CHENNAI PETROLEUM CORPORATION LIMITED
CONSOLIDATED FINANCIAL STATEMENTS
BALANCE SHEET AS AT 31ST MARCH 2023

₹ in Crore

Particulars	Note No.	As at 31-Mar-23	As at 31-Mar-22
I ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment	2	7596.08	6924.17
(b) Capital work-in-progress	2.1	331.43	1209.55
(c) Intangible assets	3	40.47	42.46
(d) Intangible assets under development	3.1	-	-
(e) Financial Assets			
(i) Investments			
- Equity Investment in Joint Ventures	4	205.96	208.33
- Other Investments	4.1	0.11	0.11
(ii) Loans	5	91.55	60.58
(iii) Other Financial Assets	6	1.00	1.45
(f) Income tax assets (Net)	7	10.26	71.45
(g) Other non-current assets	8	91.13	82.73
		8367.99	8600.83
(2) Current assets			
(a) Inventories	9	5973.59	7532.62
(b) Financial Assets			
(i) Trade receivables	10	298.67	252.32
(ii) Cash and cash equivalents	11	1.23	8.33
(iii) Bank balances other than (ii) above	12	7.41	3.67
(iv) Loans	5	12.86	10.97
(v) Other Financial Assets	6	85.16	76.10
(c) Other current assets	8	421.33	377.18
		6800.25	8261.19
(3) Assets included in disposal group held for transfer	44.1	867.87	618.46
TOTAL ASSETS		16036.11	17480.48
II EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share capital	13	148.91	148.91
(b) Other Equity	14	6326.17	2837.82
LIABILITIES			
(1) Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	2159.19	2391.55
(ia) Lease Liabilities		18.28	11.16
(ii) Other financial liabilities	16	6.48	6.60
(b) Provisions	17	9.04	9.58
(c) Deferred tax liabilities (Net)	7	764.58	563.09
(d) Other non-current liabilities	18	20.40	19.04
		2977.97	3001.02
(2) Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	2076.27	6831.15
(ia) Lease liabilities		5.86	4.47
(ii) Trade payables	20		
-Total outstanding dues of micro and small enterprises		5.30	6.79
-Total outstanding dues of creditors other than micro and small enterprises		3001.81	3233.27
(iii) Other financial liabilities	16	526.37	523.22
(b) Other current liabilities	18	431.79	534.31
(c) Provisions	17	524.60	334.46
		6572.00	11467.67
(3) Liability included in disposal group held for transfer	44.1	11.06	25.06
TOTAL EQUITY AND LIABILTIES		16036.11	17480.48

Significant Accounting Policies, Estimates & Judgements — **1A & 1B**

See accompanying notes to the financial statements — **2-45**

for and on behalf of Board of Directors

(Arvind Kumar)	(Rohit Kumar Agrawala)	(P.Shankar)
Managing Director	Director (Finance)	Company Secretary
DIN - 09224177	DIN - 10048961	ACS -7624

As per our attached Report of even date

For G.M.Kapadia & Co.
Chartered Accountants
(FRN: 104767W)

Satya Ranjan Dhall
Partner
Membership No. 214046
Place : Chennai
Date : 27-Apr-2023

G.M. KAPADIA & CO. CHENNAI Chartered Accountants

CHENNAI PETROLEUM CORPORATION LIMITED
CONSOLIDATED FINANCIAL STATEMENTS
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2023

₹ in Crore

	Particulars	Note No.		For the Year ended 31-Mar-23		For the Year ended 31-Mar-22
I.	**Revenue from operations**	21		90908.27		60474.29
II.	**Other income**	22		7.19		10.31
III.	**Total Income (I + II)**			90915.46		60484.60
IV.	**Expenses:**					
	Cost of materials consumed	23		67188.78		40045.25
	Purchase of Stock-in-Trade			375.89		47.72
	Changes in Inventories (Finished Goods and Work-In Progress)	24		978.65		(1227.35)
	Excise Duty			14173.57		17098.91
	Employee benefits expense	25		556.30		547.83
	Finance costs	26		330.18		412.44
	Depreciation and Amortisation expense on:					
	a) Tangible Assets	2	570.06		500.46	
	b) Intangible Assets	3	3.40		3.43	
				573.46		503.89
	Impairment losses / (gain)			-		(0.37)
	Other expenses	27		1937.87		1230.62
	Total Expenses (IV)			86114.70		58658.94
V	**Profit before Exceptional items and tax (III - IV)**			4800.76		1825.66
VI	**Share of Profit of Joint Ventures**			5.66		15.59
VII	**Exceptional Items**			-		-
VIII	**Profit before tax (V + VI + VII)**			4806.42		1841.25
IX	**Tax expense:**	7				
	(1) Current tax [Includes (15.02) Crore (2022: ₹ 37.27 Crore relating to prior years]			1068.58		37.27
	(2) Deferred tax [Includes Nil (2022: Nil Crore) relating to prior years]			206.31		451.95
X	**Profit for the year from continuing operations (VIII - IX)**			3531.53		1352.03
XI	Profit/(loss) from discontinued operations			-		-
XII	Tax expense of discontinued operations			-		-
XIII	**Profit from Discontinued operations(after tax) (XI - XII)**			-		-
XIV	**Profit for the year (X + XIII)**			3531.53		1352.03
XV	**Other Comprehensive Income**	28				
A.	(i) Items that will not be reclassified to profit or loss			(18.26)		31.19
	(ii) Income Tax relating to items that will not be reclassified to profit or loss	7		4.86		(7.69)
XVI	**Total Comprehensive Income for the year (XIV + XV) (Comprising Profit and Other Comprehensive Income for the year)**			3518.13		1375.53
XVII	**Earning per equity share:**					
	(1) Basic (₹)	30		237.16		90.80
	(2) Diluted (₹)			237.16		90.80
	Significant Accounting Policies, Estimates & Judgements	1A & 1B				
	See accompanying notes to the financial statements	2-45				

for and on behalf of Board of Directors

Arvind Kumar

(Arvind Kumar)
Managing Director
DIN - 09224177

(Rohit Kumar Agrawala)
Director (Finance)
DIN - 10048961

(P.Shankar)
Company Secretary
ACS -7624

As per our attached Report of even date
For G.M.Kapadia & Co.
Chartered Accountants
(FRN: 104767W)

G.M. KAPADIA & CO. CHENNAI Chartered Accountants

Satya Ranjan Dhall
Partner
Membership No. 214046
Place : Chennai
Date : 27-Apr-2023

CHENNAI PETROLEUM CORPORATION LIMITED
CONSOLIDATED FINANCIAL STATEMENTS
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2023

(a) Equity Share Capital

₹ in Crore

	No of Equity shares of ₹ 10 each issued, subscribed and fully paid	Subscribed, called-up and paid-up share capital	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of reporting period	Changes in equity capital during the year	Total paid-up equity share capital balance at the end of the reporting period
At 31 March 2022	148911400	148.91	-	148.91	-	148.91
At 31 March 2023	**148911400**	**148.91**	-	**148.91**	-	**148.91**

(b) Other equity

₹ in Crore

	Reserve and Surplus						
	Securities Premium	Insurance Reserve	Capital Redemption reserve	Capital reserve	Retained earnings	General reserve	Total
At 01 April 2021	250.04	-	600.00	0.09	(2921.79)	3533.95	1462.29
Changes in accounting policy or prior period errors	-		-	-	-	-	-
Restated balance at 01 April 2021	250.04		600.00	0.09	(2921.79)	3533.95	1462.29
Profit for the Year	-	-	-	-	1352.03	-	1352.03
Other comprehensive income Remeasurement of gain or loss on defined benefit plan	-	-	-	-	-	23.50	23.50
Total comprehensive income	-	-	-	-	1352.03	23.50	1375.53
Transfer to Retained Earnings	-	-	-	-	-	-	-
Transfer to Capital Redemption Reserve	-	-	100.00	-	(100.00)	-	-
Dividend	-	-	-	-	-	-	-
At 31 March 2022	**250.04**	-	**700.00**	**0.09**	**(1669.76)**	**3557.45**	**2837.82**

