



AEGIS LOGISTICS LIMITED
53RD ANNUAL REPORT 2009-2010

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

- ❖ We will provide the most flexible, responsive and best quality service to our customers.
- ❖ We will strive for the highest standards of integrity, hard work, professionalism and discipline.
- ❖ We will place a strong emphasis on safety, protecting the environment and attaining world-class standards in every sphere of activity.
- ❖ We shall strive to make a substantial contribution to the welfare and needs of the community and the society at large.
- ❖ We shall endeavour to maximize value for our shareholders.

Company Information

Board of Directors

CHAIRMAN

K. M. CHANDARIA

VICE-CHAIRMAN AND MANAGING DIRECTOR

R. K. CHANDARIA

MANAGING DIRECTOR

A. K. CHANDARIA

DIRECTORS

A. M. CHANDARIA

R. P. CHANDARIA

D. J. KHIMASIA

R. J. KARAVADIA

K. S. NAGPAL

V. H. PANDYA

COMPANY SECRETARY

J. N. SHAH

BANKERS

Bank of Baroda
Dena Bank
ING Vysya Bank Ltd.
HDFC Bank Ltd.

SOLICITORS & ADVOCATES

ANS Law Associates, Mumbai

AUDITORS

Deloitte Haskins & Sells
Chartered Accountants,
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. : 022-6666 3666
Fax : 022-6666 3777
Website : www.aegisindia.com

LIQUID LOGISTICS & GAS TERMINAL

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.
Working Hours: 9.30 to 1.00 & 1.45 to 5.00
Tel. : 022-6772 0300, 6772 0400
Fax : 022-2859 1568, 2850 8927
E-mail : sharepro@shareproservices.com

Members are requested
to bring their copy of
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.

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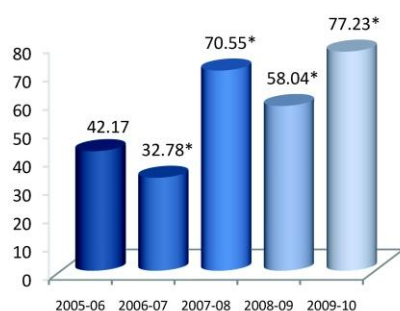
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Financial Overview

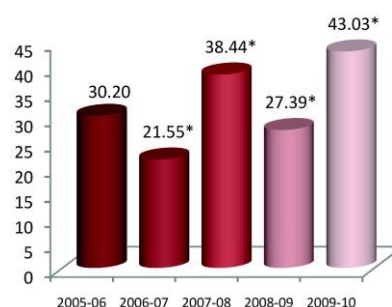
Financial Highlights

- ◆ Group Consolidated Net Sales stood at Rs. 304.90 crores
- ◆ EBITDA Rs. 77.23 crores, up by 33.20%
- ◆ Profit after tax Rs.43.03 crores, up by 56.80%
- ◆ EPS rises to 22.22
- ◆ Debt to Equity Ratio 0.69
- ◆ Dividend increased to 57.50%

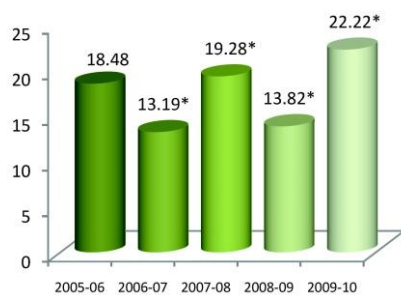
EBITDA (Rs. in Crore)



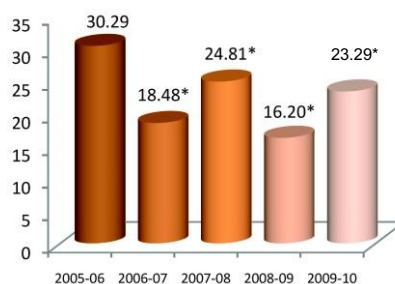
PAT (Rs. in Crore)



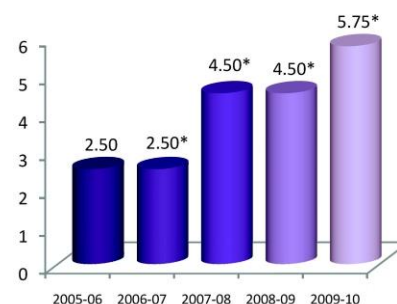
EPS (Rs. in Crore)



Return on Equity (In %)



Dividend Per Share (Rs.)



*Aegis Group Consolidated figures

Management Discussion and Analysis Report

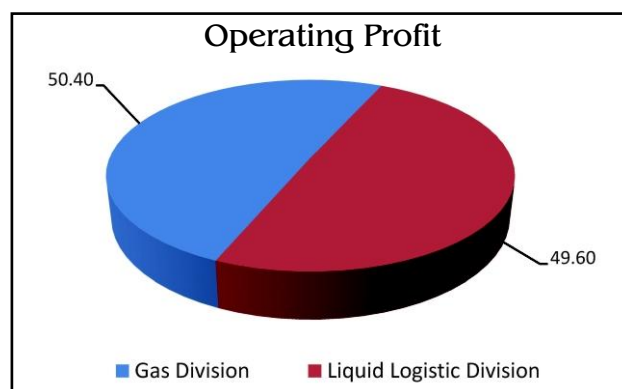
Overview

There was a full and broad recovery in 2009-10 (FY10) in both sales and operating margins as the Indian economy recovered from the world wide financial and economic crisis.

The Company was able to get back on track in its growth plans and initiated a large number of projects or acquisitions during the year which will enhance future earnings.

Net group profits after tax rose by 57% to Rs.43.03 crores and earnings per share rose to Rs.22.22.

The Company's strategy of building a "necklace" of port terminals around India's coastline and developing a retail distribution network of gas stations in west and south India is proceeding at a steady pace.



Industry Structure and Development

The Third Party Logistics (3PL) sector provides supply chain management services to customers in the Oil, Gas and Chemicals Industry. As volumes of petroleum products and chemicals for exports and imports continue to rise, demand for logistics services is expected to increase further. The liquefied petroleum gas (LPG) business has room to grow as well.



Segment-wise Analysis

Liquid Logistics Division

Revenues were Rs.81.03 crores for the year, a 15% increase on the year earlier. Operating profit margins were steady at 45.63% from 47.67% in the year earlier. The recovery in volumes handled of petroleum and chemicals in Mumbai port began from February 2009 and strengthened as the year went on. By mid-year FY10, volumes were back to the pre-crash period. Kochi operations remained subdued, but the Company was able to resolve a long standing legacy issue. The Company is in discussions with Kochi Port to enhance the operational flexibility of the Port so that international size cargoes can be handled.

A large-scale modernization of the Company's operations at Mumbai port is underway to upgrade infrastructure, install state of the art measurement systems and implement changes in standard operating processes to improve customer service and flexibility. A Lean Six Sigma programme has been instituted which is yielding considerable benefits in operating efficiencies. The goal is to reach world-class standards of service and operational excellence.

Gas Division

LPG revenues were Rs.223.88 crores (Rs.315.57 crores year earlier). The year saw large swings in international gas prices as recessionary fears lowered gas prices, which then recovered towards the end of the year as the global recovery took hold.

Total sales volumes were up by 42% for the year. Average operating margins for the year were higher at 16.78% (PY 7.46%), as the Company's product mix moved towards higher volumes of petrochemicals and autogas.

The industrial gas segment volumes were broadly stable but with continued competition from natural gas. Thruput for oil companies was sharply higher by 45% as their requirement for LPG increased and

volumes for petrochemical users rose by 244%.

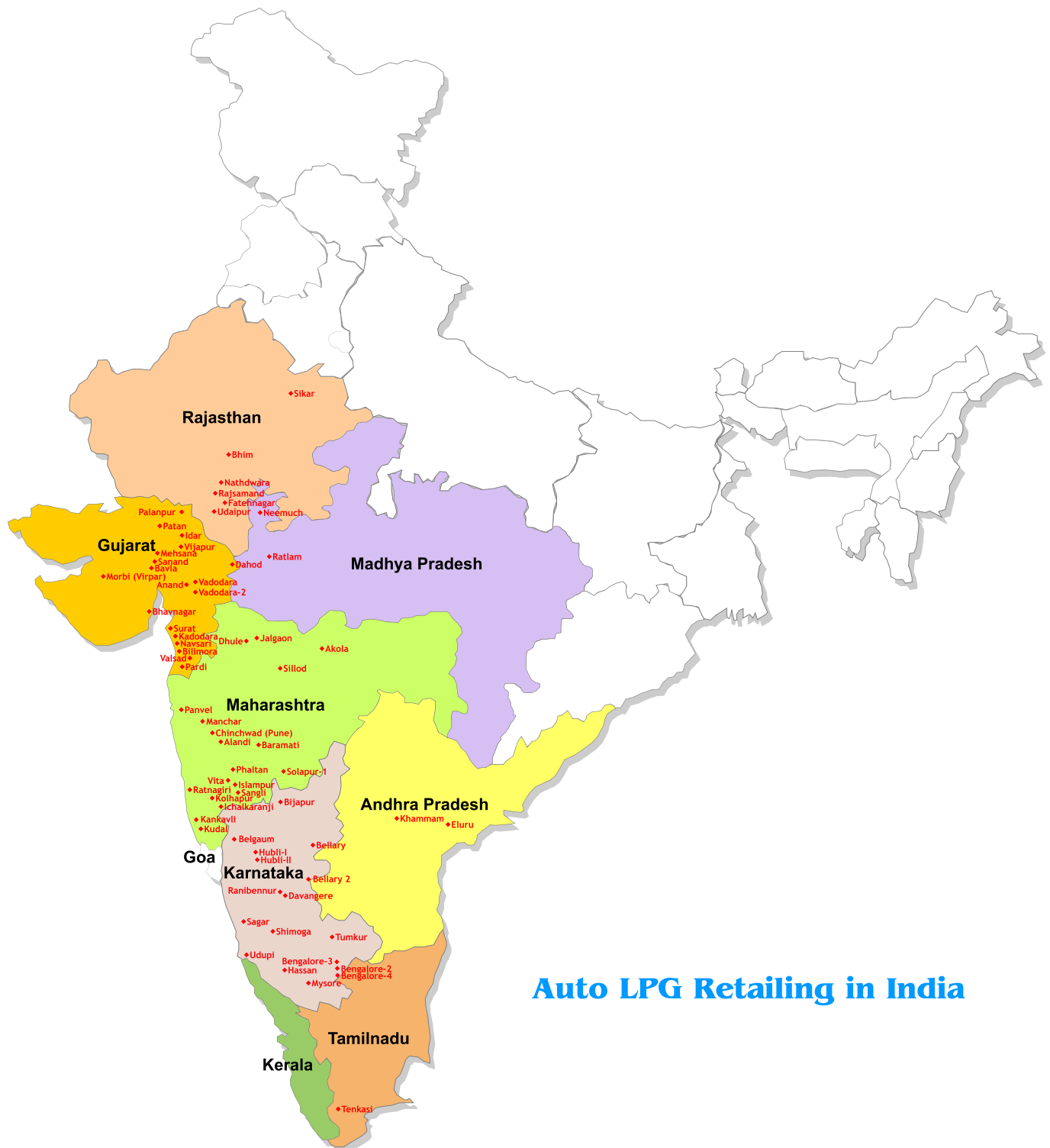
Autogas sales volumes rose by 41% in the year as more stations were commissioned. By March 2010, 66 stations were operating. There was no improvement in average sales per station however, the gap between domestic LPG subsidized prices and autogas continue leading to large scale diversion of illegal cooking gas to autos.

The Company is slowly commissioning the remaining stations to meet its primary target of 100 operational stations. In order to increase the average sales per station, a greater focus on opening "flagship" stations in city centres is being pursued. The first two sites in Bangalore city were opened in January 2010 and have had high sales. A further 5 flagship city stations are being targeted for commissioning in FY2011 in cities like Pune and Bangalore.



In November 2009, a strategic alliance with Essar Oil Ltd. was announced for six states, whereby selected Essar stations would sell Aegis Autogas and selected Aegis stations would sell Essar branded petrol or diesel. Both companies are now evaluating the site network to see the best stations for this cross-selling deal. The first Essar site to sell Aegis Autogas was commissioned in April 2010 in Kalyan.

In December 2009, the Company announced the takeover of Shell Gas (LPG) India's operations. This transaction was completed in April 2010. The rationale for Aegis, was to enter into a promising new market segment, the packed (large) cylinder



Auto LPG Retailing in India

business for hotels, restaurants and industry. The acquisition comes with a 2700 MT import terminal at Pipavav port, a number of bottling plants and a distribution network in Maharashtra and Gujarat. The new brand name for the cylinders will be "puregas". Future plans are being worked out with the management of the new 100% subsidiary which will be called Aegis Gas (LPG) Pvt. Ltd. (AGPL).

Opportunities and Threats

India's economy is set for growth of above 8%. Accordingly, the oil and gas sector will remain strong. Aegis group's approach will be to serve its customers by expanding its capacity and port infrastructure around the coast of India. Competition from low quality local terminals remains a threat as does price competition in the LPG business particularly from subsidized domestic gas being illegally diverted into the unsubsidized sector.

The challenge for autogas remains how to increase penetration levels and persuade car owners to try an alternative to petrol. Marketing efforts will have to be scaled up in order to fully establish the industry in India. Also, more stations will have to be built in Tier 1 and Tier 2 cities where the largest pool of customers reside.

Diversifying the Company's LPG distribution into new segments like commercial/industrial packed cylinders is both a necessity and an opportunity.

Future Business Outlook

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

The Company is pursuing high growth in both the logistics and LPG businesses through a combination of organic growth and acquisitions.

Internal Control Systems and their 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 has during the ensuing year successfully implemented a state of art integrated real time SAP ERP software across all functions. It went "Go Live" on May 1, 2010. This will further strengthen the Internal Control System of the company.

Human Resources Development

The Group employs 273 people. Aegis group is introducing a three tier structure of management development programmes, to develop young leaders, to improve functional training of middle management and general management skills for senior managers. In addition, organizational socialization programmes are being developed to absorb the expected increase in new employees.

Risks and Concerns

The Company continues to derive most of its revenues from cargo volumes handled through two Pir Pau oil and chemical jetties at Mumbai port. Port congestion at Pir Pau is worsening as the number of ships continues to increase. However, Mumbai Port Trust's proposed new chemical berth (expected to open in 2014) will alleviate this concern and allow continued growth in traffic. Aegis is exposed to specific risks that are particular to its businesses and environment within which it operates, including economic cycle, market risk, credit risk etc. Aegis manages these risks by following prudent business and risk management practices. Government policy changes with respect to excise duty, customs duty or regulation in the oil sector are unpredictable.

The oil subsidy regime and continued large-scale diversion of cooking gas cylinders into autos does adversely affect sales growth of Autogas.

Finally, being in a sensitive location in Mumbai port, risk of terrorist activity is ever present. The Company, in cooperation with the police and its neighbouring companies is seeking to enhance security at all its operations.

Corporate Social Responsibility

During the year, Aegis has supported rural development initiatives throughout India through its Anarde Foundation. The focus remains poverty



alleviation. Programmes such as water management and house building were the main thrusts.

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 Years Financial Performance

(Rs.in Crores)

	2005/06	2006/07*	2007/08*	2008/09*	2009/10*
Operating Results					
Operating Revenue	154.50	240.38	389.26	386.18	304.90
Earnings before Int., Depreciation, Tax	42.17	32.78	70.55	58.04	77.23
Interest	2.61	3.24	8.94	10.39	8.55
Depreciation	3.73	3.83	12.02	13.54	14.33
Profit before Tax	35.83	25.71	49.59	34.11	54.35
Tax	5.63	4.16	11.15	6.72	11.32
Profit after Tax	30.20	21.55	38.44	27.39	43.03
Financial Position					
Capital	16.31	16.31	19.91	19.79	18.77
Reserves(excl. Revaluation Reserve)	83.39	100.28	135.04	149.33	165.98
Net Worth	99.70	116.59	154.95	169.12	184.75
Total Debt	26.44	66.69	103.86	94.45	127.88
Deferred Tax Liability	7.26	7.57	23.64	21.02	20.12
Total Capital Employed	133.40	190.85	282.45	284.59	332.75
Net Fixed Assets (excl. Revaluation Reserve)	66.60	154.59	236.98	230.66	261.67
Investments	16.97	3.04	7.77	33.74	22.94
Net Working Capital	49.83	33.22	37.70	20.19	48.14
Total Net Assets	133.40	190.85	282.45	284.59	332.75
Ratios					
PAT to Operating Revenue %	19.55%	8.96%	9.88%	7.09%	14.11%
PAT on Net Worth %	30.29%	18.48%	24.81%	16.20%	23.29%
Debt : Equity	0.26	0.57	0.67	0.56	0.69
Current Ratio (incl. Inv. in Liquid MF)	2.86	1.61	1.62	1.63	2.29
EPS	18.48	13.19	19.28	13.82	22.22

*Aegis Group Consolidated figures

Notice

NOTICE is hereby given that the 53rd Annual General Meeting of the Members of AEGIS LOGISTICS LIMITED will be held on Saturday, 17th July, 2010 at 11.00 a.m at Hotel Fortune Park Galaxy, National Highway No.8, G.I.D.C., Vapi - 396 195, Dist. Valsad, Gujarat to transact the following business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2010 and Profit and Loss Account for the year ended on that date together with Directors and Auditors Report thereon.
2. To declare final dividend on Equity Shares.
3. To appoint a Director in place of Mr. K. M. Chandaria, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Mr. R. P. Chandaria, who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint a Director in place of Mr. K. 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 to fix their remuneration.

By order of the Board of Directors

Place : Mumbai
Dated : 24th May, 2010

J. N. Shah
Company Secretary

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY SHOULD BE DULY COMPLETED, STAMPED AND MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 3rd July, 2010 to Saturday, 17th July, 2010 (both days inclusive).
3. The Dividend, as recommended by the Board, if sanctioned at the ensuing Annual General Meeting will be paid to those members or their mandates whose names stand registered on the Company's Register of Members :
 - i. As Beneficial Owners as at the end of business day on Friday, 2nd July, 2010 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, 2nd July, 2010.
4. i. Those Members who have not encashed their dividend warrants for the financial year 2002-03 to

2008-09 and interim dividend for the financial year 2009-10 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 2002-03 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, 2010 and will be transferred to the Investor Education and Protection Fund constituted by the Central Government under Section 205C of the Companies Act, 1956. 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/Fund.

5. As per RBI Guidelines ECS credit will be moved completely on NECS platform and the ECS processing system will be discontinued. In case your Bank has migrated to Core Banking Systems, then we request you to update your new Bank Account Number and other details with your depository in case the shares are held in electronic mode and to the Company's Registrar & Share Transfer Agent in case the shares are held in physical form at your earliest convenience. This will enable us to route all your future dividend payments through NECS.
6. 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.

7. 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.
8. 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.
9. 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.
10. Members seeking any information with regard to accounts are requested to write to the Company Secretary at the Corporate Office of the Company at least 10 days in advance, so as to keep the information ready at the Meeting.
11. Brief resume of Directors being re-appointed :

- i. Mr. K. M. Chandaria, aged 80 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 of over the years.

He has also started, promoted and developed businesses in U.K., Europe and Asia. At present he is also involved in several charitable activities in rural development in India.

He does not hold any shares of the company.

He is relative of Mr. R. K. Chandaria, Mr. A. K. Chandaria and Mr. A. M. Chandaria.

Other Directorships held : Hindustan Aegis LPG Ltd.
Eastern India LPG Co. Pvt. Ltd.
Aegis Gas (LPG) Pvt. Ltd.

Committee Membership held in other Companies : Nil

- ii. Mr. R. P. Chandaria, aged 88 years, is a senior member of Chandaria family well known for charitable work. He started his carrier in India by setting up family's industries, sea and land transportation and other businesses 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 & America where his family has now established firmly.

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.

He does not hold any shares of the company.

Other Directorships held : Steelco Gujarat Ltd.

Committee Membership held in other Companies : Nil

- iii. Mr. K. S. Nagpal, aged 40, has been associated with the Company as 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 molding.

He does not hold any shares of the company.

Other Directorships held : Sea Lord Containers Ltd.
Aegis Gas (LPG) Pvt. Ltd.

Committee Membership held in other Companies : Sea Lord Containers Ltd.

By order of the Board of Directors

Place : Mumbai
Dated : 24th May, 2010

J. N. Shah
Company Secretary

Directors' Report

To the Members of the Company

The Directors have pleasure in presenting the 53rd Annual Report and Audited Statement of Accounts of the Company for the year ended 31st March, 2010.

FINANCIAL PERFORMANCE

(Rs. in crores)

	2009-10	2008-09
Sales and Other Income	290.03	371.82
Gross Profit (before interest and depreciation)	60.96	47.32
Profit before tax	49.42	36.88
Provision for taxation – Current	11.37	8.87
– Fringe Benefit	0.00	0.25
– Deferred	(0.90)	(2.62)
Net Profit after tax	38.94	30.38
Balance in P & L A/C	124.56	108.41
Profit available for distribution	163.50	138.79

OPERATING PERFORMANCE

The Company earned gross profit before interest, depreciation and tax of Rs.60.96 crores during the financial year under review. Profits before tax stood at Rs. 49.42 crores. Net profit after tax was Rs.38.94 crores. During the period of changing industry conditions in 2009-10, each of the company's business segments achieved good results.

