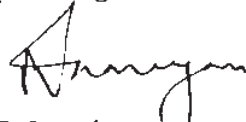
www.aegisindia.com

FORM A

Format of covering letter of the annual audit report to be filed with the stock exchanges

1	Name of the Company:	Aegis Logistics Limited
2	Annual consolidated financial statements for the year ended	31st March, 2013
3	Type of Audit observation	Unqualified / Matter of Emphasis
4	Frequency of observation	Not Applicable
5	To be signed by - <ul style="list-style-type: none">• CEO/Managing Director (Mr. Anish Chandaria)• CFO (Mr. Bharat Gosalia)• Audit Committee Chairman (Mr. Dinesh Khimasia)	  

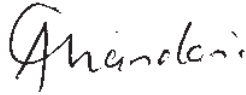


Auditor of the Company
Refer our Audit Report dated 30th May 2013
On the Consolidated financial statements of the Company
For DELOITTE HASKINS & SELLS
Chartered Accountants
(Firm Registration No. 117366W)


R. Laxminarayan
Partner
(Membership No. 33023)
Mumbai, 4th July 2013



FORM A

Format of covering letter of the annual audit report to be filed with the Stock Exchanges

1	Name of the Company:	Aegis Logistics Limited
2	Annual standalone financial statements for the year ended	31st March, 2013
3	Type of Audit observation	Unqualified / Matter of Emphasis
4	Frequency of observation	Not Applicable
5	To be signed by – <ul style="list-style-type: none">• CEO/Managing Director (Mr. Anish Chandaria)• CFO (Mr. Bharat Gosalia)• Audit Committee Chairman (Mr. Dinesh Khimasia)	  

Auditor of the Company
Refer our Audit Report dated 30th May 2013
On the standalone financial statements of the Company
For DELOITTE HASKINS & SELLS
Chartered Accountants
(Firm Registration No. 117366W)



R. Laxminarayan
Partner
(Membership No. 33023)
Mumbai, 4th July 2013