₹ in Crore

	Reserve and Surplus						
	Securities Premium	Insurance Reserve	Capital Redemption reserve	Capital reserve	Retained earnings	General reserve	Total
At 01 April 2022	250.04	-	700.00	0.09	(1669.76)	3557.45	**2837.82**
Changes in accounting policy or prior period errors	-		-	-	-	-	-
Restated balance at 01 April 2022	250.04		700.00	0.09	(1669.76)	3557.45	**2837.82**
Profit for the Year	-	-	-	-	3531.53	-	**3531.53**
Other comprehensive income Remeasurement of gain or loss on defined benefit plan	-	-	-	-	-	(13.40)	**(13.40)**
Total comprehensive income	-	-	-	-	3531.53	(13.40)	**3518.13**
Transfer to Retained Earnings	-	-	-	-	-	-	-
Transfer to Capital Redemption Reserve	-	-	300.00	-	(300.00)	-	-
Transfer to insurance reserve		15.00		-	(15.00)		-
Dividend	-	-	-	-	-	(29.78)	**(29.78)**
Transfer to General Reserve	-	-	-	-	(950.47)	950.47	-
At 31 March 2023	**250.04**	**15.00**	**1000.00**	**0.09**	**596.30**	**4464.74**	**6326.17**

for and on behalf of Board of Directors

(Arvind Kumar) **Managing Director** **DIN - 09224177**	**(Rohit Kumar Agrawala)** **Director (Finance)** **DIN - 10048961**	**(P.Shankar)** **Company Secretary** **ACS -7624**

As per our attached Report of even date

For G.M.Kapadia & Co.
Chartered Accountants
(FRN: 104767W)

G.M. KAPADIA & CO. CHENNAI Chartered Accountants

Satya Ranjan Dhall
Partner
Membership No. 214046

Place : Chennai
Date : 27-Apr-2023

CHENNAI PETROLEUM CORPORATION LIMITED

CONSOLIDATED FINANCIAL STATEMENTS

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2023

₹ in Crore

	Particulars	For the Year ended 31-Mar-23	For the Year ended 31-Mar-22
A	**Cash Flow from Operating Activities**		
1	**Profit Before Tax**	4806.42	1841.25
2	**Adjustments for :**		
	Depreciation of property, plant and equipment	570.06	500.46
	Impairment losses / (gain)	-	(0.37)
	Loss/(gain) on disposal of property, plant and equipments (net)	9.64	12.10
	Amortisation on intangible assets	3.40	3.43
	Amortisation of Government Grants	(0.86)	(1.67)
	Net Exchange Differences	(15.27)	8.42
	Provision for Capital work-in-progress / Doubtful Debts written back	(1.51)	-
	Provision for Doubtful Debts, Advances and Claims	0.14	-
	Remeasurement of Defined Benefit Plans	(18.12)	30.85
	Provision for Stores (net)	0.27	2.78
	Finance income	(7.19)	(17.73)
	Finance costs	330.18	404.02
	Share of Joint Ventures	(5.66)	(15.59)
3	**Operating Profit before Working Capital Changes (1+2)**	**5671.50**	2767.95
4	**Change in Working Capital:**		
	(Excluding Cash & Cash equivalents)		
	Trade Receivables & Other receivables	(393.66)	(207.34)
	Inventories	1558.77	(3026.43)
	Trade and Other Payables	(269.86)	1241.36
	Provisions	189.60	270.72
	Change in Working Capital	**1084.85**	(1721.69)
5	**Cash Generated From Operations (3+4)**	**6756.34**	1046.26
6	**Less : Taxes paid**	1007.39	20.39
7	**Net Cash Flow from Operating Activities (5-6)**	**5748.95**	1025.87
B	**Cash Flow from Investing Activities:**		
	Proceeds from sale of Property, plant and equipment / Transfer of Assets	0.13	0.17
	Purchase of Property, plant and equipment	(417.75)	(699.67)
	Interest received (Finance Income)	7.19	17.73
	Dividend Income	7.93	5.92
	Investments	(0.01)	-
	Net Cash Generated/(Used) in Investing Activities:	**(402.51)**	(675.85)
C	**Net Cash Flow From Financing Activities:**		
	Proceeds from Long-Term Borrowings	-	775.00
	Repayments of Long-Term Borrowings (Including lease liability)	(1478.42)	(468.01)
	Proceeds from/(Repayments of) Short-Term Borrowings	(3410.16)	(313.17)
	Interest paid	(435.19)	(336.66)
	Dividends paid	(29.78)	-
	Net Cash Generated/(Used) from Financing Activities:	**(5353.55)**	(342.84)
D	**Net Change in Cash & cash equivalents (A+B+C)**	**(7.10)**	7.18
E-1	Cash & cash equivalents as at end of the year	1.23	8.33
E-2	Cash & cash equivalents as at beginning of the year	8.33	1.15
	NET CHANGE IN CASH & CASH EQUIVALENTS (E 1- E 2)	**(7.10)**	7.18

Notes:

1. Cash Flow Statement is prepared using Indirect method as per Indian Accounting Standard -7 Cash Flow Statement.

G.M. KAPADIA & CO. ★ CHENNAI ★ Chartered Accountants

Reconciliation between opening and closing balances of financial liabilites with the net cash generated /(Used) from financing activities:

₹ in Crore

Financial Liabilities	As at 31.03.2021	Cash Flow	Non-cash Changes			As at 31.03.2022
			Lease Liability	Interest Accrued but not due	Foreign exchange movement	
Borrowings (Including lease liabilities)	9166.96	1.41	4.00	65.96	-	9238.33

Financial Liabilities	As at 31.03.2022	Cash Flow	Non-cash Changes			As at 31.03.2023
			Lease Liability	Interest Accrued but not due	Foreign exchange movement	
Borrowings (Including lease liabilities)	9238.33	(5093.77)	16.94	98.10	-	4259.60

for and on behalf of Board of Directors

(Arvind Kumar)
Managing Director
DIN - 09224177

(Rohit Kumar Agrawala)
Director (Finance)
DIN - 10048961

(P.Shankar)
Company Secretary
ACS -7624

As per our attached Report of even date

For G.M.Kapadia & Co.
Chartered Accountants
(FRN: 104767W)

G.M. KAPADIA & CO. CHENNAI Chartered Accountants

Satya Ranjan Dhall
Partner
Membership No. 214046

Place : Chennai
Date : 27-Apr-2023

CHENNAI PETROLEUM CORPORATION LIMITED
CONSOLIDATED FINANCIAL STATEMENTS

Note-1A Corporate Information and Significant Accounting Policies

Corporate Information

The consolidated financial statements of "Chennai Petroleum Corporation Limited" ("the Group" or "CPCL") are for the year ended 31st March, 2023.

CPCL is a public limited company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on Bombay Stock exchange and National Stock Exchange in India. The registered office of the Company is located at 536, Anna Salai, Teynampet, Chennai- 600018. (CIN - L40101TN1965GOI005389).

CPCL together with its joint ventures and associates is hereinafter referred to as Group.

The Group is in the business of refining crude oil to produce & supply various petroleum products, manufacture and sale of lubricating oil additives.

Information on related party relationships of the Company is provided in Note-34.

The Consolidated financial statements have been approved for issue in accordance with a resolution of the Board of directors on 27th April, 2023.

Significant Accounting Policies

1 BASIS OF PREPARATION / CONSOLIDATED

1.1. The financial statements have been prepared in accordance with the applicable Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules and other relevant provisions of the Act and Rules thereunder, as amended from time to time.

The consolidated financial statements have been prepared on historical cost convention, accrual and going concern basis except where Ind AS requires a different accounting treatment like fair value / amortized cost / present value / Realizable value. These accounting policies have been applied consistently over all periods presented in these financial statements.