LIQUID LOGISTICS DIVISION

Revenues of the group for this division were higher for the year at Rs.81.03 crores (Rs.70.60 crores year earlier). The company achieved an increase of 15% on higher capacity utilization during the year. The Mumbai Terminals of the division operated at over 100%. Most of the chemical and petrochemical customers resumed normal imports during the year as the Indian economy saw swift recovery from the world wide financial and economic crisis. The Kochi terminal also generated revenue though subdued on clearance of past legacy issues. Business from petroleum companies continued to remain strong throughout the year.

The company understands the importance of technology in this segment and continues to invest consistently in it over a long period of time. The Six Sigma project initiated at the company's terminal has yielded considerable benefits in operating efficiencies. Here the goal is to achieve world class standards in delivering service to its customers.

GAS DIVISION

The Gas Division revenue stood at Rs. 223.96 crores for the year (Previous year Rs.315.60 crores). The Division had during the previous year witnessed large swings in international gas prices from \$800/mt at one stage to \$460 as oil and gas prices crashed. During the year the prices have stabilized back to normal level and hence the decrease in value terms in revenue. However the volumes were higher by 42% during the

year with larger share from petrochemicals and autogas in the product mix. The volumes in Industrial segment were broadly stable and rose in PSU and petrochemicals companies throughput. The Autogas volumes also registered an increase with rollout of 66th outlet during the year. During the year the company opened two flagship autogas stations in Tier 1 city.

TAKEOVER OF AEGIS GAS (LPG) PVT. LTD (FORMERLY SHELL GAS (LPG) INDIA PVT. LTD)

In the ensuing financial year the Company has acquired Shell Gas (LPG) India Private Limited (SGLIPL). The target Company has an import terminal at Pipavav Port, Cylinder filling facilities and a presence in the wholesale and packed LPG in around eight major cities in Gujarat and Maharashtra. This acquisition will support the rapidly growing LPG Business of the Company.

STRATEGIC TIE UP WITH ESSAR

The Company has entered into a strategic alliance with Essar Oil Limited which entails a reciprocal arrangement wherein both the companies would sell each others fuels through their retail outlets.

This tactical coalition will cover 7 states which include Gujarat, Maharashtra, Karnataka, Madhya Pradesh, Andhra Pradesh, Rajasthan and Tamil Nadu. Aegis Autogas facilities will be setup at Essar Oil's Retail Outlets (ROs) and MS/HSD facilities of Essar Oil Limited will be setup at Aegis Autogas Dispensing Stations (ADS). Bulk of the investments for adding such facilities on both sides will be undertaken by the Company, who views this association as a key strategic initiative in fast tracking their vision of rolling out Autogas Stations.

OUTLOOK FOR THE COMPANY

The company expects good growth in Logistics as chemical and petrochemical markets are expected to continue to grow. 60% of global chemical demand growth is expected to be in Asia Pacific. With a high quality portfolio of assets that is differentiated from competition, consistent commitment to technology and strength of functional organization will allow the company to deliver good results. In the case of its Kochi Terminal, the company was able to resolve its long standing legacy issue and is in active discussion with Kochi Port to provide additional operational flexibility to be able to cater to international size cargoes and enhance its capacity utilization. The company expects to continue operating at over 100% capacity utilization at both its existing Terminals at Mumbai. The expansion at its Mumbai Terminal is well underway and is expected to commence operations in the ensuing year providing growth in logistics.

The Gas Business continues to show good prospects for growth. This growth would be mainly driven by transportation sector. Diversifying the Company's Gas distribution into new segments like commercial/industrial packed cylinders and the strategic alliance with Essar Oil, along with company's focus on increasing the penetration of Autogas LPG will drive the growth in this segment during the ensuing year.

DIVIDEND

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

For the financial year 2009-10 an interim dividend of 27.5% (Rs. 2.75 per share) was declared and paid.

The Directors are pleased to recommend Final Dividend of 30% i.e. Rs.3/- per Share (previous year Rs.2.00 per Share) for the year ended 31st March, 2010, which if approved at the forthcoming Annual General Meeting will be paid in proportion to the amount paid up or credited as paid up to those Equity Shareholders of the Company whose names appear on the Register of Members as on book closure date. The total Dividend for the year would then total to Rs 5.75 per share.

BUY BACK

The Board of Directors at its meeting held on 9th July, 2009, in accordance with the provisions of the Companies Act, 1956 and the Securities and Exchange Board of India (Buy Back of Securities) Regulations 1998 passed a resolution to buy-back maximum 11,69,307 equity shares and minimum 584655 equity shares of the Company being 10% of the paid-up Equity Share Capital and free reserves of the Company

aggregating to Rs. 1672.11 lacs, through open market purchases through Stock Exchanges up to a maximum price of Rs. 143 per share for a total value of Rs. 1672.11 lacs.

Accordingly, during the year, the Company had bought-back total of 10,20,473 equity shares at a price not exceeding Rs. 143 per share through open market transactions for an aggregate amount of Rs. 1406.82 lacs. The Buy back commenced from 14th August, 2009 and closed on 26th February, 2010. The Shares so bought during the period have been extinguished.

Since the Company purchased its Equity Shares in excess of the requisite minimum number of Shares and pursuant to the provisions of the Buy Back Scheme, the Board decided to close the Buy-back of Equity Shares from the open market through Stock Exchanges with effect from 26th February 2010. The acceptance of all Equity Shares bought back and completion of all payment obligations in respect of the Buy-back had been completed by that date.

Consequently the issue and paid up equity shares capital of the company stands reduced to Rs. 1876.94 lacs.

FINANCE / CREDIT RATING

The Company continues to be in a sound financial position with key ratios indicating sound financials. Lower financial gearing coupled with increased Net Worth will enable the Company to undertake Greenfield projects.

As per BASEL II and NCD ratings, the Company has received AA- rating for the Fund based/ Term Loan/NCD facilities and PR1+ rating for the Non Fund based facilities.

NON CONVERTIBLE DEBENTURES

During the year the Company has issued Secured Redeemable Non Convertible Debentures (NCDs) amounting to Rs. 25 crores through private placement with institutional investors. The said NCDs are listed on the Wholesale Debt Segment of National Stock Exchange of India Ltd (NSE) and are secured by the charge on the specific immovable properties of the Company ranking pari passu inter-se basis. IDBI Trusteeship Services Limited are acting as the Debenture Trustees for the said NCDs.

CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the Accounting Standard AS 21, issued by the Institute of Chartered Accountants of India, Consolidated Financial Statements are provided in the Annual Report.

Ministry of Corporate Affairs, Government of India, vide letter no. 47/331/2010-CL-III dated 29th April, 2010 has granted approval that the requirements to attach various documents in respect of subsidiary companies, as set out in Section 212(1) of Companies Act, 1956, shall not apply to the Company. Accordingly the Balance Sheet, Profit and Loss Account and other documents of the subsidiary companies are not being attached with the Balance Sheet. Financial information of the subsidiary companies, as required by the said order, is disclosed in the Annual Report. The Consolidated Financial Statements presented by the Company include financial results of its subsidiary companies.

FIXED DEPOSITS

Fixed Deposits received from Shareholders, Employees and Public in general as at the close of the financial year amounted to Rs. 7.38 crores. Deposits of Rs. 0.08 crores which fell due for repayment before the close of the financial year, remained unclaimed by the depositors at the close of the accounting year. There were no overdue deposits other than those unclaimed at the year end.

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.

LISTING OF EQUITY SHARES

The Company's Equity Shares are listed on the Bombay Stock Exchange Ltd. and National Stock Exchange of India Ltd. The Company has paid the Listing Fees for the period of 1st April, 2010 to 31st March, 2011 .

The delisting application made to the Delhi Stock Exchange Association Ltd., pursuant to shareholders resolution dated 29th September, 2005 for voluntary delisting in compliance of SEBI Delisting Guidelines, is still pending with the Stock Exchange and hence the listing fees from the year 2007-08 onwards is not payable.

DIRECTORS

Mr. K. M. Chandaria, Mr. R. P. Chandaria and Mr. K.S.Nagpal retires by rotation and being eligible offer themselves for re-appointment.

AUDITORS

The Auditors of the Company M/s. Deloittee Haskins & Sells, Chartered Accountants, Mumbai, retire at 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 appointment, 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.

The notes to accounts referred to in the Auditors' Report are self explanatory .

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.

HEALTH, SAFETY & ENVIRONMENT (HSE) AND RESPONSIBLE CARE

The Company continues to hold three coveted certifications, i.e. ISO 9001, ISO 14001 and OHSAS 18001.

The company has been admitted as a member of "British Safety Council" which has awarded the Company with a certificate to the effect stating that "Aegis Logistics Limited is committed to working towards Health, Safety and Environmental best practice".

Seminars are periodically arranged specially for Senior Executives on Stress Management. The Company imparts various training to its executives through various workshops, seminars on HSE, some of which are organized by the Company personnel themselves.

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

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

Particulars required to be furnished pursuant to Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 :

- (i) Part A & B of the Rules, pertaining to conservation of energy & technology absorption are not applicable

to the Company.

- (ii) Foreign Exchange earnings & outgo are provided in Note No.B.11.G & B.11.E of Schedule 18 forming part of the Accounts.

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors would like to inform the Members that the Audited Accounts for the financial year ended 31st March, 2010 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

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

For and on behalf of the Board

Place : Mumbai
Dated : 24th May, 2010

K. M. Chandaria
Chairman

Report on Corporate Governance

CORPORATE GOVERNANCE

The Company firmly believes in and continues to practice good Corporate Governance. The Company's essential character is shaped by the very values of transparency, professionalism and accountability. The Company continuously endeavours to improve on these aspects on an ongoing basis. In order to achieve this objective, the Company is driven by the following guiding principles:

- a. Improving the effectiveness of the Board of Directors in supervising management; and
- b. Improving the quality of information and communication with our stakeholders. The Company believes that these two principles will result in a better shareholders' value.

BOARD OF DIRECTORS

The Board of Directors of the Company comprises Chairman, Vice Chairman and Managing Director, Managing Director and Independent Directors. As on 31st March, 2010 the Company had Nine Directors. During the year under review 9 Board Meetings were held, the dates being 23/04/2009, 30/04/2009, 30/05/2009, 9/07/2009, 31/07/2009, 27/10/2009, 24/11/2009, 21/12/2009, 22/01/2010. Details of Directors & their attendance at the Board Meetings and Annual General Meeting are given below :

Sr. No.	Name of the Director	Status	No. of Shares held	No. of other Directorships (Refer Note 4)	No. of Chairmanship/ Membership in Board Committee across all the Companies (Refer Note No.5)		Attendance at	
					Chairman	Member	Board Meetings	Last AGM held on 31/07/2009
1	2	3	4	5	6		7	8
1.	Mr. K. M. Chandaria (Chairman)	NED-NI	—	2	1	1	4	Yes
2.	Mr. R. K. Chandaria (Vice – Chairman & Managing Director)	ED-NI	—	4	—	1	7	Yes
3.	Mr. A. K. Chandaria (Managing Director)	ED-NI	—	4	—	1	6	Yes
4.	Mr. A. M. Chandaria	NED-NI	—	—	—	—	—	—
5.	Mr. R. P. Chandaria	NED-I	—	1	—	—	1	—
6.	Mr. D. J. Khimasia	NED-I	—	3	3	1	9	Yes
7.	Mr. R. J. Karavadia	NED-I	22	—	—	—	9	Yes
8.	Mr. K. S. Nagpal	NED-I	—	1	—	4	9	Yes
9.	Mr. V. H. Pandya	NED-I	—	4	2	1	7	Yes

- NOTES :
1. NED-I - Non Executive Director Independent
 2. NED-NI - Non Executive Director Non Independent
 3. ED-NI - Executive Director Non Independent
 4. No. of other Directorships excludes Directorships held in Private Limited Companies, foreign companies, section 25 companies.
 5. In accordance with Clause 49, Chairmanship / Membership of only Audit Committee and Shareholders' / Investors' Grievance Committee of all Public Limited Companies has been considered.

Brief Profile/Resume of the Directors seeking re-appointment is provided in Notice convening 53rd Annual General Meeting.

AUDIT COMMITTEE**Terms of reference :**

The Audit Committee is to oversee the Company's financial reporting process and disclosure of its financial information, to recommend the appointment of Statutory Auditors and fixation of their fees, to review and discuss with the Management & the Auditors about internal control systems, the scope of Audit including the observations of the Auditors, adequacy of the internal audit system, changes in accounting policies & practices and major accounting entries involving estimates, compliances with accounting standards and Listing Agreement entered into with the Stock Exchanges and other legal requirements concerning financial statements and related party transactions, if any, and discuss with the Internal Auditors any significant findings for follow-up thereon, to review the quarterly, half yearly and annual financial statements before they are submitted to the Board of Directors.

Minutes of the Audit committee Meetings are circulated to the Members of the Board, discussed and taken note of.

Composition, Names of Members and Chairperson :

Sr. No.	Name of the Director	Status	No. of Meetings attended	Date of Audit Committee Meeting
1	Mr. D. J. Khimasia (Chairman)	NED-I	7	23/04/2009
2	Mr. K. M. Chandaria	NED-NI	3	30/04/2009
3	Mr. K. S. Nagpal	NED-I	7	30/05/2009
				31/07/2009
				27/10/2009
				24/11/2009
				22/01/2010

NOTE : NED-I - Non Executive Director Independent
NED-NI - Non Executive Director Non-Independent

SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE

Non-Executive Director heading the Committee	:	Mr. K. M. Chandaria
Compliance Officer	:	Ms. J. N. Shah, Company Secretary
No. of Complaints received during the year	:	55
No. of Complaints remaining un-resolved	:	Nil
No. of Pending Share Transfers (as on 31.03.2010)	:	Nil

Complaints/Correspondences are usually dealt with expeditiously and as on 31st March, 2010 no complaint was pending.

REMUNERATION TO DIRECTORS

The remuneration of the Managing Directors is approved by the Board of Directors and the Shareholders. Hence no separate Remuneration Committee has been constituted.

In the previous financial year, the Company had applied to the Central Government for their approval for appointment of Mr. R. K. Chandaria as Vice Chairman & Managing Director and Mr. A. K. Chandaria as Managing Director and the said approval was received on 13th August, 2009.

The Board of Directors has approved payment of commission @ 3% of the Net Profits for the year ended 31st March, 2010 to each of the Managing Directors. Detailed computation of which is provided in the relevant notes to the accounts.

	Commission payable Amount (Rs. in lacs)
Mr. R. K. Chandaria, Vice Chairman & Managing Director	149.50
Mr. A. K. Chandaria, Managing Director	149.51

Both the Managing Directors are relatives of the Chairman.

The sitting fees paid to Non-Executive Directors is Rs.10,000/- for each Board Meeting attended by them. Those Non-Executive Directors who are Members of other Committees viz. Share Transfer Committee, Audit Committee, Shareholders Grievance Committee are paid sitting fees of Rs.1,000/- for each such Committee Meeting attended by them.

GENERAL BODY MEETING

Details of last three Annual General Meetings (AGM) :

Financial Year	Date	Venue	Time
31/03/2007	11/09/2007	Hotel Galaxy Inn, National Highway No.8, Near Koparli Road, G.I.D.C., Vapi 396 195, Dist. Valsad, Gujarat.	11.30 a.m.
31/03/2008	27/09/2008	Same as above	11.30 a.m.
31/03/2009	31/07/2009	Same as above	11.00 a.m.

No Special Resolution was passed during last three Annual General Meetings.

During the last three years four Special Resolutions were passed in the Extra Ordinary General Meetings (EGM) including Court Convened Meeting of the Members and the Company also passed two Special Resolutions through Postal Ballot.

DISCLOSURES

The Company has complied with the requirements of Stock Exchanges or SEBI or any Statutory Authority related to Capital Markets during the last three years.

There were no materially significant related party transactions with its Promoters, Directors, the Management or relatives that have a potential conflict with the interest of the Company at large. Transactions with related parties as per requirements of Accounting Standard 18 "Related Party Disclosures" are disclosed in note B.7 of Schedule 18 to the Accounts in the Annual Report.

Under the Buy-Back Scheme which commenced on 14th August, 2009 and closed on 26th February, 2010 the Company had bought back 1020473 equity shares. All the payment obligations were made and the Shares bought back were extinguished. Consequent to buy-back the issued and subscribed shares were reduced to 18802787 equity shares.

The Board is kept informed about the risk assessment and minimization procedures.

There has been no instance of non-compliance during last three years by the Company on any matter related to capital markets. Hence, the question of penalties or strictures being imposed by SEBI or the Stock Exchanges does not arise.

MEANS OF COMMUNICATION

The Quarterly/Half yearly Unaudited Financial Results and Audited Financial Results are published in :

English Editions	Regional (Gujarati) Editions
Financial Express	Daman Ganga Times

The Results are also displayed on the Company's website at www.aegisindia.com

The Shareholders can email their grievances at secretarial@aegisindia.com.

The Management Discussion and Analysis Report forms part of this Annual Report.

GENERAL SHAREHOLDER INFORMATION**53rd Annual General Meeting Date, Time and Venue**

Date	Time	Venue
17th July, 2010	11.00 a.m.	Hotel Fortune Park Galaxy, National Highway No.8, G.I.D.C., Vapi 396 195, Dist. Valsad, Gujarat.

Financial Year	:	1 st April, 2010 to 31 st March, 2011
1st Quarter Results (April – June, 2010)	:	By 14 th August, 2010
2nd Quarter Results (July – September, 2010)	:	By 14 th November, 2010
3rd Quarter Results (October – December, 2010)	:	By 14 th February, 2011
4th Quarter Results (January – March, 2011)	:	By 15 th May, 2011
OR		OR
Audited Results for the year ended 31st March, 2011	:	By 30 th May, 2011
Annual General Meeting for the Financial Year 2010-11	:	By September, 2011
Book Closure	:	3 rd July, 2010 to 17 th July, 2010 (Both days inclusive)
Dividend Payment Date	:	Before 16 th August, 2010

Listing on Stock Exchanges

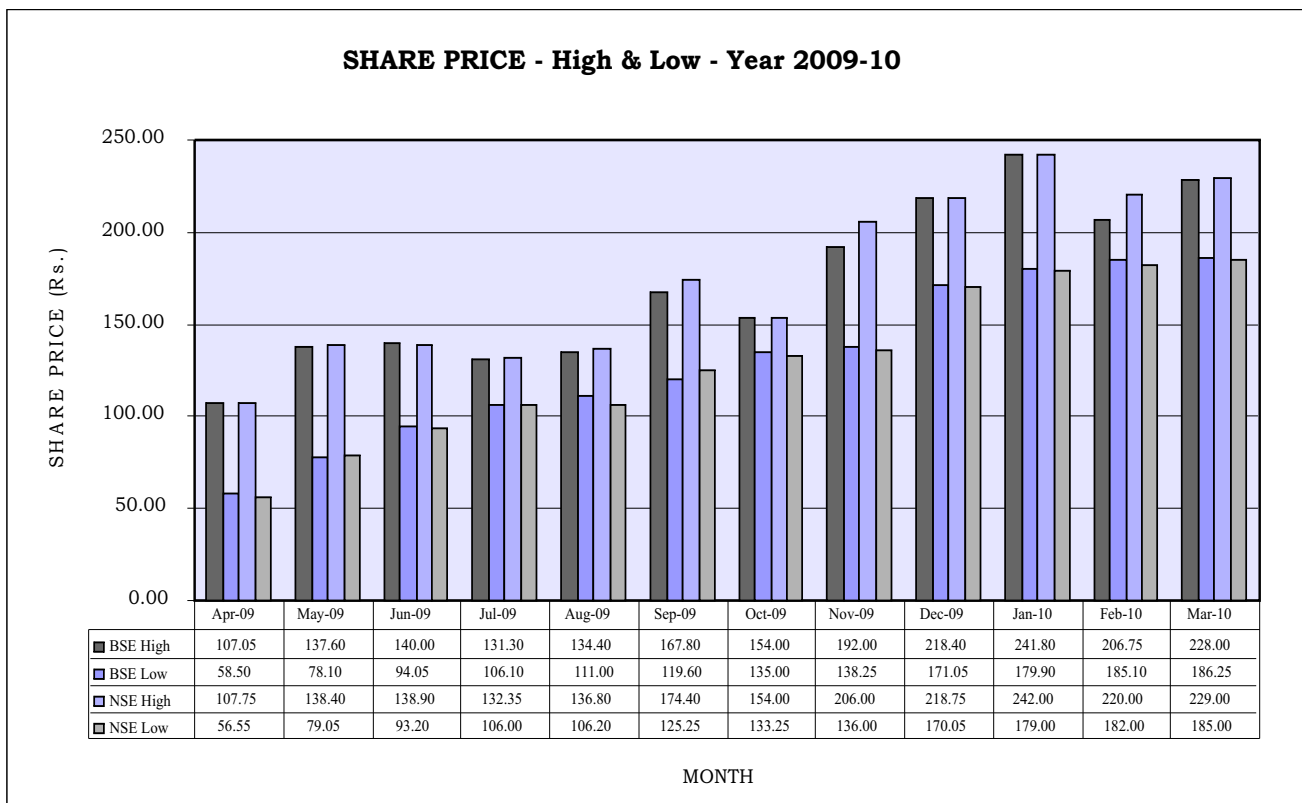
The Shares of the Company are listed on :

Shares listed at	Stock Code
Bombay Stock Exchange Ltd.	500003
National Stock Exchange of India Ltd.	AEGISCHEM

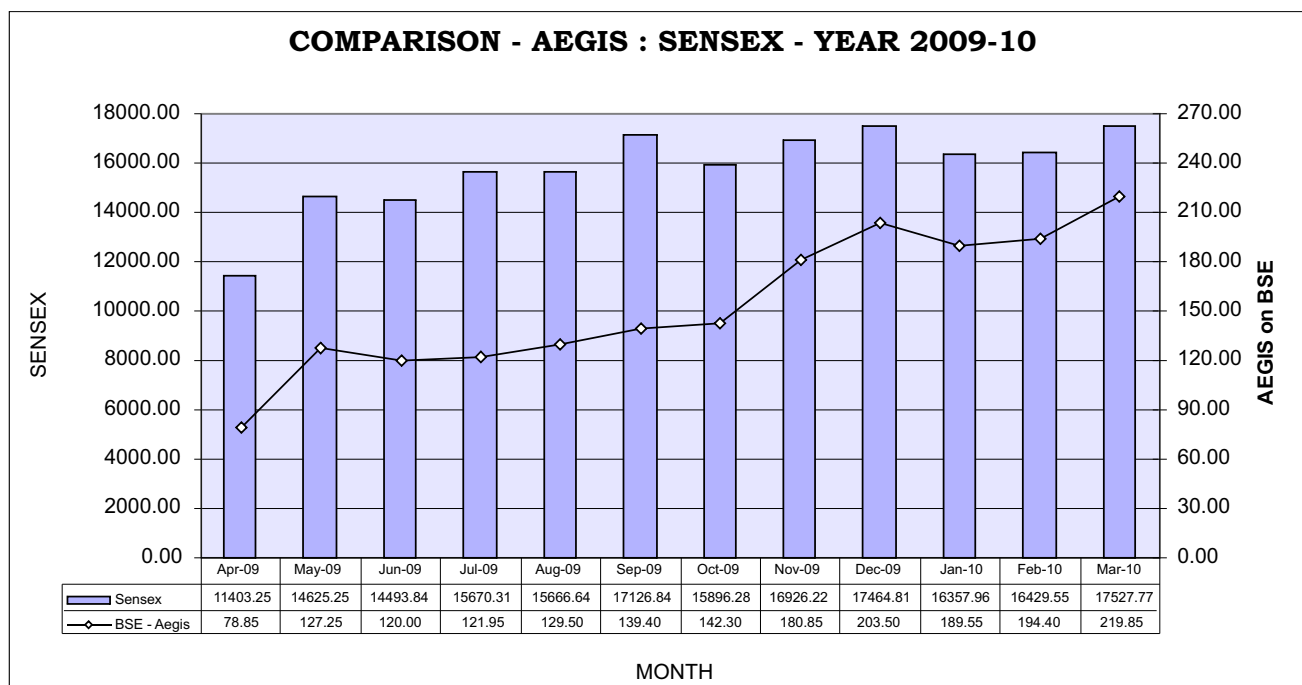
Annual Listing Fees for the year 2010-11 have been paid. The delisting application was made in the year 2006 to Delhi Stock Exchange (DSE), pursuant to Shareholders resolution dated 29th September, 2005, for voluntary delisting in compliance of SEBI Delisting Guidelines and the delisting intimation is awaited from DSE and hence the listing fees from the year 2007-08 onwards is not payable.

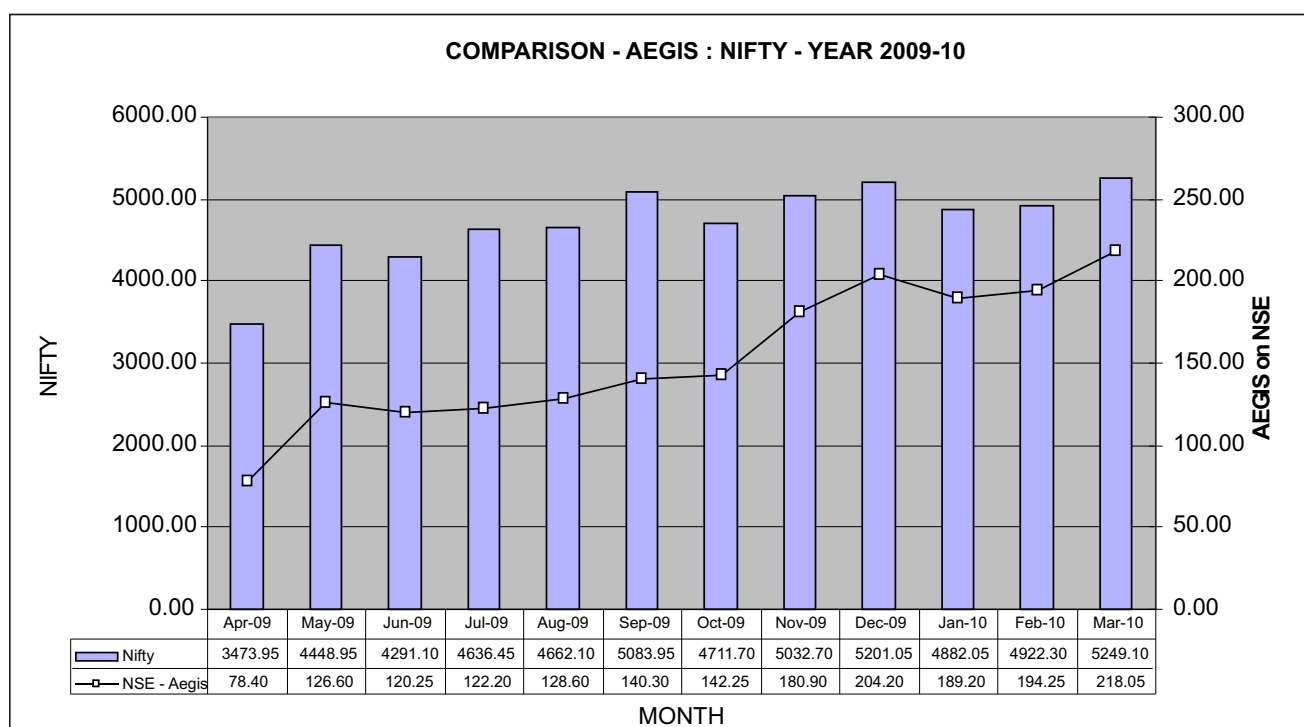
Pursuant to Securities & Exchange Board of India (SEBI) Guidelines, the Secured Non Convertible Redeemable Debentures (NCDs) were issued during the year by the Company on private placement basis. The said NCDs have been listed in the Wholesale Debt Market (WDM) Segment of the National Stock Exchange of India Limited.

Market Price Data



Performance in comparison to broad-based indices AEGIS on BSE : BSE Sensex



Performance in comparison to broad-based indices AEGIS on NSE : NSE Nifty**Share Transfer System**

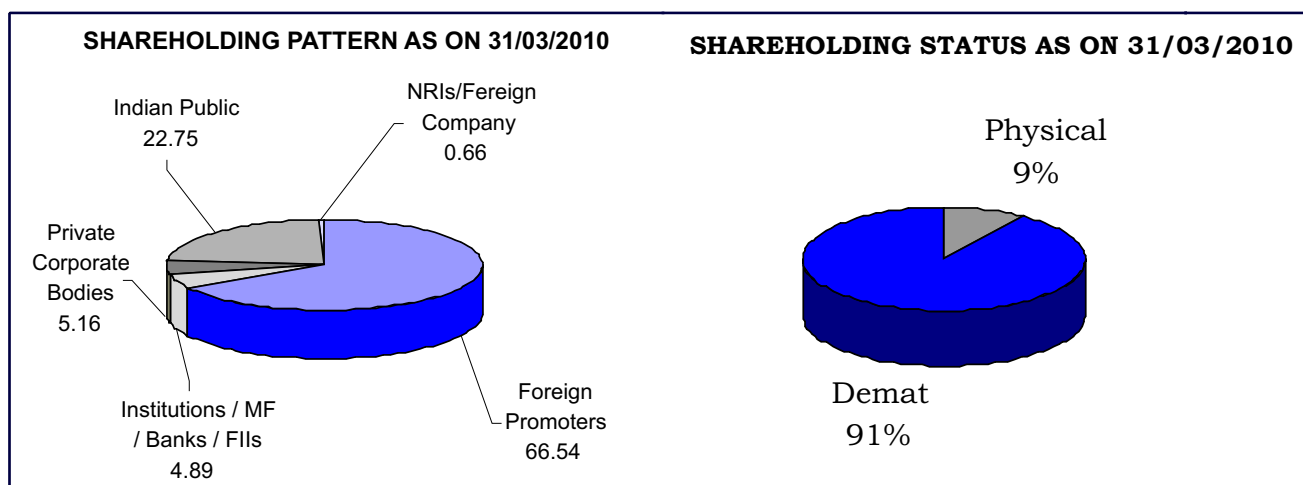
1. The Registrar & Share Transfer Agent, after processing valid Share Transfer Forms, forwards the Transfer Register for the approval of the Share Transfer Committee;
2. The said Committee meets fortnightly and approves the Share Transfers;
3. The Share Transfer Register duly signed by Committee Members is forwarded to the Registrar;
4. The Registrar thereafter dispatches the Share Certificates duly endorsed to the Transferee;
5. The Company obtains from a Company Secretary in whole time practice 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).

Distribution of Shareholding as on 31st March, 2010

Range	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
Upto 500	24829	95.780	2498350	13.287
501 - 1000	662	2.554	506660	2.695
1001 - 2000	236	0.910	347751	1.849
2001 - 3000	64	0.247	161151	0.857
3001 - 4000	41	0.158	145772	0.775
4001 - 5000	23	0.089	107307	0.571
5001 - 10000	34	0.131	271287	1.443
10001 - 9999999998	34	0.131	14764509	78.523
TOTAL	25923	100.000	18802787	100.000

Dematerialisation of Shares and Liquidity

The Company's ISIN No. is INE 208C01017. As on 31st March, 2010, 17051243 Equity Shares being 90.68 % of the Share Capital of the Company are in dematerialized form.



Outstanding GDRs / ADRs / Warrants or any Convertible Instruments, Conversion Date and likely impact on Equity

There are no such outstanding instruments.

Non-Mandatory Requirements

1. The Company has non-executive Chairman. He is reimbursed travel and other expenses incurred by him to attend the Board Meetings of the Company.
2. The Company has not formulated any formal Whistler Blower Policy and that no personnel has been denied access to Audit Committee.

Registrar & Share Transfer Agent/Plant Locations/Address for Correspondence

Registrar & Share Transfer Agent	Plant Location	Address for Correspondence
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.	Aegis Logistics Ltd. Plot No.72, Mahul Village, Trombay, Mumbai – 400 074.	Aegis Logistics Limited 403, Peninsula Chambers, Peninsula Corporate Park, G. K. Marg, Lower Parel (W), Mumbai – 400 013.

CERTIFICATE

Auditors' certificate to the Members of Aegis Logistics Limited on compliance of the conditions of corporate governance for the year ended 31st March, 2010, 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 2010, as stipulated in Clause 49 of the Listing Agreements of the said Company with relevant Stock Exchanges (hereinafter referred to as clause 49).

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 representation made by the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreements.

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

Place : Mumbai
Dated: 24th May, 2010

DECLARATION

All the Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct, as laid down by the Company for the financial year ended 31st March, 2010.

For AEGIS LOGISTICS LTD.

R. K. CHANDARIA
Vice Chairman & Managing Director

A. K. CHANDARIA
Managing Director

Place : Mumbai
Dated : 24th May, 2010

AUDITORS' REPORT

TO THE MEMBERS OF AEGIS LOGISTICS LIMITED

1. We have audited the attached Balance Sheet of Aegis Logistics Limited ("the Company") as at 31st March, 2010, the Profit and Loss account and the Cash Flow statement of the Company for the year ended on that date, both annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 (CARO) issued by the Central Government in terms of Section 227 (4A) of the Companies Act, 1956 we enclose in the Annexure, a Statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report as follows:-
 - 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 Profit and Loss account 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 Profit and Loss account and the Cash Flow Statement dealt with by this report are in compliance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956;
 - e) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2010 ;
 - ii) in the case of the Profit and Loss account, of the profit of the Company for the year ended on that date; and
 - iii) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.
5. On the basis of the written representations received from the Directors as on 31st March, 2010 taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2010 from being appointed as a Director in terms of Section 274(1)(g) of the Companies Act, 1956.

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

Place : Mumbai
Dated: 24th May, 2010

R. LAXMINARAYAN
Partner
Membership No: 33023

Annexure to the Auditors' Report

Referred to in paragraph 3 of our report of even date on the accounts for the year ended 31st March, 2010 of Aegis Logistics Limited.

- (i) Having regard to the nature of the Company's activities, clauses (xiii) and (xiv) of CARO are not applicable.
- (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 explanation 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 CARO 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.
- (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 CARO.
- (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 and the Companies (Acceptance of Deposits) Rules, 1975 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 any of the products of 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, 2010 for a period of more than six months from the date they became payable.
 - (c) According to the records of the Company, there are no dues of Sales tax, Income tax, Custom duty, Wealth tax, Service Tax, Excise duty and Cess, which have not been deposited on account of any dispute.
- (xi) The Company has no accumulated losses as at 31st March, 2010 and has not incurred any cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (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. 10,650 lacs for loans taken by a subsidiary and an associate from banks. 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, during the period covered by our audit report, the Company issued 250 debentures of Rs. 10 lacs each. The Company has created security in respect of the debentures issued.
- (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 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

Place : Mumbai
Dated: 24th May, 2010

Balance Sheet as at 31st March, 2010

	Schedule	Rupees in lacs	As At 31st March, 2010 Rupees in lacs	As At 31st March, 2009 Rupees in lacs
I. SOURCES OF FUNDS:				
1. Shareholders' funds :				
(a) Capital	1	1,876.94		1,644.41
(b) Capital Suspense Account	1A	-		334.58
(c) Reserves and Surplus	2	16,747.32		15,490.87
			18,624.26	17,469.86
2. Loan funds :				
(a) Secured Loans	3	6,900.12		2,521.42
(b) Unsecured Loans	4	737.65		473.45
			7,637.77	2,994.87
3. Deferred Tax Liability (Net)			2,012.35	2,102.35
TOTAL			28,274.38	22,567.08
II. APPLICATION OF FUNDS:				
1. Fixed Assets :	5			
(a) Gross Block		22,043.97		20,899.43
(b) Less: Depreciation		9,811.78		8,879.02
(c) Net Block		12,232.19		12,020.41
(d) Capital Work-In-Progress		1,283.96		657.01
			13,516.15	12,677.42
2. Investments	6		4,241.70	5,359.23
3. Current Assets, Loans and advances :				
(a) Inventories	7	933.85		495.37
(b) Sundry Debtors	8	2,050.80		2,162.86
(c) Cash and Bank Balances	9	2,792.44		3,177.08
(d) Loans and Advances	10	8,813.31		4,435.43
		14,590.40		10,270.74
Less : Current Liabilities and Provisions : 11				
(a) Current Liabilities		3,243.59		4,572.87
(b) Provisions		830.28		1,167.44
		4,073.87		5,740.31
Net Current Assets			10,516.53	4,530.43
TOTAL			28,274.38	22,567.08
Significant Accounting Policies and Notes on accounts	18			

Schedules 1 to 11 and 18 annexed hereto form part of the Balance Sheet

In terms of our Report attached

For Deloitte Haskins & Sells
Chartered AccountantsR. Laxminarayan
PartnerJ. N. Shah
Company SecretaryPlace: Mumbai
Dated: 24th May, 2010

For and on behalf of the Board of Directors

K. M. Chandaria Chairman

R. K. Chandaria Vice Chairman & Managing Director

A. K. Chandaria Managing Director

D. J. Khimasia	} Directors
R. J. Karavadia	
K. S. Nagpal	
V. H. Pandya	

Profit and Loss Account for the year ended 31st March, 2010

	Schedule	Rupees in lacs	Current Year Rupees in lacs	Previous Year Rupees in lacs
INCOME				
Operating Revenue:				
Sales		19,491.13		30,043.37
Service Revenue		8,975.96		6,789.31
			28,467.09	36,832.68
Other Income	12		535.93	349.64
TOTAL			29,003.02	37,182.32
EXPENDITURE				
Material Costs	13		16,784.84	27,421.74
Operating Expenses	14		1,951.43	1,525.45
Employment Costs	15		1,815.32	1,425.26
Administrative, Selling & General Expenses	16		2,355.54	2,078.17
Interest and Finance Charges (net)	17		186.99	127.22
Depreciation		967.20		924.33
Less: Transferred to Capital Work in Progress		-		7.45
			967.20	916.88
TOTAL			24,061.32	33,494.72
Profit before Tax			4,941.70	3,687.60
Provision for Taxation :				
Current Tax		1,143.00		863.00
(including Wealth tax Rs. 0.71 lacs, Previous Year Rs. 0.95 lacs)				
Fringe Benefit Tax		-		25.44
Deferred Tax		(90.00)		(261.94)
			1,053.00	626.50
(Excess)/Short Provision for tax of earlier years			(5.56)	23.64
Profit after Tax			3,894.26	3,037.46
Balance in Profit and Loss Account Brought Forward			12,455.69	10,704.48
Transferred during the year pursuant to Scheme of Amalgamation			-	137.24
Amount available for appropriation			16,349.95	13,879.18

Profit and Loss Account for the year ended 31st March, 2010 (Contd.)

Schedule	Rupees in lacs	Current Year Rupees in lacs	Previous Year Rupees in lacs
APPROPRIATIONS			
Transferred to General Reserve		389.43	317.48
Transferred to Debenture Redemption Reserve		250.00	-
Interim Dividend		516.46	-
Proposed Interim Dividend		-	411.41
Corporate Dividend Tax thereon		87.77	84.63
Interim Dividend Paid by Amalgamating Company		-	48.84
Corporate Dividend Tax thereon		-	8.30
Proposed 2nd Interim Dividend by Amalgamating Company		-	73.27
Corporate Dividend Tax thereon		-	12.45
Corporate Dividend Tax on Preference Dividend by Amalgamating Company		-	3.26
Proposed Dividend - Final		564.08	396.47
Corporate Dividend Tax thereon		95.87	67.38
Balance Carried to Balance Sheet		14,446.34	12,455.69
TOTAL		16,349.95	13,879.18
Basic & Diluted Earnings per Equity Share (Face value Rs.10)		20.11	15.32
(Refer to Note B.8 of Schedule 18)			

**Significant Accounting Policies and
Notes on accounts**

18

Schedules 12 to 18 annexed hereto form part of the Profit and Loss Account

In terms of our Report attached

For Deloitte Haskins & Sells
Chartered AccountantsR. Laxminarayan
PartnerJ. N. Shah
Company SecretaryPlace: Mumbai
Dated: 24th May, 2010

For and on behalf of the Board of Directors

K. M. Chandaria Chairman

R. K. CHANDARIA Vice Chairman & Managing Director

A. K. Chandaria Managing Director

D. J. Khimasia	} Directors
R. J. Karavadia	
K. S. Nagpal	
V. H. Pandya	

Cash Flow Statement for the year ended 31st March, 2010

	Rupees in lacs	Current Year Rupees in lacs	Previous Year Rupees in lacs
A. Cash Flow from Operating Activities:			
Profit Before Tax		4,941.70	3,687.60
Adjustments for:			
Depreciation	967.20		916.88
Interest Expenses (Net)	186.99		127.22
Dividend Income	(145.97)		(277.64)
Diminution in value of Current Investments	-		183.11
Diminution in value of Current Investments written back	(186.47)		-
Expenses on Scheme of Amalgamation	(68.86)		(9.00)
Provision for doubtful debts	3.81		13.28
Bad Debts written off	45.25		-
Project Expenses written off	241.06		-
Sundry Debit Balance/irrecoverable advances written off	47.67		10.10
Loss on sale of Fixed Assets	10.43		5.59
(Profit) on sale of Current Investments	(85.75)		(2.34)
		1,015.36	967.20
Operating Profit Before Working Capital Changes		5,957.06	4,654.80
(Increase) / Decrease in Trade and Other Receivables	(1,734.05)		1,552.60
(Increase) / Decrease in Inventories	(438.48)		667.42
(Decrease) / Increase in Trade and Other Payables	(1,362.42)		78.69
Increase / (Decrease) in Leave Encashment	8.66		(5.76)
Increase / (Decrease) in Gratuity	39.30		(2.18)
		(3,486.99)	2,290.77
Cash Generated from Operations		2,470.07	6,945.57
Direct Taxes Paid		(1,290.77)	(615.25)
Net Cash Flow from Operating Activities	A	1,179.30	6,330.32
B. Cash Flow from Investing Activities:			
Purchase of Fixed Assets	(2,068.50)		(963.63)
Sale of Fixed Assets	11.08		2.56
Purchase of Long Term Investments	(5.77)		(404.36)
Sale of Current Investments	23,629.45		23,170.96
Purchase of Current Investments	(22,087.96)		(25,580.89)
(excluding reinvestment of dividend Rs. 145.97 lacs; Previous year Rs. 174.16 lacs)			
Balance with Scheduled banks of Amalgamating Company taken over	-		18.42
Repayment of Loan from a Company	-		20.75
Loan to Subsidiaries	(2,563.29)		(192.90)
Interest Received	354.25		353.18
Dividend Received (excl. reinvestment of dividend Rs. 145.97 lacs) Previous Year Rs. 174.16 lacs;	-		50.17
Net Cash used in Investing Activities	B	(2,730.74)	(3,525.74)

Cash Flow Statement for the year ended 31st March, 2010 (Contd.)