The consolidated financial statements are presented in Indian Rupees (INR) which is Company's presentation and functional currency and all values are rounded to the nearest Crore (up to two decimals) except when otherwise indicated.

1.2. BASIS OF CONSOLIDATION

1.2.1. Investment in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies. Investments in associates are accounted for using the equity method of accounting.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the entities.

The Group's investments in its associate and joint venture are accounted for using the equity method. Under the equity method, the investment in an associate or a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date.

The statement of profit and loss reflects the Group's share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

If an entity's share of losses of an associate or a joint venture equals or exceeds its interest in the associate or joint venture (which includes any long term interest that, in substance, form part of the Group's net investment in the associate or joint venture), the entity then discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture. If the associate or joint venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of an associate and a joint venture is shown on the face of the statement of profit and loss.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the loss as 'Share of profit of an associate and a joint venture' in the statement of profit or loss.

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Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

1.2.2. Interest in Joint operations

For the interest in joint operations, the Group recognises:

- Assets, including its share of any assets held jointly
- Liabilities, including its share of any liabilities incurred jointly
- Revenue from the sale of its share of the output arising from the joint operation
- Share of the revenue from the sale of the output by the joint operation
- Expenses, including its share of any expenses incurred jointly

2 PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

2.1. Property, Plant and Equipment (PPE)

2.1.1. Property, Plant & Equipment (PPE) comprises of tangible assets and Capital Work in progress. PPE are stated at cost, less any accumulated depreciation and accumulated impairment losses, if any. (except freehold lands which are carried at historical cost). The cost of an item of PPE comprises its purchase price, construction cost, including applicable taxes (net of credits) after deducting any discounts and rebates, any directly attributable costs of bringing the assets to its working condition and location for its intended use and present value of any estimated cost of dismantling and removing the item and restoring the site on which it is located. These costs are capitalized until the asset is ready for use and includes borrowing cost capitalized in accordance with the Group's accounting policy.

2.1.2. The cost of an item of PPE is recognized as an asset if, and only if:

i. it is probable that future economic benefits associated with the item will flow to the entity; and

ii. the cost of the item can be measured reliably.

In accordance with the above criteria, subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate.

2.1.3. Technical know-how / license fee relating to plants/facilities and specific software that are integral part of the related hardware are capitalised as part of cost of the underlying asset.

2.1.4. Spare parts are capitalized when they meet the definition of PPE, i.e., when the Group intends to use these for a period exceeding 12 months.

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2.1.5. The acquisition of some items of PPE although not, directly increasing the future economic benefits of any particular existing item of PPE, may be necessary for the Group to obtain the future economic benefits from its other assets. Such items of PPE, are recognized as assets.

2.1.6. On transition to Ind AS, the Group has elected to continue with the carrying value of all of its PPE recognised as at 1st April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the PPE.

2.2. Capital Work in Progress (CWIP)

A. Construction Period Expenses:

2.2.1. Revenue expenses exclusively attributable to projects incurred during construction period are capitalized. However, such expenses in respect of capital facilities being executed along with the production/operations simultaneously and where the expenses are not attributable exclusively are charged to revenue.

2.2.2. Borrowing cost incurred during construction period on loans specifically borrowed and utilized for projects is capitalized on quarterly basis upto the date of capitalization.

2.2.3. Borrowing cost, if any, incurred on General Borrowings used for projects is capitalized at the weighted average cost. The amount of such borrowings is determined on quarterly basis after setting off the amount of internal accruals.

B. Capital Stores

2.2.4. Capital Stores are valued at cost. Specific provision is made for likely diminution in value, wherever required.

2.3. Intangible Assets & Amortisation

2.3.1. Technical know-how / license fee relating to production process and process design are recognized as Intangible Assets and amortized on a straight line basis over the life of the underlying plant/ facility.

2.3.2. Cost incurred on computer software/licenses purchased resulting in future economic benefits, other than specific software that are integral part of the related hardware, are capitalised as Intangible Asset and amortised over a period of three years beginning from the month in which such software / licenses are capitalised. However, where such computer software / license is under development or is not yet ready for use, accumulated cost incurred on such items are accounted as "Intangible Assets Under Development".

2.3.3. Right of ways with indefinite useful lives are not amortised, but tested for impairment annually at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

2.3.4. Intangible Assets acquired separately are measured on initial recognition at cost. Following initial recognition, Intangible Assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

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2.3.5. The useful lives of Intangible Assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over the useful life on straight line basis and assessed for impairment whenever there is an indication that the Intangible Asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on Intangible Assets with finite lives is recognised in the Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognized.

2.3.6. On transition to Ind AS, the Group has elected to continue with the carrying value of all of its Intangible Assets recognized as at April 1, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the intangible assets.

2.3.7. Amortization is charged pro-rata on monthly basis on assets, from/upto the month of capitalization/ sale, disposal/ or earmarked for disposal.

2.4. Depreciation

2.4.1. Cost of PPE (net of residual value) excluding freehold land is depreciated on straight-line method as per the useful life prescribed in Schedule II to the Act, except in case of the following assets:

a) Useful life of 25 years for solar power plant considered based on technical assessment

b) In case of specific agreements e.g. enabling assets etc., useful life as per agreement or Schedule II, whichever is lower

c) In case of immovable assets constructed on leasehold land, useful life as per Schedule-II to the Act or lease period of land (including renewable period/ likely renewable period), whichever is lower

d) In other cases like Spare Parts etc., useful life is considered based on the technical assessment (2-30 years).

Depreciation is charged pro-rata on monthly basis on assets, from / upto the month of capitalization / sale, disposal / or earmarked for disposal. Residual value is generally considered between 0 to 5% of cost of assets. Further, in case of catalyst with noble metal content, residual value is considered based on the cost of metal content.

The Group depreciates components of the main asset that are significant in value and have different useful lives as compared to the main asset separately. The Group depreciates spares over the life of the spare from the date it is available for use.

G.M. KAPADIA & CO. CHENNAI Chartered Accountants

2.4.2. PPE, costing upto 5,000/- per item are depreciated fully in the year of capitalization. Further, spares, components like catalyst excluding noble metal content and major overhaul/inspection are also depreciated fully over their respective useful life.

2.4.3. The residual values, useful lives and methods of depreciation of PPE are reviewed at each financial year end and adjusted prospectively, if appropriate.

2.5. Derecognition

2.5.1. PPE and Intangible Assets are derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of PPE or Intangible Asset is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

3 LEASES

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

3.1. Leases as Lessee (Assets taken on lease)

The Group applies a single recognition and measurement approach for all leases, except for short- term leases and leases of low-value assets. The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

3.1.1. Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

The Group accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components, except for leases where the Group has elected to use practical expedient not to separate non-lease payments from the calculation of the lease liability and ROU asset where the entire consideration is treated as lease component.

3.1.2. Right-of-use Assets

The Group recognises right-of-use (ROU) assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of use assets are subject to impairment. If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset as per 2.4 above.

3.1.3. Modifications to a lease agreement beyond the original terms and conditions are generally accounted for as a re-measurement of the lease liability with a corresponding adjustment to the ROU asset. Any gain or loss on modification is recognized in the Statement of Profit and Loss. However, the modifications that increase the scope of the lease by adding the right to use one or more underlying assets at a price commensurate with the stand-alone selling price are accounted for as a separate new lease. In case of lease modifications, discounting rates used for measurement of lease liability and ROU assets is also suitably adjusted.

3.1.4. Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of Property, Plant and Equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term or another systematic basis if that basis is more representative of the pattern of the lessee's benefit.

3.2. Leases as Lessor (assets given on lease)

3.2.1. When the Group acts as lessor, it determines at the commencement of the lease whether it is a finance lease or an operating lease.

3.2.2. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease except where another systematic basis is more representative of the time pattern of the benefit derived from the asset given on lease.

3.2.3. All assets given on finance lease are shown as receivables at an amount equal to net investment in the lease. Principal component of the lease receipts is adjusted against outstanding receivables and interest income is accounted by applying the interest rate implicit in the lease to the net investment. If an arrangement contains

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lease and non-lease components, the Group applies principles enunciated in Ind AS 115 "Revenue from Contracts with Customers ", to allocate the consideration in the contract.

3.2.4. When the Group is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the ROU asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short term lease to which the Group applies the short term lease exemption described above, then it classifies the sub-lease as an operating lease.

4 IMPAIRMENT OF NON-FINANCIAL ASSETS

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less cost of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

Impairment loss is recognized when the carrying amount of an asset exceeds recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of 15 years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifteenth year. To estimate cash flow projections beyond periods covered by the most recent budgets / forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified.

An assessment is made at each reporting date to determine whether there is anindication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years.

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5 BORROWING COSTS

Borrowing cost consists of interest and other cost incurred in connection with the borrowing of funds. Borrowing costs that are attributable to the acquisition or construction of the qualifying asset are capitalized as part of the cost of such asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. Capitalisation of borrowing costs is suspended when active development activity on the qualifying assets is interrupted other than on temporary basis and charged to the Statement of Profit and Loss during such extended periods. All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which the same are incurred.

6 FOREIGN CURRENCY TRANSACTIONS

6.1. The Group's financial statements are presented in Indian Rupee (`), which is also it's functional currency.

6.2. Transactions in foreign currency are initially recorded at spot exchange rates prevailing on the date of transactions.

6.3. Monetary items denominated in foreign currencies (such as cash, receivables, payables etc.) outstanding at the end of reporting period, are translated at exchange rates prevailing on that date.

6.4. Non-monetary items denominated in foreign currency, (such as PPE, intangible assets, investments, capital / revenue advances other than expected to be settled in cash etc.) are recorded at the exchange rate prevailing on the date of the transaction, other than those measured at fair value.

6.5. Any gains or losses arising due to differences in exchange rates at the time of translation or settlement are accounted for in the Statement of Profit and Loss either under the head foreign exchange fluctuation or interest cost, as the case may be.

7 INVENTORIES

7.1. Raw Materials & Stock-in-Process

7.1.1. Raw materials including crude oil are valued at cost determined on weighted average basis and net realizable value, whichever is lower.

7.1.2. Stock in Process is valued at raw materials cost plus fifty percent conversion costs as applicable and net realizable value, whichever is lower.

7.1.3. Crude oil in Transit is valued at cost and net realizable value, whichever is lower.

7.1.4. Initial cost of inventories includes the transfer of gains and losses on qualifying cash flow hedges, recognised in OCI, in respect of the purchases of raw materials.

7.2. Finished Products and Stock-in-Trade

7.2.1. Finished Products and Stock in Trade are valued at cost determined on 'First in First Out' basis or net realizable value, whichever is lower. Cost of Finished Products produced is determined based on raw materials cost and processing cost.

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7.2.2. Imported products in transit are valued at cost or net realisable value whichever is lower.

7.3. Stores and Spares

7.3.1. Stores and Spares are valued at weighted average cost.

7.3.2. In case of declared surplus/obsolete stores and spares, provision is made for likely loss on sale/disposal and charged to revenue. Further, provision is made to the extent of 97 per cent of the value of non-moving inventory of stores and spares (excluding maintenance, repair & operation items, pumps and compressors) which have not moved for six years and above. Stores and spares in transit are valued at cost.

7.3.3. Spent catalysts (including noble metal content thereof) are valued at lower of the weighted average cost and net realizable value.

8 PROVISIONS, CONTINGENT LIABILITIES & CONTINGENT ASSETS

8.1. Provisions

8.1.1. Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

8.1.2. When the Group expects some or all of a provision to be recovered from a third party, a receivable is recognised as a separate asset, but only when it is virtually certain and amount of the receivable can be measured reliably. The expense relating to a provision is presented in the Statement of Profit and Loss net of reimbursement, if any.

8.1.3. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects current market assessments of the time value of money and, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

8.2. Contingent Liabilities and Contingent Assets

8.2.1. Show-cause notices issued by various Government Authorities are generally not considered as obligations.

8.2.2. When the demand notices are raised against such show cause notices and are disputed by the Group, these are classified as disputed obligations.

8.2.3. The treatment in respect of disputed obligations are as under:

a) provision is recognized in respect of present obligations where the outflow of resources is probable as per 8.1.1 above;

b) all other cases are disclosed as contingent liabilities unless the possibility of outflow of resources is remote.

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8.2.4. Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Group. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability. Contingent liabilities are disclosed on the basis of judgment of the management/independent experts and reviewed at each Balance Sheet date to reflect the current management estimate.

8.2.5. Estimated amount of contracts remaining to be executed towards capital expenditure are considered for disclosure.

8.2.6. A contingent asset is disclosed where an inflow of economic benefits is probable.

9 REVENUE

REVENUE FROM CONTRACTS WITH CUSTOMERS

9.1. The Group is in the business of Refining crude oil to produce and supply various petroleum products and it earns revenue primarily from sale of petroleum products.

Revenue is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties.

The Group has generally concluded that it is the principal in its revenue arrangements, except a few agency services, because it typically controls the goods or services before transferring them to the customer.

The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of products, the Group considers the effects of variable consideration, the existence of significant financing components, non-cash consideration and consideration payable to the customer (if any).

9.2. Revenue from the sale of petroleum products, petrochemical products, Crude and gas are recognised at a point in time, generally upon delivery of the products.

9.3. The Group has assumed that recovery of excise duty flows to the Group on its own account. This is for the reason that it is a liability of the manufacturer which forms part of the cost of production, irrespective of whether the goods are sold or not. Since the recovery of excise duty flows to the Group on its own account, revenue includes excise duty.

However, Sales Tax/ Goods and Services Tax (GST) and Value Added Tax (VAT) is not received by the Group on its own account. Rather, it is tax collected on value added to the product by the seller on behalf of the government. Accordingly, it is excluded from revenue.

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9.4. Variable consideration

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

The Group provides volume rebates to certain customers once the quantity of products purchased during the period exceeds a threshold specified in the contract. Rebates are offset against amounts payable by the customer. The volume rebates give rise to variable consideration

9.5. Interest income from financial assets is recognised using effective interest rate (EIR) method.

9.6. Dividend income is recognized when the Group's right to receive dividend is established.

9.7. Claims (including interest on outstanding claims) are recognized at cost when there is reasonable certainty regarding its ultimate collection. Insurance claims are recognised based on acceptance.

9.8. Claims on Petroleum Planning and Analysis Cell (Formerly known as Oil Coordination Committee) / Government arising on account of erstwhile Administered Pricing Mechanism / notified schemes are booked on acceptance in principle thereof. Such claims and provisions are booked on the basis of available instructions /clarifications subject to final adjustment as per separate audit.

10 EXCISE DUTY

Excise duty is accounted on the basis of both, payments made in respect of goods cleared as also provision made for goods lying in stock. Value of stock includes excise duty payable / paid on finished goods wherever applicable.

11 TAXES ON INCOME

11.1. Current Income Tax

Provision for current tax is made as per the provisions of the Income Tax Act, 1961.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

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11.2. Deferred Tax

11.2.1. Deferred tax is provided using the Balance Sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available in future against which the deductible temporary differences and unused tax losses can be utilised.

Deferred tax assets and liabilities are measured based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

11.2.2. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available in future to allow all or part of the deferred tax assets to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax assets to be recovered.

11.2.3. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

11.2.4. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

12 EMPLOYEE BENEFITS

12.1. Short Term Benefits

Short Term Employee Benefits are accounted for in the period during which the services have been rendered.