	Rupees in lacs	Current Year Rupees in lacs	Previous Year Rupees in lacs
C. Cash Flow from Financing Activities:			
Increase/(Decrease) in Other Borrowings (net)	1,853.34		18.89
Increase in Term Borrowings	3,550.00		-
Decrease in Term Borrowings	(760.44)		(959.92)
Receipt of Calls in Arrears on Equity Shares (including Share Premium)	-		0.04
Decrease in Equity Shares on account of Buy Back	(1,406.82)		-
Dividend Paid (including tax on Distributed Profit) - Final	(437.76)		(462.17)
Dividend Paid (including tax on Distributed Profit) - Interim	(1,185.45)		(60.94)
Interest Paid	(534.19)		(483.46)
Net Cash from/(used in) Financing Activities	C	1,078.68	(1,947.56)
Net (Decrease) / Increase in Cash and Cash Equivalents A+B+C		(472.76)	857.02
Cash and Cash Equivalents as at the end of the year:			
- Cash & Balances in Current Accounts with Banks	1,127.48		333.53
- Deposits with Banks and Interest Accrued thereon	1,182.66		2,449.37
	2,310.14		2,782.90
Less: Cash and Cash Equivalents as at the beginning of the year	2,782.90		1,925.88
Net (Decrease) / Increase in Cash and Cash Equivalents		(472.76)	857.02

- Note: (1) Cash and Cash Equivalents do not include Fixed Deposits with Banks as kept 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
PartnerJ. N. Shah
Company SecretaryPlace: Mumbai
Dated: 24th May, 2010

For and on behalf of the Board of Directors

K. M. Chandaria Chairman

R. K. Chandaria Vice Chairman & Managing Director

A. K. Chandaria Managing Director

D. J. Khimasia	} Directors
R. J. Karavadia	
K. S. Nagpal	
V. H. Pandya	

Schedules 1 to 18 Forming Part of Balance Sheet and Profit & Loss Account

SCHEDULE:1 SHARE CAPITAL**Authorised:**

5,20,00,000 Equity Shares of Rs.10 each

1,00,000 13.5% Cumulative Redeemable Preference Shares of Rs. 100 each

60,00,000 Redeemable Preference Shares of Rs.10/- each

Issued :

1,88,02,787(Previous Year 1,99,40,585) Equity Shares of Rs.10 each

Subscribed and Paid up :

1,98,23,260 (Previous year 1,99,40,585)

Equity Shares of Rs.10 each fully called up

Less: Nil (Previous year 34,63,125) Equity shares of Rs.10 each fully paid up held by Transferor company cancelled pursuant to the scheme of amalgamation

Less: 10,20,473 (Previous Year Nil) Equity shares of Rs.10 each fully paid bought back and extinguished during the year in accordance with Section 77A of the Companies Act,1956 (Refer Note No. B.10 of Schedule 18)

Less: Calls / allotment monies unpaid - By Others

TOTALAs At 31st
March, 2010
Rupees
in lacsAs At 31st
March, 2009
Rupees
in lacs

5,200.00

5,200.00

100.00

100.00

600.00

600.00

5,900.00

5,900.00

1,880.28

1,994.06

1,982.33

1,994.06

-

346.31

102.05

-

3.34

3.34

1,876.94

1,644.41

Notes :

Of the above Shares:

- 20,000 Equity Shares of Rs.10 each have been allotted in an earlier year as fully paid up and issued to two non resident companies against their deposits.
- 8,20,000 Equity Shares of Rs. 10 each were allotted in earlier years as fully paid up by way of Bonus Shares by capitalisation of General Reserve.
- 74,900 Equity Shares of Rs. 10 each were allotted on 11th March, 1981 as fully paid up without payment being received in cash pursuant to the scheme of amalgamation sanctioned by order of the High Court of Gujarat dated 16th December, 1980.
- 2,81,000 Equity Warrants have been converted into Equity Shares during the year 1995-96.
- 11,83,400 Equity Shares of Rs.10 each have been allotted as fully paid up and issued to Shareholders of erstwhile Amit Alcohol and Carbon Dioxide Ltd. on amalgamation without payment being received in cash pursuant to the scheme of amalgamation sanctioned by order of the High Court of Gujarat dated 2nd April, 1997.
- 36,00,001 Equity Shares of Rs.10 each have been allotted as fully paid up and issued to Shareholders of Hindustan Aegis LPG Limited on demerger of Throughput Activity Undertaking into the company without payment being received in cash pursuant to the scheme of arrangement sanctioned by order of the High Court of Gujarat dated 12th February, 2008.
- 33,45,800 Equity Shares of Rs.10 each have been allotted as fully paid up and issued to Shareholders of erstwhile Tapi Finvest India Private Limited on amalgamation without payment being received in cash pursuant to the scheme of amalgamation sanctioned by order of the High Court of Gujarat dated 6th May, 2009.
- 10,20,473 Equity Shares of Rs. 10 each have been bought back and cancelled pursuant to the scheme of Buy Back.

SCHEDULE 1A : SHARE CAPITAL SUSPENSE ACCOUNT

Represents Nil (Previous Year 33,45,800) equity shares of Rs.10/- each to be allotted as fully paid for consideration other than cash as per the terms of amalgamation to the shareholders of the amalgamating company
(Refer Note No. B.11 of Schedule 18)

TOTALAs At 31st
March, 2010
Rupees
in lacsAs At 31st
March, 2009
Rupees
in lacs

-

334.58

-

334.58

Schedules (Contd.)

SCHEDULE 2: RESERVES AND SURPLUS

	Rupees in lacs	As At 31st March, 2010 Rupees in lacs	As At 31st March, 2009 Rupees in lacs
Capital Reserve			
As per Last Balance Sheet		53.99	53.99
Capital Reserve (Demerger)			
As per Last Balance Sheet	200.23		706.77
Less: Deficit on account of merger of Tapi Finvest India Private Limited into the Company (Refer Note No. B.11 of Schedule 18)	68.86		506.54
		131.37	200.23
Capital Redemption Reserve			
As per Last Balance Sheet	160.00		-
Add: Transferred pursuant to Scheme of Amalgamation	-		160.00
Add: Transferred from General Reserve in accordance with Section 77AA of the Companies Act, 1956 on buy back of Equity Shares during the year (Refer Note No. B.10 of Schedule 18)	102.05		-
		262.05	160.00
Securities Premium Account			
As per Last Balance Sheet	1,363.85		1,363.83
Less: Utilised for Premium on Equity Shares bought back in accordance with the Section 77A of the Companies Act, 1956 (Refer Note No. B.10 of Schedule 18)	1,304.77		-
Add: Received during the year	-		0.02
		59.08	1,363.85
Note: Securities Premium on Call / Allotment Monies Unpaid Rs.7.38 lacs (Previous Year Rs.7.38 lacs)			
Debenture redemption reserve			
Transferred from Profit and Loss account		250.00	-
General Reserve			
As Per Last Balance Sheet	1,257.11		935.24
Add: Transferred pursuant to Scheme of Amalgamation	-		4.39
Less: Transferred to Capital Redemption Reserve in accordance with Section 77AA of the Companies Act, 1956 on buy back of equity shares during the year (Refer Note No. B.10 of Schedule 18)	102.05		-
Add: Transferred from Profit and Loss Account	389.43		317.48
		1,544.49	1,257.11
Balance in Profit and Loss Account		14,446.34	12,455.69
TOTAL		16,747.32	15,490.87

SCHEDULE 3: SECURED LOANS

1. Debentures	2,500.00	-
250 (Previous Year Nil) 9.75% Non- Convertible, Redeemable Privately Placed Debentures of Rs.10,00,000/- each		
Debentures are secured by way of mortgage of specific immovable properties of the Company situated at Trombay as mentioned in 2 (B) (ii) below on pari passu basis.		

Schedules (Contd.)

Note :

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
1st Instalment	29th January, 2016
2nd Instalment	29th January, 2017
3rd Instalment	29th January, 2018

2. Term Loans

(A) From Financial Institutions:

(i) Secured by mortgage of specific immovable properties of the Company situated at Trombay and Vapi ranking paripassu and hypothecation of movable properties of the Company; subject to prior charge in favour of bankers for Working Capital Loans (Due within one year Nil (Previous Year Rs.107.69 lacs))

- 107.69

(ii) Secured by mortgage of specific immovable office property, furniture & fixtures therein, situated at Mumbai. (Due within one year Nil (Previous Year Rs.56.22 lacs))

- 56.22

(B) From Bank:

(i) Secured by mortgage of specific immovable properties of the Company situated at Trombay and Vapi ranking paripassu and hypothecation of movable properties of the Company; subject to prior charge in favour of bankers for Working Capital Loans (Due within one year Rs.850 lacs (Previous Year Rs.354.17 Lacs))

2,395.83 1,700.00

(ii) Secured by mortgage of specific immovable properties of the Company situated at Trombay. (Due within one year Rs.155.56 lacs (Previous Year Rs.242.35 Lacs))

415.15 657.51

(iii) Secured by hypothecation of specific Vehicle (Due within one year Rs.32.05 lacs ; (Previous Year Nil)).

86.25 -

3. Buyer's Credit from Banks

Secured by charge on movable properties of the Company and further secured by second charge on immovable properties of the Company situated at Trombay and Vapi ranking paripassu.

1,502.99 -

TOTAL

6,900.12 2,521.42

SCHEDULE 4: UNSECURED LOANS

Fixed Deposits

737.65 473.45

(Due within one year Rs.203.10 lacs; (Previous Year Rs.134.45 lacs))

TOTAL

737.65 473.45

Schedules (Contd.)

SCHEDULE 5: FIXED ASSETS

(Rupees in lacs)

	G R O S S - B L O C K			D E P R E C I A T I O N			N E T B L O C K	
	As At 1st April, 2009	Additions	Deductions	As At 31st March, 2010	For the year	Deductions	As At 31st March, 2010	As At 31st March, 2009
Tangible Assets								
Freehold Land	425.82	-	-	425.82	-	-	425.82	425.82
Leasehold Land	223.53	33.11	-	256.64	8.27	-	237.93	213.09
Buildings	2,030.81	126.45	-	2,157.26	32.96	-	1,856.70	1,763.21
Plant And Machinery	17,435.13	804.18	-	18,239.31	848.93	-	9,093.32	9,190.74
Furniture And Fixtures	208.60	84.23	-	292.83	20.18	-	213.18	149.13
Office Equipments	302.26	19.90	-	322.16	26.89	-	109.89	116.88
Vehicles	226.96	130.52	55.95	301.53	23.28	34.44	224.01	138.28
Intangible Assets								
Software Acquired	46.32	2.10	-	48.42	6.69	-	18.67	23.26
TOTAL	20,899.43	1,200.49	55.95	22,043.97	967.20	34.44	12,232.19	
Previous Year	20,501.84	412.75	15.16	20,899.43	924.33	7.01	8,879.02	12,020.41
Capital Work-In-Progress								
							1,283.96	657.01
							TOTAL 13,516.15	12,677.42

NOTES:

- (1) Gross Block is at cost.
- (2) Buildings include **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 Nil) given on lease to a subsidiary.

Schedules (Contd.)

		As At 31st March, 2010 Rupees in lacs	As At 31st March, 2009 Rupees in lacs
SCHEDULE 6: INVESTMENTS			
A. LONG TERM INVESTMENTS (FULLY PAID UP, AT COST):			
1 Investment in Government Securities (Unquoted)			
Government Securities of the Face Value of Rs. 0.48 lacs (Deposited with Government authorities)		0.48	0.48
2 Investment in Subsidiaries			
Equity Shares of Sea Lord Containers Limited (Quoted)			
9,37,500 shares of Rs.10 each.		96.81	96.81
Equity Shares of Eastern India LPG Company Private Limited (Unquoted)			
10,000 shares of Rs.10 each.		1.00	1.00
Equity Shares of Konkan Storage Systems (Kochi) Private Limited (Unquoted)			
1,00,000 shares of Rs.10 each.		10.00	10.00
Equity Shares of Aegis Group International Pte Ltd., Singapore (Unquoted)			
21345 (Previous year 9,258) Shares of USD 1 each		10.00	4.23
Preference Shares of Sea Lord Containers Limited (Unquoted)			
12,00,000 6% Cumulative Redeemable shares of Rs.100 each.		1,239.17	1,239.17
6,00,000 8% Non Cumulative Redeemable shares of Rs. 100 each		600.00	600.00
3 Trade Investment (Unquoted)			
Equity Shares of Hindustan Aegis LPG Limited (A Company under same management)			
2,22,001 shares of Rs.10 each.		33.53	33.53
Preference Shares of Hindustan Aegis LPG Limited (A Company under same management)			
4,00,000 8% Non Cumulative Redeemable shares of Rs. 100 each		400.00	400.00
4 Non-Trade Investments:			
Equity Shares of JIK Industries Limited (Quoted)			
289 shares of Rs.10 each	0.29		0.29
Less: Provision for diminution in value of investments	0.26		0.26
Equity Shares of Bank of Baroda (Quoted)		0.03	0.03
1322 Shares of Rs.10 each		3.04	3.04
TOTAL (A)		2,394.06	2,388.29
B. CURRENT INVESTMENTS (AT LOWER OF COST AND FAIR VALUE):			
Non-Trade Investments (Unquoted):			
In Units of Mutual Fund (Fully paid up)	Face Value (Rs.)		
100547 units (Previous year 72889) of Sundaram Select Mid Cap - Growth Plan	10	16.88	7.01
Nil units (Previous year 250000) of Franklin India Smaller Companies Fund - Dividend	10	-	13.32
Nil units (Previous year 200000) of HDFC Long Term Equity Fund - Growth Plan	10	-	15.02
Nil units (Previous year 250000) of Prudential ICICI Fusion fund - Dividend Plan	10	-	16.50
Nil units (Previous year 109595) of Sundaram Rural India Fund	10	-	6.93
Nil units (Previous year 104031) of Templeton India Equity Income Fund	10	-	8.15
Nil units (Previous year 97800) of Fidelity India Special Situations Fund	10	-	7.69
Nil units (Previous year 112308) of IDFC Premier Equity Fund Dividend	10	-	14.46

Schedules (Contd.)

	Face Value (Rs.)	As At 31st March, 2010 Rupees in lacs	As At 31st March, 2009 Rupees in lacs
Nil units (Previous year 248626) of HDFC Equity Fund	10	-	54.33
Nil units (Previous year 278186) of IDFC Imperial Equity Fund	10	-	25.00
Nil units (Previous year 1396213) of ICICI Prudential Super Institutional - Growth	10	-	181.37
5014107 units (Previous year 5852909) Units of Birla Sunlife Savings Fund - Growth	10	876.30	973.56
Nil units (Previous year 1610701) of ICICI Prudential Gilt Fund	10	-	204.37
Nil units (Previous year 914177) of Reliance Gilt Securities Fund	10	-	96.38
Nil units (Previous year 972290) of IDFC Gilt Fund Investment Plan	10	-	95.83
Nil units (Previous year 790270) of Birla Sunlife Gilt Plus - Regular Plan	10	-	94.76
23195 units (Previous year Nil) of UTI Treasury Advantage Fund Inst Plan (Growth)	1,000	286.84	-
2867658 Units (Previous year Nil) of Baroda Pioneer Treasury Advantage Fund Inst Plan (Growth)	10	297.41	-
198165 units (Previous year Nil) of IDFC Money Manager Treasury Inst Plan (Growth)	10	29.38	-
1704216 units (Previous year Nil) of Birla Sunlife Quarterly Interval Fund - Series 4	10	200.00	-
Nil units (Previous year 1451671) of Prudential ICICI Equity & Derivative Fund	10	-	150.00
Nil units (Previous year 150000) of Reliance Long Term Equity fund	10	-	10.62
Nil units (Previous year 4382169) of Reliance Medium Term - Growth	10	-	796.20
Nil units (Previous year 195599) of AIG India Equity Fund - Dividend Retail	10	-	11.73
44543 units (Previous year 38472) of Reliance Growth Fund (Retail) - Dividend	10	23.98	11.31
129186 units (Previous year 108658) of Reliance Vision Equity Fund - Dividend	10	53.12	28.19
Nil units (Previous year 744654) of Sundaram BNP Paribas Select Focus Fund - Dividend	10	-	54.62
244499 units (Previous year 244499) of Reliance Natural Resources Equity Fund - Dividend	10	24.73	15.04
Nil units (Previous year 340593) of DSP Merrill Lynch Top 100 Equity Fund - Dividend	10	-	44.49
139262 units (Previous year 122989) of DSP Merrill Lynch T.I.G.E.R Equity Fund - Dividend	10	25.60	14.30
170408 units (Previous year 170408) of JM Emerging Leaders Equity Fund - Dividend	10	13.40	5.78
Nil units (Previous year 104009) of Reliance Regular Savings Equity Fund - Growth	10	-	13.98
TOTAL (B)		1,847.64	2,970.94
TOTAL (A+B)		4,241.70	5,359.23

	Cost		Market Value	
	As at 31st March 2010 (Rs. In Lacs)	As at 31st March 2009 (Rs. In Lacs)	As at 31st March 2010 (Rs. In Lacs)	As at 31st March 2009 (Rs. In Lacs)
Aggregate value of Quoted Investments*	99.88	99.88	8.49	3.13
Aggregate value of Unquoted Investments	4141.82	5259.35	-	-
Total	4241.70	5359.23	8.49	3.13

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

Schedules (Contd.)

		As At 31st March, 2010 Rupees in lacs		As At 31st March, 2009 Rupees in lacs	
B. CURRENT INVESTMENTS (AT LOWER OF COST AND FAIR VALUE): (Contd.)					
Movements during the Year Purchased and sold	Face Value Rs.	Nos.	Cost (Rs. in lacs)	Nos.	Cost (Rs. in lacs)
HDFC CMF Treasury Advantage Plan Dividend (Wholesale)	10	32,268,594	3,237.02	35,729,499	3,584.20
HDFC CMF - Treasury Advantage Plan - Daily Dividend	10	-	-	5,178,714	550.83
Prudential ICICI Instl Liquid Plan - Super Instl Dividend	10	-	-	77,009,802	7,701.37
Reliance Money Manager - Retail Option - Weekly Dividend	1000	-	-	5	0.05
Reliance Money Manager - IP - Daily Dividend	1000	-	-	66,140	662.15
BOB Premier Liquid Fund - Daily Dividend Plan	10	-	-	1,000,171	100.03
Reliance Medium Term Fund - Daily Dividend	10	13,054,735	2,231.77	12,753,067	2,180.20
Birla Sun Life Savings Fund IP Daily Dividend	10	25,245,837	2,526.30	30,215,008	3,023.56
UTI Treasury Advantage Fund IP Daily Dividend	1000	450,414	4,505.10	163,518	1,635.53
UTI Fixed Income Interval Fund Quarterly Plan I Reg. Dividend	10	-	-	521,882	52.19
UTI Treasury Advantage Fund - Daily Dividend	1000	-	-	22,137	227.91
DWS Money Plus Fund - Daily Dividend - Regular Plan	10	-	-	2,019,918	202.52
ICICI Pru Gilt Fund (Investment) (G)	10	-	-	682,792	204.80
ICICI Prudential Interval Fund II Quarterly Interval Plan F R Div	10	-	-	523,382	52.34
ICICI Pru Gilt Fund (Investment) (Div. payout option)	10	-	-	1,610,703	228.83
Canara Robeco Interval Monthly Inst. Dividend Fund	10	-	-	499,865	49.99
Canara Robeco Treasury Advantage Retail Daily Dividend Fund	10	-	-	404,770	50.22
Reliance Gilt Securities fund Institutional Growth Plan	10	-	-	848,402	97.54
Reliance Gilt Securities fund Institutional Dividend Plan	10	-	-	908,480	109.70
LICMF Income Plus Fund - Daily Dividend Plan	10	-	-	15,328,974	1,532.90
DSP BlackRock FMP - 3M Series 13 - Institutional	10	-	-	1,021,908	102.22
SBI Magnum Insta Cash-Daily Dividend	10	-	-	605,889	101.49
SBI SHF - Ultra Short Term - IP - Daily Dividend	10	-	-	2,036,369	203.74
Baroda Pioneer Treasury Advantage Fund - IP - Daily Dividend	10	2,971,401	297.41	-	-
IDFC Money Manager - Treasury Plan - Daily Dividend	10	2,650,845	266.94	-	-
IDFC Money Manager - Treasury Plan - Instl Plan B - Daily Dividend	10	14,342,915	1,444.37	-	-
IDFC Premier Equity Plan A Dividend	10	169,462	26.68	-	-
ICICI Flexible Income Plan-Daily Dividend	10	24,652,809	2,606.66	-	-
ICICI Flexible Income Plan-Daily Dividend	100	2,972,892	3,143.52	-	-
Sundaram Ultra ST Fund - Retail - Dividend Plan	10	845,353	84.85	-	-
Sundaram BNP Paribas Ultra Short Term - Retail - Qtly Dividend	10	106,192	11.49	-	-

Schedules (Contd.)