12.2. Post-Employment Benefits and Other Long Term Employee Benefits

a) The Group's contribution to the Provident Fund is remitted to separate trusts established for this purpose based on a fixed percentage of the eligible employee's salary and charged to the Statement of Profit and Loss/CWIP. Shortfall, if any, in the fund assets, based on the Government specified minimum rate of return, is made good by the Group and charged to the Statement of Profit and Loss/CWIP.

b) The Group operates defined benefit plans for Gratuity and Post Retirement Medical Benefits. The cost of providing such defined benefits is determined using the projected unit credit method of actuarial valuation made at the end of the year. Out of these plans, Gratuity and Post-Retirement Medical Benefits (PRMB) are administered through respective trusts.

c) Obligations on other long term employee benefits viz. leave encashment and Long Service Awards are provided using the projected unit credit method of actuarial valuation made at the end of the year. Out of these obligations, leave

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encashment obligations are funded through qualifying insurance policies made with insurance companies / corporation.

d) The Group also operates a defined contribution scheme for Pension benefits for its employees and the contribution is remitted to a separate Trust / corporate NPS.

12.3. Termination Benefits

Payments made under Voluntary Retirement Scheme are charged to the Statement of Profit and Loss on incurrence.

12.4. Remeasurements

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, (excluding amounts included in net interest on the net defined benefit liability) and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income (OCI) in the period in which it occurs. Remeasurements are not reclassified to profit or loss in subsequent periods. Remeasurements in respect of other long-term benefits are recognised in the Statement of Profit and Loss.

Past service cost is recognised in profit or loss on the earlier of:

1..1. The date of the plan amendment or curtailment, and

- The date that the Group recognises related restructuring cost

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the Statement of Profit and Loss:

- Service cost comprising current service cost, past-service cost, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

13 GRANTS

13.1. Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

13.2. Grant relating to Assets (Capital Grants)

In case of grants relating to depreciable assets, the cost of the asset is shown at gross value and grant thereon is treated as Deferred income which are recognized as "Other Operating Revenues" usually in the Statement of Profit and Loss over the period and in the proportion in which depreciation is charged.

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13.3. Grant related to Income (Revenue Grants)

Revenue grants are recognised in the Statement of Profit and Loss on a systematic basis over the periods in which the entity recognises as expenses the related cost for which the grants are intended to compensate.

The Group has treated waiver of duty under EPCG Scheme as revenue grant as the condition of meeting the export obligations is a primary condition of availing the grant as per the EPCG Scheme. The above grant is set up by recording the assets at gross value and corresponding grant amount as deferred income. Such grant is recognized recognized in "Other Operating Revenues" in proportion of export obligations actually fulfilled during the accounting period.

Revenue grants are generally recorded under "Other Operating Revenues" except some grants, which are netted off with the related expense.

13.4. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate or NIL interest rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities. Classification of the grant is made considering the terms and condition of the grant i.e. whether grants relates to assets or otherwise.

14 CURRENT VERSUS NON-CURRENT CLASSIFICATION

14.1. The Group presents assets and liabilities in the Balance Sheet based on current/ non-current classification.

14.2. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or Cash Equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

14.3. A liability is treated as current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

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All other liabilities are classified as non-current.

15 NON-CURRENT ASSETS HELD FOR SALE

15.1. The Group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

15.2. For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale classification is regarded met only when the assets or disposal group is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales (or disposal groups), its sale is highly probable; and it will genuinely be sold, not abandoned. The Group treats sale of the asset or disposal group to be highly probable when:

The appropriate level of management is committed to a plan to sell the asset (or disposal group),

An active programme to locate a buyer and complete the plan has been initiated (if applicable),

The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,

The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and

Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

15.3. Non-Current Assets held for sale and disposal groups are measured at the lower of their carrying amount and the fair value less cost to sell. Assets and liabilities classified as held for sale are presented separately in the Balance Sheet.

PPE and Intangible Assets once classified as held for sale are not depreciated or amortised.

16 FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the instruments.

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16.1. Financial Assets

Initial recognition and measurement

All Financial Assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction cost that are attributable to the acquisition of the Financial Asset. However, trade receivables that do not contain a significant financing component are measured at transaction price Transaction costs directly attributable to the acquisition of financial assets measured at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

Subsequent measurement

For the purpose of subsequent measurement, Financial Assets are classified in four categories:

- Financial Assets at amortised cost
- Debt Instruments at fair value through Other Comprehensive Income (FVTOCI)
- Equity Instruments at fair value through Other Comprehensive Income (FVTOCI)

Financial Assets and derivatives at fair value through profit or loss (FVTPL)

16.1.1. Financial Assets at amortised cost

A Financial Asset is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows,

and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such Financial Assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or cost that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. Apart from the same, any income or expense arising from remeasurement of financial assets measured at amortised cost, in accordance with Ind AS 109, is recognized in the Statement of Profit and Loss. This category generally applies to trade and other receivables

16.1.2. Debt Instrument at FVTOCI

A 'Debt Instrument' is classified as at the FVTOCI if both of the following criteria are met:

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a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent solely payments of principal and interest (SPPI).

Debt Instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair Value movements are recognized in the Other Comprehensive Income (OCI). However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the Equity to the Statement of Profit and Loss. Interest earned whilst holding FVTOCI Debt Instrument is reported as interest income using the EIR method.

16.1.3. Equity Instrument

A. Equity Investments at FVTOCI (Other than Subsidiaries, Joint Ventures and Associates)

All equity investments in scope of Ind AS 109 are measured at fair value. The Group has made an irrevocable election to present subsequent changes in the fair value in Other Comprehensive Income. The classification is made on initial recognition/transition and is irrevocable.

There is no recycling of the amounts from OCI to the Statement of Profit and Loss, even on sale of investments.

B. Equity Investments in Subsidiaries, Joint Ventures and Associates

Investments in Subsidiaries, Joint Ventures and Associates are accounted for at cost in the financial statements and the same are tested for impairment in case of any indication of impairment.

Dividend income is recognized in the Statement of Profit and Loss when the Group's right to receive dividend is established.

16.1.4. Debt Instruments and Derivatives at FVTPL

FVTPL is a residual category for Debt Instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Debt Instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss. Interest income on such instruments has been presented under interest income

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16.1.5. Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Balance Sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

16.1.6. Impairment of Financial Assets

In accordance with Ind AS 109, the Group applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial Assets that are Debt Instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

b) Financial guarantee contracts which are not subsequently measured as at FVTPL

c) Lease Receivables under Ind AS 116

Simplified Approach

The Group follows 'simplified approach' for recognition of impairment loss allowance, if any, on Trade Receivables.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

As a practical expedient, the Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. On that basis, the Group estimates provision on trade receivables at the reporting date.

General Approach

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-months ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-months ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-months ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as expense /income/ in the Statement of Profit and Loss. The Balance Sheet presentation for various financial instruments is described below:

- **Financial Assets measured as at amortised cost:** ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the Balance Sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.
- **Debt instruments measured at FVTOCI:** Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

16.2. Financial Liabilities

16.2.1. Initial recognition and measurement

Financial Liabilities are classified, at initial recognition, as financial Liabilities at fair value through profit or loss and financial liabilities at amortised cost, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of liabilities subsequently measured at amortised cost, they are measured net of directly attributable transaction cost. In case of Financial Liabilities measured at fair value through profit or loss, transaction costs directly attributable to the acquisition of financial liabilities are recognised immediately in the Statement of Profit and Loss.

The Group's financial liabilities include trade and other payables and loans and borrowings including derivative financial instruments.

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16.2.2. Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

A. Financial Liabilities at fair value through profit or loss

Financial Liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through the Statement of Profit and Loss. Financial Liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss

B. Financial Liabilities at amortized cost

Financial Liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Gains and losses are recognised in the Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or cost that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

16.2.3. Derecognition

A Financial Liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

16.3. Embedded Derivatives

If the hybrid contract contains a host that is a Financial Asset within the scope of Ind AS 109, the Group does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss, unless designated as effective hedging instruments. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

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16.4. Offsetting of Financial Instruments

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

16.5. Derivative Instrument Initial recognition / subsequent measurement

16.5.1. The Group uses derivative financial instruments, such as forward currency contracts, to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. The accounting for subsequent changes in fair value of derivatives depends on the designation or non-designation of derivative as hedging instruments. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

16.5.2. Derivative that are designated as hedge instrument

The Group undertakes foreign exchange forward contracts for hedging foreign currency risk of recognized foreign currency loans and liabilities. The Group generally designates the whole forward contract as hedging instrument. These hedges are accounted for as cash flow hedges. These hedging instruments are as per the policies approved by the Board of Directors.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Group's risk management objective and strategy for undertaking hedge, the hedging / economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk.

Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that the hedge is actually have been highly effective throughout the financial reporting periods for which it was designated.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in Other Comprehensive Income and accumulated under the heading Cash Flow Hedge Reserve within Equity. The gain or loss relating to the ineffective potion is recognized immediately in the Statement of Profit and Loss and included in the Other Income or Other Expenses as Gain on Derivatives or Loss on Derivatives respectively.

Amounts previously recognized in OCI and accumulated in equity relating to effective portion are reclassified to Statement of Profit and Loss in the periods when the hedged item affects profit or loss, in the same line item as the recognized hedged item or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability. When a forecasted transaction is no longer expected to occur, the

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cumulative gain or loss accumulated in equity is transferred to the Statement of Profit and Loss.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or no longer qualifies for hedge accounting.

16.5.3. Derivatives that are not designated as hedge instrument

The Group enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through the Statement of Profit and Loss and are included in the Other Income or Other Expenses as Gain on Derivatives or Loss on Derivatives respectively.

16.6. Commodity contracts

Commodity contracts that, are entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the Group's expected purchase, sale or usage requirements are held at cost.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit and loss.

17 FAIR VALUE MEASUREMENT

17.1. The Group measures financial instruments, such as, derivatives at fair value at each Balance Sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

17.2. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group.

17.3. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

17.4. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

17.5. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

17.6. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

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Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

In case of Level 3 valuations, external valuers are also involved in some cases for valuation of assets and liabilities, such as unquoted financial assets, loans to related parties etc.,

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

18 EARNINGS PER SHARE

The basic Earnings Per Share ("EPS") is computed by dividing the net profit / (loss) after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. The Group did not have any potentially dilutive securities in the years presented.

19 CASH AND CASH EQUIVALENTS

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

20 CASH FLOW STATEMENT

Cash flow statement are reported using the Indirect method, whereby net profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and items of income or expense associated with investing or financing cash flows.

III. New Standards / amendments and other changes effective April 1, 2022

Ministry of Corporate Affairs notified amendments to the existing standards vide Notification G.S.R. 255(E) dated 23rd March 2022. These amendments do not have a material impact on the Group.

IV. STANDARDS ISSUED BUT NOT YET EFFECTIVE

Ministry of Corporate Affairs notifies new standard or amendments to the existing standards. During the year, vide Notification G.S.R. 242(E) dated 31st March 2023, few modifications in existing standards has been notified which will be applicable from April 1, 2023.

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CONSOLIDATED FINANCIAL STATEMENTS
Note – 1B : SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, the accompanying disclosures, and the disclosure of contingent liabilities. These include recognition and measurement of financial instruments, estimates of useful lives and residual value of Property, Plant and Equipment and intangible assets, valuation of inventories, measurement of recoverable amounts of cash-generating units, estimated quantities of noble metals, measurement of employee benefits, actuarial assumptions, provisions etc.

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The Company continually evaluates these estimates and assumptions based on the most recently available information. Revisions to accounting estimates are recognized prospectively in the Statement of Profit and Loss in the period in which the estimates are revised and in any future periods affected.

JUDGEMENTS

In the process of applying the company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

Materiality
Ind AS requires assessment of materiality by the Company for accounting and disclosure of various transactions in the financial statements. Accordingly, the Company assesses materiality limits for various items for accounting and disclosures and follows on a consistent basis. Overall materiality is also assessed based on various financial parameters such as Gross Block of assets, Net Block of Assets, Total Assets, Revenue and Profit Before Tax.

Contingencies
Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal, contractual, land access and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events.

ESTIMATES AND ASSUMPTIONS
The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the company. Such changes are reflected in the assumptions when they occur.

Defined benefit plans / Other Long term employee benefits
The cost of the defined benefit plans and other long term employee benefit plans are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. The management considers the interest rates of government securities based on expected settlement period of various plans.

Further details about various employee benefit obligations are given in Note 32.

Fair value measurement of financial instruments
When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow (DCF) model based on level-2 and level-3 inputs. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as price estimates, volume estimates, rate estimates etc. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Also refer Note-35 for further disclosures of estimates and assumptions.

Impairment of non-financial assets
Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less cost of disposal used to determine the recoverable amounts of the impaired assets are not based on observable market data, rather, management's best estimates.

The value in use calculation is based on a DCF model. The cash flows do not include impact of significant future investments that may enhance the asset's performance of the CGU being tested. The results of impairment test are sensitive to changes in key judgements, such as changes in commodity prices, future changes in alternate use of assets etc, which could result in increase or decrease of the recoverable amounts and result in additional impairment charges or recovery of impairment charged.

Refer Note 44.2

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CHENNAI PETROLEUM CORPORATION LIMITED
CONSOLIDATED FINANCIAL STATEMENTS
Note – 2 : PROPERTY, PLANT AND EQUIPMENT

Current Year:

₹ in Crore

	Particulars	Land - Freehold	Land - Leasehold	Buildings, Roads etc.	Plant and Equipment	Office Equipments	Transport Equipments	Furniture and Fixtures	Railway Sidings	Drainage, Sewage and Water Supply System	ROU assets	Total
		Note: A							Note: C			Note: B
GROSS BLOCK	Gross Block as at 1st April 2022	49.08	5.92	201.30	9265.36	45.82	10.56	6.99	-	20.31	29.24	**9634.58**
	Additions during the Year (Note: E)	0.17	-	5.22	1208.43	16.99	1.56	2.16	-	-	15.29	**1249.82**
	Disposals/ Deductions/ Transfers to Held for Sale/ Reclassifications/Revaluation	-	-	(6.38)	(55.95)	(4.12)	(0.78)	(0.44)	-	(0.01)	-	**(67.68)**
	Gross Block as at 31st March 2023	**49.25**	**5.92**	**200.14**	**10417.84**	**58.69**	**11.34**	**8.71**	-	**20.30**	**44.53**	**10816.72**
DEPRECIATION, AMORTISATION AND IMPAIRMENT	Depreciation and Amortisation as at 1st April 2022	-	0.49	42.71	2,508.36	28.27	4.53	3.47	-	7.08	15.75	**2610.66**
	Depreciation and Amortisation during the Year:	-	0.07	6.02	544.88	9.77	1.02	0.64	-	0.90	7.63	**570.93**
	Disposals/ Deductions/ Transfers to Held for Sale/ Reclassifications/Revaluation	-	-	(1.02)	(49.30)	(3.40)	(0.67)	(0.22)	-	-	-	**(54.61)**
	Total Depreciation and Amortisation upto 31st March 2023	-	**0.56**	**47.71**	**3003.94**	**34.64**	**4.88**	**3.89**	-	**7.98**	**23.38**	**3126.98**
	Total Impairment Loss as at 1st April 2022	-	-	16.16	83.32	-	-	-	-	0.27	-	**99.75**
	Impairment Loss during the Year (Note: D)	-	-	(5.34)	(0.75)	-	-	-	-	-	-	**(6.09)**
	Impairment loss reversed during the Year	-	-	-	-	-	-	-	-	-	-	-
	Total Impairment Loss upto 31st March 2023	-	-	**10.82**	**82.57**	-	-	-	-	**0.27**	-	**93.66**
NET BLOCK	**AS AT 31st March 2023**	**49.25**	**5.36**	**141.61**	**7331.33**	**24.05**	**6.46**	**4.82**	-	**12.05**	**21.15**	**7596.08**
	AS AT 31st March 2022	49.08	5.43	142.43	6673.68	17.55	6.03	3.52	-	12.96	13.49	6924.17