	Rupees in lacs	As At 31st March, 2010 Rupees in lacs	As At 31st March, 2009 Rupees in lacs
SCHEDULE 7: INVENTORIES			
(At cost or net realisable value whichever is lower)			
Stores and Spare Parts		199.36	250.69
Stock-in-Trade:			
Finished Goods			
- Merchenting Goods		734.49	244.68
TOTAL		933.85	495.37
SCHEDULE 8: SUNDRY DEBTORS (UNSECURED)			
Debts Outstanding for a period exceeding six months -			
Considered Good	80.24		200.80
Considered Doubtful	54.63		50.82
	134.87		251.62
Less: Provision for Doubtful Debts	54.63		50.82
		80.24	200.80
Other Debts - Considered Good		1,970.56	1,962.06
TOTAL		2,050.80	2,162.86
SCHEDULE 9: CASH AND BANK BALANCES			
Balances with Scheduled Banks:			
- In Current Accounts		1,127.48	333.53
- In Deposit Accounts		1,664.96	2,843.55
(Refer Note No. B.18 of Schedule 18)			
TOTAL		2,792.44	3,177.08
SCHEDULE 10: LOANS AND ADVANCES (UNSECURED AND CONSIDERED GOOD)			
Loan to Subsidiaries		5,882.86	3,319.57
Advances Recoverable in cash or in kind or for value to be received		2,009.10	372.25
Deposits with Government Authorities and Others		391.81	367.39
Advance Payment of Taxes (Net of Provision for tax)		529.54	376.22
TOTAL		8,813.31	4,435.43
SCHEDULE 11: CURRENT LIABILITIES AND PROVISIONS			
Current Liabilities:			
Sundry Creditors-other than micro and small enterprises	1,348.26		2,872.50
Deposit from Dealers	658.00		604.50
Unpaid Dividend *	71.72		45.63
Unpaid Matured Deposits *	8.25		15.15
Interest Accrued on Matured Deposits *	2.43		2.32
Interest accrued but not due on loans	7.99		0.94
Other Liabilities	1,146.94		1,031.83
		3,243.59	4,572.87
Provisions :			
Proposed Dividend - Interim	-		484.17
Proposed Dividend - Final	564.08		396.47
Corporate Dividend Tax - Interim	-		97.05
Corporate Dividend Tax - Final	95.87		67.38
Leave Encashment	37.29		28.63
Gratuity	133.04		93.74
		830.28	1,167.44
TOTAL		4,073.87	5,740.31
* These figures do not include any amounts, due and outstanding, to be credited to Investor Education and Protection Fund.			

Schedules (Contd.)

	Rupees in lacs	Current Year Rupees in lacs	Previous Year Rupees in lacs
SCHEDULE 12: OTHER INCOME			
Dividend on Long Term Investments (non-trade)		-	50.17
Dividend on Current Investments (non-trade)		145.97	227.47
Diminution in value of Current Investments written back		186.47	-
Profit on sale of Current Investments (non-trade)		85.75	2.34
Lease Rent		48.78	-
Miscellaneous Receipts		68.96	69.66
TOTAL		535.93	349.64
SCHEDULE 13: MATERIAL COSTS			
Merchanting Goods			
Opening Stock		244.68	910.61
Add : Purchases		17,274.65	26,755.81
Less : Closing Stock		734.49	244.68
TOTAL		16,784.84	27,421.74
SCHEDULE 14: OPERATING EXPENSES			
Stores and Spare parts consumed		234.83	228.32
Power and Fuel		387.75	426.61
Repairs to Machinery		53.95	31.25
Lease Rentals		262.95	137.18
Tankage Charges		399.53	259.79
Way Leave Fees		535.77	379.26
Water Charges		17.43	25.64
Packing Materials and Other Charges		59.22	37.40
TOTAL		1,951.43	1,525.45
SCHEDULE 15: EMPLOYMENT COSTS			
Salaries, Wages, Bonus and Gratuity		1,666.99	1,285.60
Contribution to Provident Fund and Other Funds		86.14	77.52
Employees' Welfare Expenses		62.19	62.14
TOTAL		1,815.32	1,425.26

Schedules (Contd.)

	Rupees in lacs	Current Year Rupees in lacs	Previous Year Rupees in lacs
SCHEDULE 16: ADMINISTRATIVE, SELLING AND GENERAL EXPENSES			
Repairs			
Buildings	3.73		-
Others	38.99		50.55
		42.72	50.55
Rent		12.79	13.79
Rates and Taxes		132.72	100.81
Insurance		105.27	111.67
Commission on Sales		421.06	351.41
Rebates & Discount		27.23	77.72
Printing and Stationery		30.99	36.29
Communication Expenses		64.67	62.16
Travelling, Conveyance and Vehicle Expenses		229.70	220.75
Advertisement		65.62	85.96
Legal and Professional charges		290.44	258.03
Commission to Directors		299.01	247.13
Directors' Sitting Fees		4.59	3.36
Donations		120.47	124.01
Provision for Doubtful Debts		3.81	13.28
Bad Debts written off		45.25	-
Loss on Sale of Fixed Assets		10.43	5.59
Sundry Debit Balance/irrecoverable advances written off		47.67	10.10
Project Expenses written off		241.06	-
Diminution in value of Current Investments		-	183.11
Miscellaneous Expenses (including Security services, Books, Subscription, Selling expenses, etc.)		160.04	122.45
TOTAL		2,355.54	2,078.17
SCHEDULE 17: INTEREST AND FINANCE CHARGES			
On Debentures		44.08	-
On Fixed Loans		284.51	370.82
On Cash Credit Accounts etc.		0.32	4.59
Other Interest		91.58	61.64
Bank / Finance Charges		120.75	43.35
TOTAL		541.24	480.40
Less: Interest on loans and advances, deposit with banks etc. (including tax deducted at source Rs.33.68 lacs ; Previous Year Rs.18.76 lacs) (includes interest on income tax refund Rs.19.97 lacs; Previous Year Rs.14.21 lacs)		354.25	353.18
TOTAL		186.99	127.22

Schedules (Contd.)

SCHEDULE 18: SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

A. Significant Accounting Policies

A.1. Basis of preparation of Financial Statements

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

A.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. Difference between the actual results and estimates are recognised in the period in which the results are known / materialise.

A.3. Fixed Assets

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

A.4. Investments

Long Term Investments are shown at cost. However, when there is a decline, other than temporary, in the value of a long term investment, the carrying amount is reduced to recognise 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.

A.5. 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.

A.6. Timing of Revenue Recognition

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

A.7. Operating Revenue

Sales turnover for the year is net of trade discounts and includes sales value of goods and other recoveries, such as insurance, transport and packing charges but excludes sales tax. Service revenue is recognized on time proportion basis and excludes service tax.

A.8. Depreciation

- (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 estimated by the management, whichever are higher.

Schedules (Contd.)

The rate adopted for 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 Asset	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.

A.9. Intangible Assets

Intangible Assets are stated at cost of acquisition less accumulated amortisation. Software is amortised on straight line basis over a period of its estimated useful life, however not exceeding 5 years.

A.10 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 Profit and Loss Account as incurred.

Company's liability towards gratuity is determined by actuarial valuation carried out by the independent actuary as at each balance sheet date. 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 as incurred in the year in which services are rendered by employees. The actuarial valuation method used for measuring the liability is the Projected Unit Credit method.

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

A.11 Foreign Currency Transactions

(i) Transactions in Foreign Currencies are recorded at the original rate of exchange in force at the time of occurrence of transactions.

(ii) Monetary items denominated in foreign currencies at the year end are translated at the relevant rates of exchange prevailing at the year end. The translation / settlement differences are recognised in the Profit & Loss Account.

A.12 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.

Schedules (Contd.)

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

A.13 Operating Lease Rentals

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

A.14 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 intended use. All other borrowing costs are charged to revenue.

A.15 Taxes on Income

Current tax is determined as the amount of tax payable in respect of taxable income for the year.

Deferred tax for the year is recognized, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognized and carried forward only if there is a reasonable certainty (virtual certainty in case of unabsorbed depreciation and business loss) of its realization.

A.16 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.

Schedules (Contd.)

B. Notes on Balance Sheet and Profit and Loss Account**B.1. Contingent liabilities in respect of :-**

	Current Year Rs. in lacs	Previous Year Rs. in lacs
(a) Claims against the Company not acknowledged as debts	12.00	12.00
(b) Income Tax demands disputed in appeal	12.62	29.27
(c) Estimated amount of contracts remaining to be executed on Capital Account and not provided for (Net of Advances)	139.22	567.09
(d) Letter of Credit	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.

B.2.

- (i) 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. 6000 lacs (Previous year Rs. 4500 lacs). The balance of such loan outstanding as at 31st March, 2010 was Rs. 5150 lacs (Previous Year Rs. 4500 lacs)
- (ii) Guarantees given to Banks against repayment of working capital facilities advanced from time to time to Hindustan Aegis LPG Limited, an Associate of the Company to the extent of Rs. 4650 lacs (Previous Year Rs. 4250 lacs). The amount of such facilities availed against guarantee as at 31st March, 2010 was Rs. Nil (Previous Year Rs. 4250 lacs).

B.3. Payments to Auditors for the year*

	Current Year Rs. in lacs	Previous Year Rs. in lacs
Auditors' Remuneration & Expenses (including Service Tax)		
(a) As Auditors	12.50	10.00
(b) For Tax Audit	2.00	2.00
(c) As adviser or in any other capacity in respect of : Any other Manner (Certification Work, Limited Review etc.)	8.55	4.30
(d) Expenses Reimbursed	0.03	-
(e) Service Tax	2.38	1.77
TOTAL	25.46	18.07

*Excludes payment of Rs.18.27 lacs (Previous Year Rs.8 lacs) for Taxation matters to an affiliated firm covered by a networking arrangement which is registered with the Institute of Chartered Accountants of India.

B.4. Major components of deferred tax are:**Deferred Tax Liability/(Asset)**

	Current Year Rs. in lacs	Previous Year Rs. in lacs
Related to Fixed Assets	2,177.41	2,284.12
Diminution in value of current investments	-	(62.24)
Provision for Doubtful Debts	(11.78)	(10.48)
Disallowances under section 43 B & others	(153.28)	(109.05)
Net Deferred Tax Liability	2,012.35	2,102.35

Schedules (Contd.)

- B.5 i)** Managerial Remuneration Under Section 198 of the Companies Act, 1956, paid / payable to the Vice Chairman & Managing Director and The Managing Director.

	Current Year Rs. in lacs	Previous Year Rs. in lacs
Commission	299.01	247.13
TOTAL	299.01	247.13

Notes:-

- The Board of Directors has decided to pay commission @ 3% of its net profits as computed under section 349 of the Companies Act, 1956 for the year ended 31st March, 2010 to each of these Managing Directors.
- Accordingly, provision for commission of Rs.299.01 lacs (Previous year Rs.247.13 lacs) has been made in the books which is within the permissible limits under the Companies Act, 1956.

- ii)** Computation of net profit under section 349 of the Companies Act, 1956 is as under:

	Current Year Rs. in lacs	Previous Year Rs. in lacs
Profit before Taxation	4,941.70	3,687.60
Add:		
Managerial Remuneration	299.01	247.13
Diminution in value of Current Investments	-	183.11
Loss on sale of Fixed Assets	10.43	-
Directors' Sitting Fees	4.59	3.36
Depreciation as per books	967.20	916.88
{A}	6,222.93	5,038.08
Less:		
Depreciation as per section 350 of the Companies Act, 1956 and impairment loss	967.20	916.88
Diminution in value of Current Investments written back	186.47	-
Profit on sale of Current Investments	85.75	2.34
{B}	1,239.42	919.22
{A} - {B}	4,983.51	4,118.86
Managing Director's Commission:		
Commission @ 3.00% to each of the Managing Directors of above	299.01	247.13

Schedules (Contd.)

B.6. 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 :

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

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	6,078.85	22,388.24	28,467.09
	<i>5,275.54</i>	<i>31,557.14</i>	<i>36,832.68</i>
Segment Results	2,590.00	3,757.39	6,347.39
	<i>2,693.03</i>	<i>2,354.29</i>	<i>5,047.32</i>
Less : (1) Interest (net)			186.99
			<i>127.22</i>
(2) Other unallocable expenditure (net)			1,218.70
			<i>1,232.50</i>
Profit before Tax			4,941.70
			<i>3,687.60</i>
Less : Taxation			1,047.44
			<i>650.14</i>
Profit after Tax			3,894.26
			<i>3,037.46</i>
Segment Assets	9,024.44	9,328.93	18,353.37
	<i>8,609.46</i>	<i>8,290.91</i>	<i>16,900.37</i>
Other unallocable assets			13,994.88
			<i>11,407.02</i>
Total Assets			32,348.25
			<i>28,307.39</i>
Segment Liabilities	1,052.75	2,430.45	3,483.20
	<i>395.11</i>	<i>4,109.78</i>	<i>4,504.89</i>

Schedules (Contd.)

	Liquid Terminal Division Rupees in lacs	Gas Terminal Division Rupees in lacs	Total Rupees in lacs
Other unallocable liabilities			9,580.84
			<i>5,868.79</i>
Total Liabilities			13,064.04
			<i>10,373.68</i>
Segment Capital Expenditure	370.82	1,201.98	1,572.80
	<i>792.32</i>	<i>165.97</i>	<i>958.29</i>
Other unallocable Capital Expenditure			254.64
			<i>12.79</i>
Total Capital expenditure			1,827.44
			<i>971.08</i>
Depreciation	401.39	522.78	924.17
	<i>375.29</i>	<i>507.45</i>	<i>882.74</i>
Other unallocable Depreciation			43.03
			<i>41.59</i>
Total Depreciation			967.20
			<i>924.33</i>

Note: Figures in italics represent previous year.

B.7. 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 with whom transactions have taken place and relationships:

Sr. No.	Name of the Related Party	Relationship
1	Hindustan Aegis LPG Limited (HALPG)	Associate 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 Ltd.	Wholly owned Subsidiary Company
6	Mr. R.K.Chandaria	Key Management Personnel
7	Mr. A.K.Chandaria	Key Management Personnel

Schedules (Contd.)

(b) Transactions during the year with related parties:

(Rs. in lacs)

Sr. No.	Nature of transaction	Associate Company	Subsidiary Company	Subsidiary Company	Subsidiary Company	Subsidiary Company	Key Management Personnel	Key Management Personnel	Total
		1	2	3	4	5	6	7	8
(i)	Sundry Balances on account of Income	6.30	-	-	-	-	-	-	6.30
	Tax Refund	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
(ii)	Investments								
	Purchased during the year	-	-	-	-	5.77	-	-	5.77
		(415.30)	(600.00)	(-)	(-)	(4.23)	(-)	(-)	(1,019.53)
	Balance at the year end	433.53	1,935.98	10.00	1.00	10.00	-	-	2,390.51
		(433.53)	(1,935.98)	(10.00)	(1.00)	(4.23)	(-)	(-)	(2,384.74)
(iii)	Loan Given	-	2,393.28	3,424.44	65.14	-	-	-	5,882.86
		(-)	(1,674.49)	(1,581.44)	(63.64)	(-)	(-)	(-)	(3,319.57)
(iv)	Interest Received	-	168.55	-	-	-	-	-	168.55
		(-)	(200.27)	(-)	(-)	(-)	(-)	(-)	(200.27)
(v)	Storage Revenue Received	-	96.00	-	-	-	-	-	96.00
		(-)	(96.00)	(-)	(-)	(-)	(-)	(-)	(96.00)
(vi)	Guarantees Given to Bank	4,650.00	6,000.00	-	-	-	-	-	10,650.00
		(4,250.00)	(4,500.00)	(-)	(-)	(-)	(-)	(-)	(8,750.00)
(vii)	Commission to Managing Directors	-	-	-	-	-	149.50	149.51	299.01
		(-)	(-)	(-)	(-)	(-)	(123.57)	(123.57)	(247.14)
(viii)	Sundry Creditors - year end balance	-	48.34	-	-	-	-	-	48.34
		(-)	(3.63)	(-)	(-)	(-)	(-)	(-)	(3.63)
(ix)	Tankage Charges paid	-	399.43	-	-	-	-	-	399.43
		(-)	(163.59)	(-)	(-)	(-)	(-)	(-)	(163.59)
(x)	Fixed Assets purchased	-	-	-	-	-	-	-	-
		(-)	(35.23)	(-)	(-)	(-)	(-)	(-)	(35.23)
(xi)	Lease Rent Received	-	45.73	-	-	-	-	-	45.73
		(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)

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

B.8 As required by Accounting Standard 20 on Earnings per Share, basic earnings per share has been calculated by dividing net profit available for equity shareholders by the weighted average number of equity shares outstanding during the year as per details given below:

	Current Year Rupees in lacs	Previous Year Rupees in lacs
Net Profit available for equity shareholders	3,894.26	3,037.46
Weighted average number of shares used in computing earning per equity share*	19,362,633	19,823,260
Basic & Diluted earning per share (Rs.) : (on nominal value of Rs.10 per share)	20.11	15.32

* It includes effect of shares bought back during the year.

Schedules (Contd.)

B.9 Reconciliation of opening and closing balance of the present value of the defined benefit obligation for gratuity and compensated absences is given below:

(a) Gratuity

	2009-10	2008-09	2007-08
A. Assumptions			
Discount Rate Previous	7.50%	7.50%	7.50%
Rate of Return on Plan Assets Previous	9.25%	9.25%	8.00%
Salary Escalation Previous	5.50%	5.50%	5.00%
Discount Rate Current	7.75%	7.50%	7.50%
Rate of Return on Plan Assets Current	9.15%	9.25%	9.25%
Salary Escalation Current	5.75%	5.50%	5.50%
Mortality Table	LIC (1994 – 96) Ultimate	LIC (1994 – 96) Ultimate	LIC (1994 – 96) Ultimate
B. Table showing change in Benefit Obligation	(Rs. In lacs)	(Rs. In lacs)	(Rs. In lacs)
Liability at the beginning of the Year	148.87	222.03	166.01
Interest Cost	11.17	14.98	12.45
Current Service Cost	14.73	12.36	36.32
Benefit Paid	(11.99)	(75.45)	(4.37)
Actuarial (Gain)/Loss on obligations	21.57	(25.05)	11.62
Liability at the end of the year	184.35	148.87	222.03
C. Table of Fair value of Plan Assets	(Rs. In lacs)	(Rs. In lacs)	(Rs. In lacs)
Fair Value of Plan Assets at the beginning of the year	55.13	126.11	101.00
Expected Return on Plan assets	4.63	5.15	10.16
Contributions	0.78	-	19.32
Benefit Paid	(9.23)	(75.45)	(4.37)
Actuarial gain/(loss) on Plan Assets	-	(0.68)	-
Fair Value of Plan Assets at the end of the year	51.31	55.13	126.11
D. Amount Recognised in Balance sheet	(Rs. In lacs)	(Rs. In lacs)	(Rs. In lacs)
Present value of Obligations at the end the year	184.35	148.87	222.03
Fair Value of Plan Assets at the end of the Year	(51.31)	(55.13)	(126.11)
Liability Recognised in Balance Sheet at the end of the year	133.04	93.74	95.92
E. Amount Recognised in Income Statement	(Rs. In lacs)	(Rs. In lacs)	(Rs. In lacs)
Current Service Cost	14.73	12.36	36.32
Interest Cost	11.17	14.98	12.45
Expected Return on Plan Asset	(4.63)	(5.15)	(10.16)
Net Actuarial (Gain) / Loss To Be Recognised	21.57	(24.37)	11.62
Expenses Recognised in P & L	42.84	(2.18)	50.23
F. Balance Sheet Reconciliation	(Rs. In lacs)	(Rs. In lacs)	(Rs. In lacs)
Opening Net Liability	93.74	95.92	65.01
Expenses as above	42.84	(2.18)	50.23
Contribution Paid	(3.54)	-	(19.32)
Amount Recognised in Balance Sheet	133.04	93.74	95.92
G. Actual Return on Plan Assets	(Rs. In lacs)	(Rs. In lacs)	(Rs. In lacs)
Expected Return on Plan Assets	4.63	5.15	10.16
Actuarial gain/(loss) on Plan Assets	-	(0.68)	-
Actual Return on Plan Assets	4.63	4.47	10.16

The Company's best estimate of contributions expected to be paid to the plan during the annual period beginning after 31st March, 2010 is Rs. 58.55 lacs (Previous Year Rs. 11.25 lacs.)

Schedules (Contd.)

(b) Compensated Absences:

Assumptions	Current Year	Previous Year
Retirement Age	58 Years	58 Years
Withdrawal Rate	Age related	Age related
Future Salary Rise	5.75%	5.5%
Rate of Discounting	7.75%	7.5%
Mortality Table	LIC (1994 – 96) Ultimate	LIC (1994 – 96) Ultimate

A. Table showing change in Benefit Obligation	(Rs. In lacs)	(Rs. In lacs)
Liability at the beginning of the Year	28.63	34.39
Interest Cost	2.15	2.29
Current Service Cost	5.04	5.39
Benefit Paid	(4.20)	(2.64)
Actuarial (Gain)/Loss on obligations	5.67	(10.80)
Liability at the end of the year	37.29	28.63

B. Amount Recognised in Balance sheet	(Rs. In lacs)	(Rs. In lacs)
Present value of Obligations at the end of the year	37.29	28.63
Fair Value of Plan Assets at the end of the Year	-	-
Liability Recognised in Balance Sheet at the end of the year	37.29	28.63

C. Amount Recognised in Income Statement	(Rs. In lacs)	(Rs. In lacs)
Current Service Cost	5.04	5.39
Interest Cost	2.15	2.29
Expected Return on Plan Asset	-	-
Net Actuarial (Gain) / Loss To Be Recognised	5.67	(10.80)
Expenses Recognised in P & L	12.86	(3.12)

Assumptions:-

- The estimates of future salary increases, considered in actuarial valuation, takes into account the inflation, seniority, promotion and other relevant factors.
- Discount rate is based on the prevailing market yields of Indian Government bonds for a term consistent with the estimated term of the post employment benefit obligation.
- Expected rate of return on plan assets is based on expectation of the average long term rate of return expected on Investments of the Fund during the estimated term of the obligations.

In absence of specific details of plan assets from LIC, the details of plan assets have not been furnished. The details of experience adjustments on account of plan liabilities as required by Para 120(n)(ii) of AS-15 is loss of Rs.21.57 lacs (Previous year gain of Rs. 25.05 Lacs). However, details of experience adjustment relating to Plan assets are not readily available in valuation report and hence are not furnished.

The above information is certified by the actuary and relied upon by the Auditors.

Schedules (Contd.)

B.10 BUY BACK OF EQUITY SHARES:

The Board of Directors at its meeting held on 9th July, 2009 approved the Buy Back of maximum of 11,69,307 equity shares through open market purchases through Stock Exchange up to a maximum price of Rs.143 per share for a total value of Rs.1672.11 lacs being 10% of the paid-up Equity Share Capital and free reserves of the Company, as computed under Section 77A of the Companies Act, 1956. Accordingly, during the year, the Company has bought-back 10,20,473 equity shares at a price not exceeding Rs. 143 per share through open market transactions for an aggregate amount of Rs. 1406.82 lacs. The Shares so bought have been extinguished. The nominal value of equity shares bought back and extinguished amounting to Rs. 102.05 lacs has been reduced from the paid up equity share capital and a corresponding amount has been transferred from General Reserve to Capital Redemption Reserve. The premium paid for buy-back amounting to Rs. 1304.77 lacs has been appropriated from the Securities Premium Account in terms of Section 77A of the Companies Act, 1956.

B.11 During the Previous Year ended 31st March, 2009, Tapi Finvest Private Limited (TFIPL) was amalgamated into the Company pursuant to the scheme of amalgamation ("Scheme") sanctioned by order of the High Court of Gujarat dated 6th May, 2009. Equity Shares to be issued to shareholders of TFIPL under the said Scheme were shown as "Share Capital Suspense Account" as on 31st March, 2009 pending allotment of such shares as on that date. Such shares were allotted on 30th May, 2009 upon completion of necessary statutory requirements and accordingly, same were added to the paid up equity share capital during the year.

Further, amalgamation expenses amounting to Rs.68.86 lacs incurred during the year has been debited to the Capital Reserve (Demerger) account as prescribed under the aforesaid Scheme.

B.12 Additional information pursuant to the provisions of paragraphs 3, 4C and 4D of part-II of Schedule-VI to the Companies Act, 1956.

(A) Quantities and Sales Value of each class of goods dealt with by the Company

CLASS OF GOODS	Current Financial Year		Previous Financial Year	
	Sales Value		Sales Value	
	Qty. MT	Rupees in lacs	Qty. MT	Rupees in lacs
Goods Traded in:				
Liquified Petroleum Gas	48,154	19,268.94	67,194	29,930.79
Others		222.19		112.58
TOTAL		19,491.13		30,043.37

(B) GOODS TRADED IN

PURCHASE:	Current Financial Year		Previous Financial Year	
	Value		Value	
	Qty. MT	Rupees in lacs	Qty. MT	Rupees in lacs
Liquified Petroleum Gas*	49,187	17,106.73	65,526	26,586.62
Others		167.92		169.19
TOTAL		17,274.65		26,755.81

* Net of Handling Loss

Schedules (Contd.)

(C) VALUE AND QUANTITATIVE BREAK-UP IN RESPECT OF OPENING AND CLOSING STOCK OF EACH CLASS OF GOODS TRADED IN :

CLASS OF GOODS	Current Financial Year				Previous Financial Year			
	Opening Stock		Closing Stock		Opening Stock		Closing Stock	
	As at 1st April, 2009		As at 31st March, 2010		As at 1st April, 2008		As at 31st March, 2009	
	Qty. MT	Value Rupees In lacs	Qty. MT	Value Rupees In lacs	Qty. MT	Value Rupees In lacs	Qty. MT	Value Rupees In lacs
Goods Traded in :								
Liquified Petroleum Gas	581	183.15	1,614	673.46	2,249	910.61	581	183.15
Others		61.53		61.03		-		61.53
TOTAL		244.68		734.49		910.61		244.68

(D) VALUE OF IMPORTS CALCULATED ON C.I.F. BASES IN RESPECT OF :

	Current Financial Year Rupees in Lacs	Previous Financial Year Rupees in Lacs
(i) Merchanting Goods	14,185.23	16,214.64
(ii) Stores & Spares	1.63	20.92
(iii) Capital Goods	503.52	-

(E) EXPENDITURE IN FOREIGN CURRENCY ON ACCOUNT OF :

	Current Financial Year Rupees in lacs	Previous Financial Year Rupees in lacs
Bank/Finance Charges	23.37	58.14
Other Matters	11.04	17.17

(F) VALUE OF STORES AND SPARES CONSUMED :

	Current Financial Year		Previous Financial Year	
	Rupees in lacs	Percentage of Total Consumption	Rupees in lacs	Percentage of Total Consumption
Imported	32.12	13.68	5.18	2.27
Indigenous	202.71	86.32	223.14	97.73
	234.83	100.00	228.32	100.00

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

(G) EARNINGS IN FOREIGN CURRENCY :

	Current Financial Year Rupees in lacs	Previous Financial Year Rupees in lacs
Service Revenue	90.22	105.24

Schedules (Contd.)

(H) AMOUNT REMITTED DURING THE YEAR IN FOREIGN CURRENCY ON ACCOUNT OF DIVIDENDS :

	<u>Current Financial Year</u>	<u>Previous Financial Year</u>
Final Dividend		
(i) Number of Non-Resident Shareholders	3	3
(ii) Number of Shares held by them on which Dividend was due	13,344,084	9,998,302
(iii) Year to which Dividend relates	2008-09	2007-08
(iv) Amount remitted (Rs. in lacs)	266.88	199.97
Interim Dividend		
(i) Number of Non-Resident Shareholders	3	-
(ii) Number of Shares held by them on which Dividend was due	9,998,302	-
(iii) Year to which Dividend relates	2008-09	-
(iv) Amount remitted (Rs. in lacs)	249.96	-
Interim Dividend		
(i) Number of Non-Resident Shareholders	2	-
(ii) Number of Shares held by them on which Dividend was due	12,511,417	-
(iii) Year to which Dividend relates	2009-10	-
(iv) Amount remitted (Rs. in lacs)	344.06	-
Interim Dividend - Amalgamating Company		
(i) Number of Non-Resident Shareholders	-	1
(ii) Number of Shares held by them on which Dividend was due	-	2,442,176
(iii) Year to which Dividend relates	-	2008-09
(iv) Amount remitted (Rs. in lacs)	-	48.84

Except for the above shareholders, the Company has not made any remittance in foreign currency on account of dividends during the year. Company does not have information as to the extent to which remittances in foreign currencies on account of dividends have been made by non-resident shareholders.

B.13 The amount of exchange loss (net of gain) debited to the Profit and Loss Account is Rs.77.92 Lacs (Previous Year Rs.76.06 lacs).

B.14 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.

B.15 The details of derivative instruments and foreign currency exposures are as under:

Forward contracts outstanding in USD 44.70 lacs (equivalent to Rs.2074.61 lacs) as on 31st March, 2010. (Previous Year USD 48.03 lacs equivalent to Rs.2380.67 lacs).

B.16 Disclosure of Loans / Advances to Subsidiaries, Associate Companies etc. (As required by clause 32 of the listing agreement with Mumbai Stock Exchange)

(Rs. in lacs)		
Subsidiary Companies :	Amount Outstanding	Max. Amount Outstanding
1 Sea Lord Containers Limited	2393.28	2393.28
Previous year	1674.49	2388.67
2 Konkan Storage Systems (Kochi) Private Limited	3424.44	3591.44
Previous year	1581.44	1581.44
3 Eastern India LPG Company Private Limited	65.14	65.14
Previous year	63.64	63.64

Schedules (Contd.)

- (a) Loans and advances to employees and investments by such employees in the shares of the Company are excluded from the above disclosure.
- (b) In respect of the above loans there is no repayment schedule and they are repayable on demand.
- (c) In respect of the loan of Rs. 3424.44 lacs (Previous Year Rs.1581.44 lacs) given to Konkan Storage Systems (Kochi) Private Limited, and loan of Rs. 65.14 lacs (Previous Year Rs.63.64 lacs) given to Eastern India LPG Company Private 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.

B.17. 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. 3424.44 lacs (Previous Year Rs.1581.44 lacs). As per the audited accounts of Konkan for the year ended 31st March, 2010, the accumulated losses are Rs.498.62 lacs (Previous Year Rs.507.98 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 non-recovery or partial recovery of the loan as aforesaid.

B.18 Bank Deposits includes:

- i) Rs. 482.30 lacs (Previous Year Rs. 394.19 lacs) in Margin Account
[Includes Interest accrued Rs.60.54 lacs (Previous Year Rs.69.99 lacs)]
- ii) Rs.45 lacs (Previous Year Rs 45 lacs) 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.
- iii) Rs.77.12 lacs (Previous Year Rs.77.12 lacs) placed with the bank which is subject to a lien of Mumbai Port Trust for granting Way Leave Permission.

B.19 Figures for the previous year have been regrouped wherever necessary to correspond with figures of the current year. Amounts and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

Signatures to Schedules 1 To 18

In terms of our Report attached

For Deloitte Haskins & Sells
Chartered Accountants

R. Laxminarayan
Partner

J. N. Shah
Company Secretary

Place: Mumbai
Dated: 24th May, 2010

For and on behalf of the Board of Directors

K. M. Chandaria Chairman

R. K. Chandaria Vice Chairman & Managing Director

A. K. Chandaria Managing Director

D. J. Khimasia
R. J. Karavadia
K. S. Nagpal
V. H. Pandya } Directors

Balance Sheet Abstract and Company's General Business Profile (in thousand)

I. Registration No.

1	0	3	2
---	---	---	---

 State Code

0	4
---	---

 Balance sheet

3	1
---	---

0	3
---	---

2	0	1	0
---	---	---	---

II. Capital raised during the year (in thousand)

Public Issue

N	I	L
---	---	---

Bonus Issue

N	I	L
---	---	---

Right Issue

N	I	L
---	---	---

Private Placement

N	I	L
---	---	---

III. Position of mobilisation and deployment of funds (in thousand)

Sources of Funds

Total Liabilities

2	8	2	7	4	3	8
---	---	---	---	---	---	---

Paid up Capital

1	8	7	6	9	4
---	---	---	---	---	---

Secured Loans

6	9	0	0	1	2
---	---	---	---	---	---

Deferred Tax Liability

2	0	1	2	3	5
---	---	---	---	---	---

Application of Funds

Net Fixed Assets

1	3	5	1	6	1	5
---	---	---	---	---	---	---

Net Current Assets

1	0	5	1	6	5	3
---	---	---	---	---	---	---

Accumulated Losses

N	I	L
---	---	---

Total Assets

2	8	2	7	4	3	8
---	---	---	---	---	---	---

Reserves & Surplus

1	6	7	4	7	3	2
---	---	---	---	---	---	---

Unsecured Loans

7	3	7	6	5
---	---	---	---	---

Investments

4	2	4	1	7	0
---	---	---	---	---	---

Miscellaneous Expenditure

N	I	L
---	---	---

IV. Performance of the Company (in thousand)

Turnover

2	9	0	0	3	0	2
---	---	---	---	---	---	---

Profit Before Tax

4	9	4	1	7	0
---	---	---	---	---	---

Earning per Share in Rs.

2	0	.	1	1
---	---	---	---	---

Total Expenditure

2	4	0	6	1	3	2
---	---	---	---	---	---	---

Profit After Tax

3	8	9	4	2	6
---	---	---	---	---	---

Dividend Rate % (Including Interim)

5	7	.	5	0	%
---	---	---	---	---	---

V. Generic Names of Principal Products/Service of the Company

(As per Monetary Terms)

Item Code No.

(ITC Code)

2	7	1	1
---	---	---	---

Product Description

L	I	Q	U	I	F	I	E	D
---	---	---	---	---	---	---	---	---

P	E	T	R	O	L	E	U	M		G	A	S
---	---	---	---	---	---	---	---	---	--	---	---	---

For and on behalf of the Board of Directors

K. M. Chandaria Chairman

R. K. Chandaria Vice Chairman & Managing Director

A. K. Chandaria Managing Director

D. J. Khimasia	}	Directors
R. J. Karavadia		
K. S. Nagpal		
V. H. Pandya		

J. N. Shah
Company Secretary

Place: Mumbai

Dated: 24th May, 2010

Statement pursuant to Section 212 of the Companies Act, 1956 relating to Subsidiary Companies

	(Rs. In Lacs)			
	Sea Lord Containers Ltd.	Konkan Storage Systems (Kochi) Pvt.Ltd.	Eastern India LPG Co.Pvt.Ltd.	Aegis Group International Pte.Ltd.
A The Financial Year of the subsidiary ended on	31st March,2010	31st March,2010	31st March,2010	31st March,2010
B Holding Company's Interest				
(i) Equity Shares				
(a) No.of shares (FV Rs.10/-) fully paid	937500	100000	10007	-
(b) No.of shares (FV US \$ 1/-) fully paid	-	-	-	21344
(c) % shares held by the holding company	75%	100%	99.99%	100%
(ii) 6% Cumulative Redeemable Preference Shares				
(a) No.of shares (FV Rs.100/-) fully paid	1200000	NA	NA	NA
(b) % shares held by the holding company	100%	NA	NA	NA
(iii) 8% Non Cumulative Redeemable Preference Shares				
(a) No.of shares (FV Rs.100/-) fully paid	600000	NA	NA	NA
(b) % shares held by the holding company	100%	NA	NA	NA
C Net aggregating amount of Profit/(Loss) of the Subsidiary,so far as they concern members of the Company				
(i) For the Financial year of Subsidiary				
(a) Dealt with the accounts of the Holding Company	415.02	9.36	* NA	(5.59)
(b) Not dealt with the accounts of the Holding Company	NIL	NIL	* NA	NIL
(ii) For the Previous Financial Year of Subsidiary since it become the holding company's subsidiary.				
(a) Dealt with the accounts of the Holding Company	212.89	(452.99)	* NA	(2.20)
(b) Not dealt with the accounts of the Holding Company	NIL	NIL	* NA	NA
D Changes in the interest of the Holding Company or the subsidiary company between the end of the financial year of the subsidiary company and 31st March,2010	NA	NA	NA	NA
E Material changes between the end of the Financial Year of the subsidiary company and 31st March,2010				
(i) Fixed Assets (Purchased)	NA	NA	NA	NA
(ii) Investments (Net)	NA	NA	NA	NA
(iii) Money lent by subsidiary	NA	NA	NA	NA
(iv) Money borrowed by the subsidiary company other than for current liabilities	NA	NA	NA	NA

* No profit and loss has been prepared pending commencement of commercial operations

For and on behalf of the Board of Directors

J. N. Shah
Company Secretary

K. M. Chandaria Chairman
R. K. Chandaria Managing Director Vice Chairman
A. K. Chandaria Managing Director

D. J. Khimasia
R. J. Karavadia
K. S. Nagpal
V. H. Pandya } Directors

Place: Mumbai
Dated: 24th May, 2010

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

1. We have audited the attached Consolidated Balance Sheet of Aegis Logistics Limited ("the Company"), its subsidiaries (the Company and its subsidiaries constitute "the Group") as at 31st March, 2010, the consolidated profit and loss account and the consolidated cash flow statement of the Group for the year ended on that date, both annexed thereto. The Consolidated Financial Statements include investment in an associate accounted on the equity method in accordance with Accounting Standard 23 (Accounting for Investments in Associates in Consolidated Financial Statements) as notified under the Companies (Accounting Standards) Rules, 2006. These financial statements are the responsibility of the Company's Management and have been prepared on the basis of the separate financial statements and other information regarding components. Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and the disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of:
 - i) Four subsidiaries whose financial statements reflect total assets of Rs. 12,651.61 lacs (Previous year Rs. 10,435.98 lacs) as at 31st March, 2010, total revenues of Rs. 2,139.71 lacs (Previous year Rs. 1,855.09 lacs) and net cash outflows amounting to Rs. 30.16 lacs (Previous year inflow of Rs. 66.64 lacs) for the year ended on that date as considered in the Consolidated Financial Statements.
 - ii) An associate which has been accounted for based on the equity method which reflect the Group's share of losses up to 31st March, 2009 of Rs. 35.05 Lacs (Previous year share of profits Rs. 1.52 Lacs) and the Group's share of profits for the year then ended of Rs. 42.28 lacs (Previous year share of losses of Rs. 35.05 lacs).

These financial statements have been audited by other auditors, whose reports have been furnished to us, and our opinion, in so far as it relates to the amounts included in respect of these entities is based solely on the reports of the other auditors.
4. We report that the Consolidated Financial Statements have been prepared by the Company in accordance with the requirements of Accounting Standard 21 (Consolidated Financial Statements) and Accounting Standard 23 (Accounting for Investment in Associates in Consolidated Financial Statements) as notified under the Companies (Accounting Standards) Rules, 2006.
5. Based on our audit and on consideration of the separate audit reports on the individual financial statements of the Company and the aforesaid subsidiaries and an associate, and to the best of our information and according to the explanations given to us, in our opinion, the Consolidated Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2010;
 - (ii) in the case of the Consolidated Profit and Loss Account, of the profit of the Group for the year ended on that date; and
 - (iii) in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

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

R. LAXMINARAYAN
Partner
Membership No: 33023

Place : Mumbai
Dated: 24th May, 2010.

Consolidated Balance Sheet as at 31st March, 2010

	Schedule	Rupees in lacs	As At 31st March, 2010 Rupees in lacs	As At 31st March, 2009 Rupees in lacs
I. SOURCES OF FUNDS:				
1. Shareholders' funds :				
(a) Capital	1	1,876.94		1,644.41
(b) Capital Suspense Account	1A	-		334.58
(c) Reserves and Surplus	2	16,597.87		14,933.10
			18,474.81	16,912.09
2. Loan funds :				
(a) Secured Loans	3	12,050.12		8,971.42
(b) Unsecured Loans	4	737.65		473.45
			12,787.77	9,444.87
3. Deferred Tax Liability (Net)			2,012.35	2,102.35
TOTAL			33,274.93	28,459.31
II. APPLICATION OF FUNDS:				
1. Fixed Assets :	5			
(a) Gross Block		31,966.69		30,752.74
(b) Less: Depreciation		11,053.50		9,654.53
(c) Net Block		20,913.19		21,098.21
(d) Capital Work-In-Progress		4,004.31		718.24
			24,917.50	21,816.45
2. Goodwill on Consolidation			1,249.82	1,249.82
3. Investments	6		2,293.47	3,374.49
4. Current Assets, Loans and advances :				
(a) Inventories	7	1,043.08		600.78
(b) Sundry Debtors	8	2,184.75		2,471.71
(c) Cash and Bank Balances	9	2,934.52		3,349.31
(d) Loans and Advances	10	3,810.52		1,889.96
		9,972.87		8,311.76
Less : Current Liabilities and Provisions :	11			
(a) Current Liabilities		4,313.55		5,114.63
(b) Provisions		845.18		1,178.58
		5,158.73		6,293.21
Net Current Assets			4,814.14	2,018.55
TOTAL			33,274.93	28,459.31
Significant Accounting Policies and Notes on accounts	18			
Schedules 1 to 11 and 18 annexed hereto form part of these accounts.				

In terms of our Report attached

For and on behalf of the Board of Directors

For Deloitte Haskins & Sells
Chartered AccountantsR. Laxminarayan
PartnerJ. N. Shah
Company Secretary

K. M. Chandaria Chairman

R. K. Chandaria Vice Chairman & Managing Director

A. K. Chandaria Managing Director

D. J. Khimasia	} Directors
R. J. Karavadia	
K. S. Nagpal	
V. H. Pandya	

Place: Mumbai
Dated: 24th May, 2010

Consolidated Profit and Loss Account for the year ended 31st March, 2010

	Schedule	Rupees in lacs	Current Year Rupees in lacs	Previous Year Rupees in lacs
INCOME				
Operating Revenue				
Sales		19,491.13		30,043.37
Service Revenue		10,999.67		8,574.31
			30,490.80	38,617.68
Share of Profit of Associate			42.28	-
Other Income	12		502.44	358.78
TOTAL			31,035.52	38,976.46
EXPENDITURE				
Material Costs	13		16,784.84	27,421.74
Operating Expenses	14		1,900.99	1,708.07
Employment Costs	15		1,970.55	1,561.40
Administrative, Selling & General Expenses	16		2,656.08	2,445.67
Interest and Finance Charges	17		855.43	1,038.67
Share of Loss of Associate			-	35.05
Depreciation		1,433.41		1,362.44
Less: Transferred to Capital Work in Progress		0.40		7.96
			1,433.01	1,354.48
TOTAL			25,600.90	35,565.08
Profit before Tax			5,434.62	3,411.38
Provision for Taxation :				
Current Tax (including Wealth tax Rs. 0.71 lacs, (Previous Year Rs. 0.95 lacs))		1,227.60		882.79
Fringe Benefit Tax		-		27.04
Deferred Tax		(90.00)		(261.94)
			1,137.60	647.89
(Excess) / Short Provision for Tax of Earlier years			(5.56)	23.64
Profit after Tax			4,302.58	2,739.85
Minority Interest		103.76		53.22
Losses relatable to Minority Interest in the earlier years recouped (Refer Note No B.14 of Schedule 18)		103.76		53.22
			-	-
Profit after Minority Interest			4,302.58	2,739.85
Balance in Profit and Loss Account Brought Forward			11,886.43	10,434.49
Transferred during the year pursuant to Scheme of Amalgamation			-	137.24
			16,189.01	13,311.58

Consolidated Profit and Loss Account for the year ended 31st March, 2010 (Contd.)