Previous Year:

₹ in Crore

	Particulars	Land - Freehold	Land - Leasehold	Buildings, Roads etc.	Plant and Equipment	Office Equipments	Transport Equipments	Furniture and Fixtures	Railway Sidings	Drainage, Sewage and Water Supply System	ROU assets	Total
GROSS BLOCK	Gross Block as at 1st April 2021	49.08	5.92	204.52	9040.55	43.30	10.43	7.11	-	20.31	26.63	**9407.85**
	Additions during the Year (Note : E)	-	-	0.14	349.21	7.16	0.13	0.84	-	-	2.61	**360.09**
	Disposals/ Deductions/ Transfers to Held for Sale/ Reclassifications/Revaluation	-	-	(3.36)	(124.40)	(4.64)	-	(0.96)	-	-	-	**(133.36)**
	Gross Block as at 31st March 2022	**49.08**	**5.92**	**201.30**	**9265.36**	**45.82**	**10.56**	**6.99**	-	**20.31**	**29.24**	**9634.58**
DEPRECIATION, AMORTISATION AND IMPAIRMENT	Depreciation and Amortisation as at 1st April 2021	-	0.42	37.19	2,103.89	24.73	3.58	3.28	-	6.17	9.48	**2188.74**
	Depreciation and Amortisation during the Year:	-	0.07	6.03	478.99	6.91	0.95	0.62	-	0.91	6.27	**500.75**
	Disposals/ Deductions/ Transfers to Held for Sale/ Reclassifications/Revaluation	-	-	(0.51)	(74.52)	(3.37)	-	(0.43)	-	-	-	**(78.83)**
	Total Depreciation and Amortisation upto 31st March 2022	-	**0.49**	**42.71**	**2508.36**	**28.27**	**4.53**	**3.47**	-	**7.08**	**15.75**	**2610.66**
	Total Impairment Loss as at 1st April 2021	-	-	19.01	103.27	-	-	-	-	0.27	-	**122.55**
	Impairment Loss during the Year (Note: D)	-	-	(2.85)	(19.95)	-	-	-	-	-	-	**(22.80)**
	Impairment loss reversed during the Year	-	-	-	-	-	-	-	-	-	-	-
	Total Impairment Loss upto 31st March 2022	-	-	**16.16**	**83.32**	-	-	-	-	**0.27**	-	**99.75**
NET BLOCK	**AS AT 31st March 2022**	**49.08**	**5.43**	**142.43**	**6673.68**	**17.55**	**6.03**	**3.52**	-	**12.96**	**13.49**	**6924.17**
	AS AT 31st March 2021	49.08	5.50	148.32	6833.39	18.57	6.85	3.83	-	13.87	17.15	7096.56

Notes :

A. Gross block of Land includes ₹ 0.18 Crore deposited towards 50.93 acres of Land for which assignment deed is yet to be received from Govt. of TamilNadu.

B. The cost of assets includes EPCG benefit (net of GST ITC), net of VAT CREDIT/CENVAT/GST ITC wherever applicable

C. Represents 5/24 share of total cost of the Railway Siding jointly owned by the Company along with Madras Fertilizers Limited, Madras Petrochem Limited, Steel Authority of India Limited and Rashtriya Ispat Nigam Limited. Net block of Railway Sidings - ₹ 0.003 Crore (2022 : ₹ 0.003 Crore)

D. Pertains to Cauvery Basin Refinery (refer Note 44.2)

E. Additions to Gross Block includes :

₹ in Crore

Asset Particulars	Borrowing Cost	
	31-Mar-23	31-Mar-22
Plant and Equipment	75.92	1.04
Total	**75.92**	**1.04**

Details of assets given on lease included in the above:

₹ in Crore

Asset Particulars	Gross Block as at 1st April 2022	Accumulated Depreciation & Amortisation	Accumulated Impairment loss	W.D.V as at March 31,2023	W.D.V as at March 31,2022
Land	5.32	-	-	**5.32**	5.32
Buildings	0.40	0.06	0.17	**0.17**	0.18
Plant and Equipment	9.36	2.81	-	**6.55**	2.91
Total	15.08	2.87	0.17	**12.04**	8.41

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CHENNAI PETROLEUM CORPORATION LIMITED
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Note – 2.1 : CAPITAL WORK-IN-PROGRESS

₹ in Crore

Sl. No	Particulars	Note		31-Mar-23	31-Mar-22	
1	Construction Work in Progress - Property, Plant & Equipment (Including unallocated capital expenditure, materials at site)					
	Balance as at beginning of the year		1052.61		1082.75	
	Add: Additions during the year		362.91		363.25	
	Less: Allocated / Adjusted during the year		1006.82		139.57	
	Less: Transfer to disposal group held for transfer	A	130.48		253.82	
			278.22		1052.61	
	Less: Provision for Capital Losses		-		1.51	
				278.22	1051.10	
2	Capital stores balance as at beginning of the year		12.67		33.12	
	Add: Additions during the year		35.62		18.73	
	Less: Allocated / Adjusted during the year		34.10		39.18	
			14.19		12.67	
	Less: Provision for Capital Losses		-		3.30	
	Capital stores			**14.19**	9.37	
3	Capital Goods in Transit			**0.01**	0.21	
4	Construction Period Expenses pending allocation:					
	Balance as at beginning of the year		148.87		161.07	
	Net expenditure during the year (Note -"2.2")		98.62		107.39	
			247.49		268.46	
	Less: Allocated / Adjusted during the year		132.86		14.56	
			114.63		253.90	
	Less: Transfer to disposal group held for transfer	A	75.62		105.03	
				39.01	148.87	
	TOTAL	**B**		**331.43**	1209.55	

Notes :

A Refer Note - 44.1

B The cost of assets includes EPCG benefit (net of GST ITC), net of VAT CREDIT/CENVAT/GST ITC wherever applicable

Note – 2.2 : CONSTRUCTION PERIOD EXPENSES(NET) DURING THE YEAR

₹ in Crore

	Particulars	31-Mar-23	31-Mar-22
1	Employee Benefit expenses	**36.27**	38.84
2	Power & Fuel	**0.67**	1.10
3	Finance Cost	**48.01**	51.40
4	Others (incl. CER expenses)	**13.67**	16.05
	Net Expenditure during the year	**98.62**	107.39
	Specific borrowings eligible for capitalisation (Rate in %)	5.78% to 6.43%	5.44% to 6.43%

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Current Year : **₹ in Crore**

Capital Work-In-Progress	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	98.92	25.57	37.42	169.52	331.43

Previous Year : **₹ in Crore**

Capital Work-In-Progress	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	161.45	291.62	506.28	250.20	1209.55

Note: No Project activity is under suspension

Capital-work-in progress, whose completion is overdue compared to its original plan

Current Year :

CWIP	To be completed in			
	Less than1 year	1-2 years	2-3 years	More than 3 years
RESID - COKE HANDLING SYSTEM	274.82	-	-	-
Others	20.63	-	-	-
Total	295.45	-	-	-

Previous Year :

CWIP	To be completed in			
	Less than1 year	1-2 years	2-3 years	More than 3 years
BS VI PROJECTS	921.45	-	-	-
RESID - COKE HANDLING SYSTEM	223.41	-	-	-
COOLING TOWER	42.90	-	-	-
Others	10.58	-	-	-
Total	1198.34	-	-	-

Note: No cost overdue in above projects

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Note – 3 : INTANGIBLE ASSETS
(1) Intangible assets with definite useful life