	Schedule	Rupees in lacs	Current Year Rupees in lacs	Previous Year Rupees in lacs
APPROPRIATIONS				
Transferred to General Reserve			389.43	319.14
Transferred to Debenture Redemption Reserve			250.00	-
Interim Dividend			516.46	-
Proposed Interim Dividend			-	411.41
Corporate Dividend Tax thereon			87.77	84.63
Interim Dividend Paid by Amalgamating Company			-	48.84
Corporate Dividend Tax thereon			-	8.30
Proposed 2nd Interim Dividend by Amalgamating Company			-	73.27
Corporate Dividend Tax thereon			-	12.45
Corporate Dividend Tax on Preference Dividend by Amalgamating Company			-	3.26
Proposed Dividend - Final			564.08	396.47
Corporate Dividend Tax thereon			95.87	67.38
Balance Carried to Balance Sheet			14,285.40	11,886.43
	TOTAL		16,189.01	13,311.58
Basic & Diluted Earnings per Equity Share of face Rs.10/- each				
			22.22	13.82

(Refer to Note B.6 of Schedule 18)

Significant Accounting Policies and**Notes on accounts****18**

Schedules 12 to 18 annexed hereto form part of these accounts

In terms of our Report attached

For Deloitte Haskins & Sells
Chartered AccountantsR. Laxminarayan
PartnerJ. N. Shah
Company SecretaryPlace: Mumbai
Dated: 24th May, 2010

For and on behalf of the Board of Directors

K. M. Chandaria Chairman

R. K. Chandaria Vice Chairman & Managing Director

A. K. Chandaria Managing Director

D. J. Khimasia	} Directors
R. J. Karavadia	
K. S. Nagpal	
V. H. Pandya	

Consolidated Cash Flow Statement for the year ended 31st March, 2010

	Rupees in lacs	Current Year Rupees in lacs	Previous Year Rupees in lacs
A. Cash Flow from Operating Activities:			
Profit Before Tax		5,434.62	3,411.38
Adjustments for:			
Depreciation	1,433.01		1,354.48
Interest Expenses (Net)	855.43		1,038.67
Dividend Income	(145.97)		(279.98)
Diminution in value of Current Investments	-		183.11
Diminution in value of Current Investments written back	(186.47)		-
Expenses on Scheme of Amalgamation	(68.86)		(9.00)
Sundry Balances written off (net)	47.67		10.10
Share of (Profit) / Loss from Associate	(42.28)		35.05
Project Expenses written off	241.06		-
Provision for doubtful debts	5.84		34.22
Bad Debts written off	52.00		-
Loss on sale of Fixed Assets	10.43		5.59
(Profit) on sale of Current Investments	(85.75)		(2.34)
		2,116.11	2,369.90
Operating Profit Before Working Capital Changes		7,550.73	5,781.28
(Increase) / Decrease in Trade and Other Receivables	(1,620.93)		1,832.71
(Increase) / Decrease in Inventories	(442.30)		679.40
(Decrease)/Increase in Trade and Other Payables	(837.86)		(587.55)
Increase / (Decrease) in Leave Encashment	9.83		(4.26)
Increase / (Decrease) in Gratuity	41.89		(0.34)
		(2,849.37)	1,919.96
Cash Generated from Operations		4,701.36	7,701.24
Direct Taxes Paid		(1,424.72)	(824.62)
Net Cash Flow from Operating Activities	A	3,276.64	6,876.62
B. Cash Flow from Investing Activities:			
Purchase of Fixed Assets	(4,796.63)		(1,231.16)
Sale of Fixed Assets	11.08		502.56
Purchase of Long Term Investments	-		(400.00)
Sale of Current Investments	23,629.45		23,170.96
Purchase of Current Investments	(22,087.96)		(25,597.75)
Balance with Scheduled bank(overdraft) of Demerged undertaking	-		18.42
Repayment of Loan from a Company	-		20.75
Interest Received	185.68		353.32
Dividend Received	-		(130.73)
Net Cash used in Investing Activities	B	(3,058.38)	(3,293.63)

C. Cash Flow from Financing Activities:

	Rupees in lacs	Current Year Rupees in lacs	Previous Year Rupees in lacs
Increase / (Decrease) in Other Borrowings (net)	1,853.35		18.74
Increase in Term Borrowings	4,800.00		-
Decrease in Term Borrowings	(3,310.44)		(959.92)
Receipt of Calls in Arrears on Equity Shares	-		(0.09)
Decrease in Equity Shares on account of Buy Back	(1,406.82)		-
Dividend Paid (including tax on Distributed Profit) - Final	(437.76)		(462.17)
Dividend Paid (including tax on Distributed Profit) - Interim	(1,185.45)		(60.94)
Interest Paid	(1,034.06)		(1,194.95)
Net Cash used in Financing Activities	C	(721.18)	(2,659.33)
Net (Decrease)/Increase in Cash and Cash Equivalents	A+B+C	(502.92)	923.66
Cash and Cash Equivalents as at the end of the year:			
- Cash & Balances in Current Accounts with Banks		1,267.30	505.01
- Deposits with Banks and Interest Accrued thereon		1,184.91	2,450.12
		2,452.21	2,955.13
Less: Cash and Cash Equivalents as at the beginning of the year		2,955.13	2,031.47
Net (Decrease) / Increase in Cash and Cash Equivalents		(502.92)	923.66

Notes:

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

In terms of our Report attached

For Deloitte Haskins & Sells
Chartered AccountantsR. Laxminarayan
PartnerJ. N. Shah
Company SecretaryPlace: Mumbai
Dated: 24th May, 2010

For and on behalf of the Board of Directors

K. M. Chandaria Chairman

R. K. Chandaria Vice Chairman & Managing Director

A. K. Chandaria Managing Director

D. J. Khimasia	} Directors
R. J. Karavadia	
K. S. Nagpal	
V. H. Pandya	

Schedules 1 to 18 Forming Part of Balance Sheet and Profit & Loss Account

SCHEDULE:1 SHARE CAPITAL**Authorised:**

5,20,00,000 Equity Shares of Rs.10 each

1,00,000 13.5% Cumulative Redeemable Preference Shares of Rs. 100 each

60,00,000 Redeemable Preference Shares of Rs.10/- each

Issued :

1,88,02,787 (Previous Year 1,99,40,585) Equity Shares of Rs.10 each

Subscribed and Paid up :

1,98,23,260 (Previous year 1,99,40,585) Equity Shares of Rs.10 each fully called up

Less: Nil (Previous year 34,63,125) Equity shares of Rs.10 each fully paid up held by Transferor company cancelled pursuant to the scheme of amalgamation

Less: 10,20,473 (Previous Year Nil) Equity shares of Rs.10 each fully paid bought back and extinguished during the year in accordance with Section 77A of the Companies Act,1956 (Refer Note No. B.10 of Schedule 18)

Less: Calls / allotment monies unpaid - By Others

TOTAL

As At 31st March, 2010 Rupees in lacs	As At 31st March, 2009 Rupees in lacs
5,200.00	5,200.00
100.00	100.00
600.00	600.00
5,900.00	5,900.00
1,880.28	1,994.06
1,982.33	1,994.06
-	346.31
102.05	-
3.34	3.34
1,876.94	1,644.41

Notes :

Of the above Shares:

- 20,000 Equity Shares of Rs.10 each have been allotted in an earlier year as fully paid up and issued to two non resident companies against their deposits.
- 8,20,000 Equity Shares of Rs. 10 each were allotted in earlier years as fully paid up by way of Bonus Shares by capitalisation of General Reserve.
- 74,900 Equity Shares of Rs. 10 each were allotted on 11th March, 1981 as fully paid up without payment being received in cash pursuant to the scheme of amalgamation sanctioned by order of the High Court of Gujarat dated 16th December, 1980.
- 2,81,000 Equity Warrants have been converted into Equity Shares during the year 1995-96.
- 11,83,400 Equity Shares of Rs.10 each have been allotted as fully paid up and issued to Shareholders of erstwhile Amit Alcohol and Carbon Dioxide Ltd. on amalgamation without payment being received in cash pursuant to the scheme of amalgamation sanctioned by order of the High Court of Gujarat dated 2nd April, 1997.
- 36,00,001 Equity Shares of Rs.10 each have been allotted as fully paid up and issued to Shareholders of Hindustan Aegis LPG Limited on demerger of Throughput Activity Undertaking into the company without payment being received in cash pursuant to the scheme of arrangement sanctioned by order of the High Court of Gujarat dated 12th February, 2008.
- 33,45,800 Equity Shares of Rs.10 each have been allotted as fully paid up and issued to Shareholders of erstwhile Tapi Finvest India Private Limited on amalgamation without payment being received in cash pursuant to the scheme of amalgamation sanctioned by order of the High Court of Gujarat dated 6th May, 2009.
- 10,20,473 Equity Shares of Rs. 10 each have been bought back and cancelled pursuant to the scheme of Buy Back.

SCHEDULE 1A : SHARE CAPITAL SUSPENSE ACCOUNT

Represents Nil (Previous Year 33,45,800) equity shares of Rs.10/- each to be allotted as fully paid for consideration other than cash as per the terms of amalgamation to the shareholders of the amalgamating company (Refer Note No. B.11 of Schedule 18)

TOTAL

As At 31st March, 2010 Rupees in lacs	As At 31st March, 2009 Rupees in lacs
-	334.58
-	334.58

Schedules (Contd.)

SCHEDULE 2: RESERVES AND SURPLUS

	Rupees in lacs	As At 31st March, 2010 Rupees in lacs	As At 31st March, 2009 Rupees in lacs
SCHEDULE 2: RESERVES AND SURPLUS			
Capital Reserve			
As per Last Balance Sheet		54.90	54.90
Capital Reserve (Demerger)			
As per Last Balance Sheet	200.23		706.77
Less: Deficit on account of merger of Tapi Finvest India Private Limited into the company (Refer Note No. B.11 of Schedule 18)	68.86		506.54
		131.37	200.23
Capital Redemption Reserve			
As per Last Balance Sheet	160.00		-
Add : Transferred pursuant to Scheme of Amalgamation	-		160.00
Add: Transferred from General Reserve in accordance with Section 77AA of the Companies Act, 1956 on buy back of Equity Shares during the year (Refer Note No. B.10 of Schedule 18)	102.05		-
		262.05	160.00
Securities Premium Account			
As per Last Balance Sheet	1,363.85		1,363.83
Less: Utilised for Premium on Equity Shares bought back in accordance with the Section 77 AA of the Companies Act, 1956. (Refer Note No. B.10 of Sch.18)	1,304.77		-
Add: Received during the year	-		0.02
		59.08	1,363.85
Note: Securities Premium on Call / Allotment Monies Unpaid Rs.7.38 lacs (Previous Year Rs.7.38 lacs)			
Debenture Redemption Reserve			
Transferred from the Profit and Loss Account		250.00	-
General Reserve			
As Per Last Balance Sheet	1,267.69		944.16
Add: Transferred pursuant to Scheme of Amalgamation	-		4.39
Less: Transferred to Capital Redemption Reserve in accordance with section 77AA of the Companies Act, 1956 on buy back of Equity Shares during the year (Refer Note No. B.10 of Schedule 18)	102.05		-
Add: Transferred from Profit and Loss Account	389.43		319.14
		1,555.07	1,267.69
Balance in Profit and Loss Account		14.285.40	11,886.43
TOTAL		16,597.87	14,933.10

SCHEDULE 3: SECURED LOANS

1. Debentures	2,500.00	-
250 (Previous Year Nil) 9.75% Non-Convertible, Redeemable Privately Placed Debentures of Rs.10,00,000/- each		
Debentures are secured by way of mortgage of specific immovable properties of the Company situated at Trombay as mentioned in 2 (B) (ii) below on pari passu basis.		

Schedules (Contd.)

Note :

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
1st Instalment	29th January, 2016
2nd Instalment	29th January, 2017
3rd Instalment	29th January, 2018

2. Term Loans

(A) From Financial Institutions:

(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 (Due within one year Nil (Previous Year Rs.107.69 lacs))	-	107.69
(ii) Secured by mortgage of specific immovable office property, furniture & fixtures therein, situated at Mumbai. (Due within one year Nil (Previous Year Rs.56.22 lacs))	-	56.22

(B) From Bank:

(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. (Due within one year Rs.1605.56 lacs (Previous Year Rs.3146.52 lacs))	7,960.98	8,807.51
(ii) Secured by hypothecation of specific Vehicle (Due within one year Rs.32.05 lacs. (Previous Year : Nil)	86.15	-

3. Buyer's Credit from Banks

Secured by charge on movable properties of the Company and further secured by second charge on immovable properties of the Company situated at Trombay and Vapi ranking pari passu.

1,502.99	-
----------	---

TOTAL

12,050.12	8,971.42
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SCHEDULE 4: UNSECURED LOANS

Fixed Deposits

737.65	473.45
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(Due within one year Rs.203.10 lacs; (Previous Year Rs.134.45 lacs))

TOTAL

737.65	473.45
--------	--------

Schedules (Contd.)

SCHEDULE 5: FIXED ASSETS

(Rupees in lacs)

	G R O S S - B L O C K			D E P R E C I A T I O N			N E T B L O C K	
	As At 1st April, 2009	Additions	Deductions	As At 1st April, 2009	For the year	Deductions	As At 31st March, 2010	As At 31st March, 2009
Tangible Assets								
Freehold Land	430.49	-	-	1.48	-	-	429.01	429.01
Leasehold Land	665.87	33.11	-	47.61	26.70	-	624.67	618.26
Buildings	2,180.21	126.45	-	284.48	35.79	-	1,986.39	1,895.73
Plant And Machinery	26,644.10	844.72	-	8,943.40	1,288.48	-	17,256.94	17,700.70
Furniture And Fixtures	221.14	108.69	-	67.50	21.09	-	241.24	153.64
Office Equipments	321.53	24.31	-	193.25	29.05	-	123.54	128.28
Vehicles	235.48	130.52	55.95	90.24	24.09	34.44	230.16	145.24
Intangible Assets								
Software Acquired	53.92	2.10	-	26.57	8.21	-	21.24	27.35
TOTAL	30,752.74	1,269.90	55.95	9,654.53	1,433.41	34.44	20,913.19	
Previous Year	30,554.00	713.90	515.16	8,299.10	1,362.44	7.01	9,654.53	21,098.21
Capital Work-In-Progress								
							4,004.31	718.24
							TOTAL 24,917.50	21,816.45

NOTES:

- (1) Gross Block is at cost.
- (2) Buildings include **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.

Schedules (Contd.)

SCHEDULE 6: INVESTMENTS**A. LONG TERM INVESTMENTS (FULLY PAID-UP AT COST):**

	As At 31st March, 2010 Rupees in lacs	As At 31st March, 2009 Rupees in lacs
In Equity shares of Companies	3.07	3.07
In Equity shares of an Associate (Refer Note No. B.13 of Schedule 18)	42.28	-
In Government Securities	0.48	0.48
In Preference shares of an Associate	400.00	400.00

B. CURRENT INVESTMENTS (AT LOWER OF COST AND FAIR VALUE):

Non-Trade Investments (Unquoted)		
In Units of Mutual Fund	1,847.64	2,970.94
TOTAL	2,293.47	3,374.49

	Cost		Market Value	
	As at 31st March 2010 (Rs. In Lacs)	As at 31st March 2009 (Rs. In Lacs)	As at 31st March 2010 (Rs. In Lacs)	As at 31st March 2009 (Rs. In Lacs)
Aggregate value of Quoted Investments	3.07	3.07	8.49	3.13
Aggregate value of Unquoted Investments	2290.40	3371.42	-	-
Total	2293.47	3374.49	8.49	3.13

SCHEDULE 7: INVENTORIES

(At Cost or net realisable value whichever is lower)

	As At 31st March, 2010 Rupees in lacs	As At 31st March, 2009 Rupees in lacs
Stores and Spare Parts	308.59	356.10
Finished Goods - Merchanting Goods	734.49	244.68
	1,043.08	600.78

Schedules (Contd.)

	As At 31st March, 2010 Rupees in lacs	As At 31st March, 2009 Rupees in lacs
SCHEDULE 8: SUNDRY DEBTORS (UNSECURED)		
Debts Outstanding for a period exceeding six months -		
Considered Good	104.91	270.66
Considered Doubtful	56.65	271.76
	<u>161.56</u>	<u>542.42</u>
Other Debts - Considered Good	2,079.84	2,201.05
Less: Provision for Doubtful Debts	56.65	271.76
TOTAL	<u>2,184.75</u>	<u>2,471.71</u>
SCHEDULE 9: CASH AND BANK BALANCES		
Cash on Hand	-	-
Balances With Scheduled Banks:		
- In Current Accounts	1,267.31	505.01
- In Deposit Accounts	1,667.21	2,844.30
(Refer Note No. B.12 of Schedule 18)		
TOTAL	<u>2,934.52</u>	<u>3,349.31</u>
SCHEDULE 10: LOANS AND ADVANCES (UNSECURED AND CONSIDERED GOOD)		
Advances Recoverable in cash or in kind or for value to be received	2,430.31	726.67
Deposits with Government Authorities and Others	559.85	545.59
Advance Payment of Taxes (Net of Provision for Tax)	820.36	617.70
TOTAL	<u>3,810.52</u>	<u>1,889.96</u>
SCHEDULE 11: CURRENT LIABILITIES AND PROVISIONS		
Current Liabilities:		
Sundry Creditors	2,344.40	3,222.05
Deposit from Dealers	658.00	604.50
Unpaid Dividend	71.72	45.63
Unpaid Matured Deposits	8.25	15.15
Interest Accrued on Matured Deposits	2.43	2.32
Interest accrued but not due on loans	7.99	0.94
Bank Overdraft	-	0.01
Other Liabilities	1,220.76	1,224.03
	<u>4,313.55</u>	<u>5,114.63</u>
Provisions :		
Proposed Dividend - Final	564.08	396.47
Proposed Dividend - Interim	-	484.17
Corporate Dividend Tax - Interim	-	97.05
Corporate Dividend Tax - Final	95.87	67.38
Leave Encashment	41.80	31.97
Gratuity	143.43	101.54
TOTAL	<u>5,158.73</u>	<u>6,293.21</u>

Schedules (Contd.)

SCHEDULE 12: OTHER INCOME

	Current Year Rupees in lacs	Previous Year Rupees in lacs
Dividend on Long Term Investments (non-trade)	-	50.17
Dividend on Current Investments (non-trade)	145.97	227.47
Diminution in value on Current Investments written back	186.47	-
Profit on sale of Current Investments (non-trade)	85.75	2.34
Lease Rent	3.05	-
Miscellaneous Receipts	81.20	78.80
TOTAL	<u>502.44</u>	<u>358.78</u>

SCHEDULE 13: MATERIAL COSTS**Merchanting Goods**

Opening Stock	244.68	910.61
Add : Purchases	17,274.65	26,755.81
Less : Closing Stock	734.49	244.68
TOTAL	<u>16,784.84</u>	<u>27,421.74</u>

SCHEDULE 14: OPERATING EXPENSES

Stores and Spare parts consumed	291.67	287.14
Power and Fuel	430.16	467.94
Repairs to Machinery	55.91	32.66
Lease Rentals	385.34	258.21
Tankage Charges	-	96.20
Way Leave Fees	619.82	461.93
Water Charges	35.95	52.42
Packing Materials and Other Charges	82.14	51.57
TOTAL	<u>1,900.99</u>	<u>1,708.07</u>

SCHEDULE 15: EMPLOYMENT COSTS

Salaries, Wages, Bonus and Gratuity	1,800.24	1,401.68
Contribution to Provident Fund and Other Funds	95.98	85.93
Employees' Welfare Expenses	74.33	73.79
TOTAL	<u>1,970.55</u>	<u>1,561.40</u>

Schedules (Contd.)

**SCHEDULE 16: ADMINISTRATIVE, SELLING
AND GENERAL EXPENSES**

	Rupees in lacs	Current Year Rupees in lacs	Previous Year Rupees in lacs
Repairs			
Buildings	5.38		-
Others	61.01		60.49
		66.39	60.49
Rent		17.51	20.93
Rates and Taxes		209.52	170.09
Insurance		124.67	130.39
Commission on Sales		495.54	416.01
Rebates & Discounts		27.23	77.72
Printing and Stationery		33.91	39.53
Communication Expenses		68.67	66.79
Travelling, Conveyance and Vehicle Expenses		243.26	236.97
Advertisement		65.62	85.96
Legal and Professional charges		338.26	317.32
Commission to Directors		299.01	247.13
Directors' Sitting Fees		4.71	3.46
Donations		120.47	124.01
Provision for doubtful debts		5.84	34.22
Bad Debts written off		52.00	79.06
Loss on sale of Fixed Assets		10.43	5.59
Sundry debit balance/irrecoverable balance written off		47.67	10.10
Project Expenses written off		241.06	-
Diminution in value of current investments		-	183.11
Miscellaneous Expenses (including Security services, Books, Subscription, Selling expenses, etc.)		184.31	136.79
TOTAL		2,656.08	2,445.67

SCHEDULE 17: INTEREST AND FINANCE CHARGES

On Debentures	44.08	-
On Fixed Loans	773.03	1,080.43
On Cash Credit Accounts etc.	0.32	4.59
Other Interest	91.58	63.21
Bank / Finance Charges	139.77	43.89
	1,048.78	1,192.12
Less: Interest on loans and advances, deposit with banks etc. (including tax deducted at source Rs.33.68Lacs, Previous year Rs.18.81 lacs) (includes interest on income tax refund Rs. 19.97 Lacs, Previous year Rs.14.21 lacs)	193.35	153.45
TOTAL	855.43	1,038.67

Schedules (Contd.)

SCHEDULE 18: SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

A.1.1 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.

A 1.2 The list of the subsidiaries and an associate of the Company which are included in the consolidation and the Group's holding therein are as under:

Name of Subsidiary	Country of Incorporation	Percentage Holding-Share
1. Sea Lord Containers Limited	India	75%
2. Konkan Storage Systems (Kochi) Private Limited	India	100%
3. Eastern India LPG Co (Private) Limited	India	100%
4. Aegis Group International Pte. Limited	Singapore	100%

Name of Associate

Hindustan Aegis LPG Limited *	India	18.50%
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Schedules (Contd.)

- * Hindustan Aegis LPG Limited (HALPG) a Company under the same management is classified as an associate as per Accounting Standard (AS -23) "Accounting for Investment in Associates" on the basis of significant influence through representation of the Company in the Board of HALPG.

A.2. Significant Accounting Policies

A.2.1. Basis of preparation of Financial Statements

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

A.2.2. 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. Difference between the actual results and estimates are recognised in the period in which the results are known / materialise.

A.2.3. Fixed Assets

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

A.2.4. Investments

Long Term Investments are shown at cost. However, when there is a decline, other than temporary, in the value of long-term investment, the carrying amount is reduced to recognise the decline.

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

A.2.5. 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.

A.2.6. Timing of Revenue Recognition

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

A.2.7. Operating Revenue

Sales turnover for the year is net of trade discounts and include sales value of goods and other recoveries, such as insurance, transport and packing charges but excludes sales tax. Service revenue is recognized on time proportion basis and excludes service tax.

A2.8. Depreciation

- (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 estimated by the management, whichever are higher.

Schedules (Contd.)

The rate adopted for 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 Asset	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.

A.2.9. Intangible Assets

Intangible Assets are stated at cost of acquisition less accumulated amortisation. Software is amortised on straight-line basis over a period of its estimated useful life, however not exceeding 5 years.

A.2.10 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 Profit and Loss Account as incurred.

Company's liability towards gratuity is determined by actuarial valuation carried out by the independent actuary as at each balance sheet date. 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 as incurred in the year in which services are rendered by employees. The actuarial valuation method used for measuring the liability is the Projected Unit Credit method.

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

A.2.11 Foreign Currency Transactions

- (a) Transactions in Foreign Currencies are recorded at the original rate of exchange in force at the time of occurrence of transactions.
- (b) Monetary items denominated in foreign currencies at the year-end are translated at the relevant rates of exchange prevailing at the year-end. The translation / settlement differences are recognised in the Profit & Loss Account.
- (c) Foreign Subsidiaries (Integral operations)

In case of a foreign subsidiary, revenue items are consolidated at the average rate prevailing during the year. Non-monetary items are translated at historical rates. Monetary items are translated at rates prevailing at the end of the year. All resulting exchange differences are recognised in the Profit & Loss Account

Schedules (Contd.)

A.2.12 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 Profit and Loss Account in the year in which an asset is identified as impaired.

A.2.13 Operating Lease Rentals

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

A.2.14 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 intended use. All other borrowing costs are charged to revenue.

A.2.15 Taxes on Income

Current tax is determined as the amount of tax payable in respect of taxable income for the year.

Deferred tax for the year is recognized, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognized and carried forward only if there is a reasonable certainty (virtual certainty in case of unabsorbed depreciation and business loss) of its realization.

A.2.16 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.

Schedules (Contd.)

B. Notes on Balance Sheet and Profit and Loss Account**B.1. Contingent liabilities in respect of :-**

	Current Year Rs. in lacs	Previous Year Rs. in lacs
(a) Claims against the Company not acknowledged as debts	12.00	12.00
(b) Income Tax demands disputed in appeal	12.62	29.27
(c) Estimated amount of contracts remaining to be executed on Capital Account and not provided for	659.22	586.54
(d) Letter of Credit	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.

B.2.

- (i) Guarantees given to Banks against repayment of loans advanced from time to time to Sea Lord Containers Ltd., a Subsidiary of the Company to the extent of Rs. 6000 lacs (Previous year Rs. 4500 lacs). The balance of such loan outstanding as at 31st March, 2010 was Rs. 5150 lacs (Previous Year Rs. 4500 lacs).
- (ii) Guarantees given to Banks against repayment of working capital facilities advanced from time to time to Hindustan Aegis LPG Limited, an Associate of the Company to the extent of Rs. 4650 lacs (Previous year Rs. 4250 lacs). The amount of such facilities availed against guarantee as at 31st March, 2010 was Rs. Nil (Previous Year Rs. 4250 lacs).
- (iii) 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. 4500 lacs (Previous year Nil). The balance of such loan outstanding as at 31st March, 2010 was Rs. 3900 lacs (Previous Year Nil).

B.3. Major components of deferred tax are:

	Current Year Rs. in lacs	Previous Year Rs. in lacs
Deferred Tax Liability/(Asset)		
Related to Fixed Assets	2,177.41	2,284.12
Diminution in value of current investments	-	(62.24)
Provision for Doubtful Debts	(11.78)	(10.48)
Disallowances under section 43 B & others	(153.28)	(109.05)
Net Deferred Tax Liability	2,012.35	2,102.35

B.4 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 :

- (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 Group does not have material earnings emanating outside India. Hence, the group is considered to operate in only the domestic segment.

Schedules (Contd.)

Information about the Group'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	8,102.56	22,388.24	30,490.80
	<i>7,060.54</i>	<i>31,557.14</i>	<i>38,617.68</i>
Segment Results	3,697.26	3,757.39	7,454.65
	<i>3,365.87</i>	<i>2,354.29</i>	<i>5,720.16</i>
Less : (1) Interest (net)			855.43
			<i>1,038.67</i>
(2) Other unallocable expenditure (net)			1,164.60
			<i>1,270.11</i>
Profit before Tax			5,434.62
			<i>3,411.38</i>
Less : Taxation			1,132.04
			<i>671.53</i>
Profit after Tax			4,302.58
			<i>2,739.85</i>
Segment Assets	22,973.68	9,328.93	32,302.61
	<i>19,372.71</i>	<i>8,290.91</i>	<i>27,663.62</i>
Other unallocable assets			6,131.05
			<i>7,088.90</i>
Total Assets			38,433.66
			<i>34,752.52</i>
Segment Liabilities	2,135.95	2,430.45	4,566.40
	<i>901.09</i>	<i>4,109.78</i>	<i>5,010.87</i>
Other unallocable liabilities			14,732.50
			<i>12,829.56</i>
Total Liabilities			19,298.90
			<i>17,840.43</i>
Segment Capital Expenditure	3,099.35	1,201.98	4,301.33
	<i>1,095.58</i>	<i>165.97</i>	<i>1,261.55</i>
Other unallocable Capital Expenditure			254.64
			<i>12.79</i>
Total Capital expenditure			4,555.97
			<i>1,274.34</i>
Depreciation	867.20	522.78	1,389.98
	<i>805.44</i>	<i>507.45</i>	<i>1,312.89</i>
Other unallocable Depreciation			43.03
			<i>41.59</i>
Total Depreciation			1,433.01
			<i>1,354.48</i>

Note: Figures in italics represent previous year

Schedules (Contd.)

B.5. Related Party Disclosures

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

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

Sr. No.	Name of the Related Party	Relationship
1	Hindustan Aegis LPG Limited (HALPG)	Associate Company
2	Mr. R.K.Chandaria	Key Management Personnel
3	Mr. A.K.Chandaria	Key Management Personnel

(b) Transactions during the year with related parties:

(Rs. in lacs)

Sr. No.	Nature of transaction	Associate Company 1	Key Management Personnel 2	Key Management Personnel 3	Total 4
(i)	Investments				
	Purchased during the year	-	-	-	-
		(415.30)	(-)	(-)	(415.30)
	Balance at the year end (At Cost)	433.53	-	-	433.53
		(433.53)	(-)	(-)	(433.53)
(ii)	Commission to Managing Directors	-	149.50	149.51	299.01
		(-)	(123.57)	(123.57)	(247.14)
(iii)	Guarantees given to Banks	4,650.00	-	-	4,650.00
		(4,250.00)	(-)	(-)	(4,250.00)
(iv)	Sundry Balances on account of Income Tax Refund	6.30	-	-	6.30
		(-)	(-)	(-)	(-)

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

B.6 As required by Accounting Standard 20 on Earnings per Share, basic earnings per share has been calculated by dividing net profit available for equity shareholders by the weighted average number of equity shares outstanding during the year as per details given below:

	Current Year Rupees in lacs	Previous Year Rupees in lacs
Net Profit available for equity shareholders	4,302.58	2,739.85
Weighted average number of shares used in computing earning per equity share*	19,362.633	19,823,260
Basic & Diluted earning per share (Rs.) : (on nominal value of Rs.10 per share)	22.22	13.82

*It includes effect of shares bought back during the year.

Schedules (Contd.)

B.9 Reconciliation of opening and closing balance of the present value of the defined benefit obligation for gratuity and compensated absences is given below:

(a) Gratuity

	2009-10	2008-09	2007-08
A. Assumptions			
Discount Rate Previous	7.50%	7.50%	7.50%
Rate of Return on Plan Assets Previous	9.25%	9.25%	8.00%
Salary Escalation Previous	5.50%	5.50%	5.00%
Discount Rate Current	7.75%	7.50%	7.50%
Rate of Return on Plan Assets Current	9.15%	9.25%	9.25%
Salary Escalation Current	5.75%	5.50%	5.50%
Mortality Table	LIC (1994 – 96) Ultimate	LIC (1994 – 96) Ultimate	LIC (1994 – 96) Ultimate
B. Table showing change in Benefit Obligation	(Rs. In lacs)	(Rs. In lacs)	(Rs. In lacs)
Liability at the beginning of the Year	156.67	227.99	171.81
Interest Cost	11.75	15.43	12.88
Current Service Cost	16.64	14.09	38.06
Benefit Paid	(11.99)	(75.45)	(5.15)
Actuarial (Gain)/Loss on obligations	21.67	(25.39)	10.39
Liability at the end of the year	194.74	156.67	227.99
C. Table of Fair value of Plan Assets	(Rs. In lacs)	(Rs. In lacs)	(Rs. In lacs)
Fair Value of Plan Assets at the beginning of the year	55.13	126.11	101.00
Expected Return on Plan assets	4.63	5.15	10.16
Contributions	0.78	-	19.32
Benefit Paid	(9.23)	(75.45)	(4.37)
Actuarial gain/(loss) on Plan Assets	-	(0.68)	-
Fair Value of Plan Assets at the end of the year	51.31	55.13	126.11
D. Amount Recognised in Balance sheet	(Rs. In lacs)	(Rs. In lacs)	(Rs. In lacs)
Present value of Obligations at the end the year	194.74	156.67	227.99
Fair Value of Plan Assets at the end of the Year	(51.31)	(55.13)	(126.11)
Liability Recognised in Balance Sheet at the end of the year	143.43	101.54	101.88
E. Amount Recognised in Income Statement	(Rs. In lacs)	(Rs. In lacs)	(Rs. In lacs)
Current Service Cost	16.64	14.09	38.06
Interest Cost	11.75	15.43	12.88
Expected Return on Plan Asset	(4.63)	(5.15)	(10.16)
Net Actuarial (Gain) / Loss To Be Recognised	21.67	(24.71)	10.39
Expenses Recognised in P & L	45.43	(0.34)	51.17
F. Balance Sheet Reconciliation	(Rs. In lacs)	(Rs. In lacs)	(Rs. In lacs)
Opening Net Liability	101.54	101.88	70.03
Expenses as above	45.43	(0.34)	51.17
Contribution Paid	(3.54)	-	(19.32)
Amount Recognised in Balance Sheet	143.43	101.54	101.88
G. Actual Return on Plan Assets	(Rs. In lacs)	(Rs. In lacs)	(Rs. In lacs)
Expected Return on Plan Assets	4.63	5.15	10.16
Actuarial gain/(loss) on Plan Assets	-	(0.68)	-
Actual Return on Plan Assets	4.63	4.47	10.16

The Company's best estimate of contributions expected to be paid to the plan during the annual period beginning after 31st March, 2010 is Rs. 58.55 lacs (Previous Year Rs. 11.25 lacs.)

Schedules (Contd.)

(b) Compensated Absences:

Assumptions	Current Year	Previous Year
Retirement Age	58 Years	58 Years
Withdrawal Rate	Age related	Age related
Future Salary Rise	5.75%	5.5%
Rate of Discounting	7.75%	7.5%
Mortality Table	LIC (1994 – 96) Ultimate	LIC (1994 – 96) Ultimate

A. Table showing change in Benefit Obligation	(Rs. In lacs)	(Rs. In lacs)
Liability at the beginning of the Year	31.97	36.23
Interest Cost	2.40	2.43
Current Service Cost	6.13	6.92
Benefit Paid	(4.19)	(3.82)
Actuarial (Gain)/Loss on obligations	5.49	(9.79)
Liability at the end of the year	41.80	31.97

B. Amount Recognised in Balance sheet	(Rs. In lacs)	(Rs. In lacs)
Present value of Obligations at the end of the year	41.80	31.97
Fair Value of Plan Assets at the end of the Year	-	-
Liability Recognised in Balance Sheet at the end of the year	41.80	31.97

C. Amount Recognised in Income Statement	(Rs. In lacs)	(Rs. In lacs)
Current Service Cost	6.13	6.92
Interest Cost	2.40	2.43
Expected Return on Plan Asset	-	-
Net Actuarial (Gain) / Loss To Be Recognised	5.49	(9.79)
Expenses Recognised in P & L	14.02	(0.44)

Assumptions:-

- The estimates of future salary increases, considered in actuarial valuation, takes into account the inflation, seniority, promotion and other relevant factors.
- Discount rate is based on the prevailing market yields of Indian Government bonds for a term consistent with the estimated term of the post employment benefit obligation.
- Expected rate of return on plan assets is based on expectation of the average long term rate of return expected on Investments of the Fund during the estimated term of the obligations.

In absence of specific details of plan assets from LIC, the details of plan assets have not been furnished. The details of experience adjustments on account of plan liabilities as required by Para 120(n)(ii) of AS-15 is loss of Rs.21.67 lacs (Previous year gain of Rs. 25.39 Lacs). However, details of experience adjustment relating to Plan assets are not readily available in valuation report and hence are not furnished.

The above information is certified by the actuary and relied upon by the Auditors.

Schedules (Contd.)

B.8 The amount of exchange loss (net of gain) debited to the Profit and Loss Account is Rs.77.92 Lacs (Previous Year Rs.76.06 lacs).

B.9 The details of derivative instruments and foreign currency exposures are as under:

Forward contracts outstanding in USD 44.70 lacs (equivalent to Rs.2074.61 lacs) as on 31st March, 2010. (Previous Year USD 48.03 lacs equivalent to Rs.2380.67 lacs)

B.10 BUY BACK OF EQUITY SHARES:

The Board of Directors at its meeting held on 9th July, 2009 approved the Buy Back of maximum of 11,69,307 equity shares through open market purchases through Stock Exchange up to a maximum price of Rs.143 per share for a total value of Rs.1672.11 lacs being 10% of the paid-up Equity Share Capital and free reserves of the Company, as computed under Section 77A of the Companies Act, 1956. Accordingly, during the year, the Company has bought-back 10,20,473 equity shares at a price not exceeding Rs. 143 per share through open market transactions for an aggregate amount of Rs. 1406.82 lacs. The Shares so bought have been extinguished. The nominal value of equity shares bought back and extinguished amounting to Rs. 102.05 lacs has been reduced from the paid up equity share capital and a corresponding amount has been transferred from General Reserve to Capital Redemption Reserve. The premium paid for buy-back amounting to Rs. 1304.77 lacs has been appropriated from the Securities Premium Account in terms of Section 77A of the Companies Act, 1956.

B.11 During the Previous Year ended 31st March, 2009, Tapi Finvest Private Limited (TFIPL) was amalgamated into the Company pursuant to the scheme of amalgamation ("Scheme") sanctioned by order of the High Court of Gujarat dated 6th May, 2009. Equity Shares to be issued to shareholders of TFIPL under the said Scheme were shown as "Share Capital Suspense Account" as on 31st March, 2009 pending allotment of such shares as on that date. Such shares were allotted on 30th May, 2009 upon completion of necessary statutory requirements and accordingly, same were added to the paid up equity share capital during the year.

Further, amalgamation expenses amounting to Rs.68.86 lacs incurred during the year has been debited to the Capital Reserve (Demerger) account as prescribed under the aforesaid Scheme.

B.12 Bank Deposits includes:

- i) Rs. 482.30 lacs (Previous Year Rs. 394.19 lacs) in Margin Account
[Includes Interest accrued Rs.60.54 lacs (Previous Year Rs.69.99 lacs)]
- ii) Rs.45 lacs (Previous Year Rs 45 lacs) 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.
- iii) Rs.77.12 lacs (Previous Year Rs.77.12 lacs) placed with the bank which is subject to a lien of Mumbai Port Trust for granting Way Leave Permission.

B.13 The following are the details of Investment in associate made by the Group:

Name of the Associate	Original Cost of Investment (Rs. In Lacs)	Amount of Goodwill/ Capital Reserve (Rs. In Lacs)	Accumulated Profit/Loss (Rs. In Lacs)	Carrying Amount of Investment at the year end (Rs. In Lacs)
Hindustan Aegis LPG Limited(HALPG)	35.05	-	7.23	42.28
Previous Year	35.03	-	(35.05)	-

B.14 During the year, the share of profit attributable to Minority Interest is adjusted against the share of minority interest in the losses of the earlier years which was absorbed by the Company in the earlier year against its own interest.

The accumulated losses applicable to minority exceeded the minority interest in the equity of the subsidiary viz. Sea Lord Containers Limited. Hence, the Group has absorbed such excess losses against its own interest in the said subsidiary after carrying out the adjustment relating to profit for the year mentioned in the above paragraph in accordance with the Accounting Standard (AS - 21) "Consolidated Financial Statements". Consequently, there is no minority interest that gets reflected in this Consolidated Financial Statement.

Schedules (Contd.)

- B.15** Figures for the previous year have been regrouped wherever necessary to correspond with figures of the current year. Amounts and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

Signatures to Schedules 1 To 18

In terms of our Report attached

For Deloitte Haskins & Sells
Chartered Accountants

R. Laxminarayan
Partner

J. N. Shah
Company Secretary

Place: Mumbai
Dated: 24th May, 2010

For and on behalf of the Board of Directors

K. M. Chandaria Chairman

R. K. Chandaria Vice Chairman & Managing Director

A. K. Chandaria Managing Director

D. J. Khimasia
R. J. Karavadia
K. S. Nagpal
V. H. Pandya } Directors

Financial details of the Subsidiary Companies for the year ended 31st March,2010.*

(Rs.in Lacs)

Sr.No.	Particulars	Sea Lord Containers Ltd.	Konkan Storage Systems (Kochi) Pvt.Ltd.	Eastern India LPG Co.Pvt.Ltd.	Aegis Group International Pte.Ltd.
1	Capital	1,925.00	10.00	1.00	10.00
2	Reserve	1.21	-	-	-
3	Profit & Loss Account	(513.06)	(498.62)	-	(5.59)
4	Total Assets	9,997.74	2,967.93	125.92	4.41
5	Total Liabilities	8,8584.59	3,456.54	124.92	-
6	Investments	-	-	-	-
7	Turnover	2,218.04	301.20	-	-
8	Profit Before Tax	499.62	9.36	-	(5.59)
9	Provision for Tax (Including Deferred Tax)	84.60	-	-	-
10	Profit After Tax	415.02	9.36	-	(5.59)
11	Proposed Dividend	-	-	-	-

*Pursuant to exemption received from the Government of India,Ministry of Corporate Affairs under section 212(8) of the Companies Act,1956 relating to the subsidiary companies

The annual accounts of the subsidiaries and the related detailed information will be made available to any member of the company and subsidiary company investors seeking such information at any point of time and are also available for inspection by any member of the company/subsidiary at the Corporate Office of the company. The annual accounts of the subsidiaries will also be available for inspection at the head office of the respective subsidiary company.



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 53rd Annual General Meeting of the Company held on Saturday, 17th July, 2010 at 11.00 a.m. at Hotel Fortune Park Galaxy, National Highway No. 8, Near Koparali Road, G.I.D.C., Vapi 396 195.

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 :

PROXY FORM

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 53rd Annual General Meeting of the
Company to be held on Saturday, 17th July, 2010 at 11.00 a.m. and at any adjournment thereof.
Signed this day of 2010.

Signature of 1st holder

Signature of 2nd holder

Signature of 3rd holder

Affix
Re. 1
Revenue
Stamp
here

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



AEGIS LOGISTICS LIMITED

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 website: www.aegisindia.com