Current Year: ₹ in Crore

	Particulars	Computer Software	Technical Know-How, Royalty and Licenses	Total
GROSS BLOCK	Gross Block as at 1st April 2022	2.55	52.87	55.42
	Additions during the Year	1.45	-	1.45
	Disposals/ Deductions/ Transfers to Held for Sale/ Reclassifications	-	-	-
	Gross Block as at 31st March 2023	**4.00**	**52.87**	**56.87**
AMORTISATION AND IMPAIRMENT (A)	Amortisation as at 1st April 2022	2.04	10.92	12.96
	Amortisation during the Year	0.37	3.07	3.44
	Disposals/ Deductions/ Transfers to Held for Sale/ Reclassifications	-	-	-
	Total and Amortisation upto 31st March 2023	**2.41**	**13.99**	**16.40**
	Total Impairment Loss as at 1st April 2022	-	-	-
	Impairment Loss during the Year	-	-	-
	Impairment loss reversed during the Year	-	-	-
	Total Impairment Loss upto 31st March 2023	**-**	**-**	**-**
NET BLOCK	**AS AT 31st March 2023**	**1.59**	**38.88**	**40.47**
	AS AT 31st March 2022	0.51	41.95	42.46

Previous Year: ₹ in Crore

	Particulars	Computer Software	Technical Know-How, Royalty and Licenses	Total
GROSS BLOCK	Gross Block as at 1st April 2021	2.27	52.87	55.14
	Additions during the Year	0.31	-	0.31
	Disposals/ Deductions/ Transfers to Held for Sale/ Reclassifications	(0.03)	-	(0.03)
	Gross Block as at 31st March 2022	**2.55**	**52.87**	**55.42**
AMORTISATION AND IMPAIRMENT (A)	Amortisation as at 1st April 2021	1.66	7.85	9.51
	Amortisation during the Year	0.39	3.07	3.46
	Disposals/ Deductions/ Transfers to Held for Sale/ Reclassifications	(0.01)	-	(0.01)
	Total and Amortisation upto 31st March 2022	**2.04**	**10.92**	**12.96**
	Total Impairment Loss as at 1st April 2021	0.02	-	0.02
	Impairment Loss during the Year	-	-	-
	Impairment loss reversed during the Year	(0.02)	-	(0.02)
	Total Impairment Loss upto 31st March 2022	**-**	**-**	**-**
NET BLOCK	**AS AT 31st March 2022**	**0.51**	**41.95**	**42.46**
	AS AT 31st March 2021	0.59	45.02	45.61

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(2) Intangible assets with indefinite useful life

Current year: ₹ in Crore

		Right of Way
GROSS BLOCK	Gross Block as at 1st April 2022	0.27
	Additions during the Year	-
	Disposals/ Deductions/ Transfers to Held for Sale/ Reclassifications	-
	Gross Block as at 31st March 2023	**0.27**
AMORTISATION AND IMPAIRMENT (A)	Total Impairment Loss as at 1st April 2022	0.27
	Impairment Loss during the Year	-
	Impairment loss reversed during the Year	-
	Total Impairment Loss upto 31st March 2023	**0.27**
NET BLOCK	**AS AT 31st March 2023**	-
	AS AT 31st March 2022	-

Previous year: ₹ in Crore

	Particulars	Right of Way
GROSS BLOCK	Gross Block as at 1st April 2021	0.27
	Additions during the Year	-
	Disposals/ Deductions/ Transfers to Held for Sale/ Reclassifications	-
	Gross Block as at 31st March 2022	**0.27**
AMORTISATION AND IMPAIRMENT (A)	Total Impairment Loss as at 1st April 2021	0.27
	Impairment Loss during the Year	-
	Impairment loss reversed during the Year	-
	Total Impairment Loss upto 31st March 2022	**0.27**
NET BLOCK	**AS AT 31st March 2022**	-
	AS AT 31st March 2021	-

Note :
(A) Pertains to Cauvery Basin Refinery (refer Note 44.2)

Range of remaining period of Amortisation as on March 31, 2023 is as below:

Particulars	0 to 2 years	3 to 5 years	Above 5 years	Total
Computer Software	0.20	1.37	-	1.57
Techncial know-how, Royalty and Licenses	0.01	-	38.89	38.90
Total	**0.21**	**1.37**	**38.89**	**40.47**

Range of remaining period of Amortisation as on March 31, 2022 is as below:

Particulars	0 to 2 years	3 to 5 years	Above 5 years	Total
Computer Software	0.22	0.28	-	0.50
Techncial know-how, Royalty and Licenses	0.49	-	41.47	41.96
Total	**0.71**	**0.28**	**41.47**	**42.46**

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Note – 3.1 : INTANGIBLE ASSETS UNDER DEVELOPMENT

₹ in Crore

Particulars			31-Mar-23	31-Mar-22
Work in Progress - Intangible Asset:				
Balance as at beginning of the year		-		241.80
Add: Net expenditure during the year		23.47		17.56
Less: Transfer to Asset held for transfer	A	23.47		259.36
			-	-
TOTAL			-	-

Note :
A. Refer Note 44.1

Current Year : **₹ in Crore**

Intangible Assets Under Development	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
NIL					

Previous Year : **₹ in Crore**

Intangible Assets Under Development	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
NIL					

Note:
No Project activity is under suspension
There has been no cost / Time over run in respect of the above

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CHENNAI PETROLEUM CORPORATION LIMITED
CONSOLIDATED FINANCIAL STATEMENTS
Note – 4 : EQUITY INVESTMENT IN JOINT VENTURES

₹ in Crore

Sl. No	Particulars	Face Value per share (₹)	Non-current	
			31-Mar-23	31-Mar-22
I	**Investments in equity shares**			
1	**Unquoted:**			
a)	**Investment in Joint Venture Companies:**			
	i) Indian Additives Ltd. 1183401 (2022: 1183401) Equity Shares fully paid	100	**11.83**	11.83
	Add: Share of Other Equity (inclusive of OCI)		**194.12**	196.50
	ii) National Aromatics and Petrochemical Corporation Limited	10	**0.03**	0.03
	25000 (2022: 25000) Equity Shares fully paid			
	Add: Share of Other Equity (inclusive of OCI)	A	**(0.03)**	(0.03)
			-	-
	iii) Cauvery Basin Refinery and Petrochemicals Ltd (CBRPL)	10	**0.01**	-
	12500 (2022: Nil) Equity Share application money pending allotment	B		
	TOTAL		**205.96**	208.33
	Aggregate value of unquoted investments		**205.99**	208.36
	Aggregate amount of impairment in value of investments		**0.03**	0.03

Note – 4.1 : OTHER INVESTMENTS

Sl. No	Particulars	Face Value per share (₹)	Non-current	
			31-Mar-23	31-Mar-22
I	**Other Investments:** **Investments at fair value through OCI (fully paid):**			
a)	Biotech Consortium India Ltd 100000 (2022: 100000) Equity Shares fully paid	10	**0.10**	0.10
b)	MRL Industrial Cooperative Service Society Ltd 9000 (2022: 9000) Shares fully paid	10	**0.01**	0.01
	TOTAL	C	**0.11**	0.11
	Aggregate value of unquoted investments		**0.11**	0.11
	Aggregate amount of impairment in value of investments		-	-

Note :

A National Aromatics and Petrochemical Corporation Limited is not operational.

B Refer Note 44.1

C Fair Value approximates carrying value

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CHENNAI PETROLEUM CORPORATION LIMITED
CONSOLIDATED FINANCIAL STATEMENTS
Note – 5 : LOANS

₹ in Crore

Sl. No	Particulars	Note	Non-current 31-Mar-23	Non-current 31-Mar-22	Current 31-Mar-23	Current 31-Mar-22
1	**Loans Receivables:**					
	To Related Parties					
	i) Considered Good -Secured	A.1	0.25	0.29	0.04	0.04
	ii) Considered Good -Unsecured	A.2	0.14	0.08	0.11	0.03
			0.39	0.37	**0.15**	0.07
	To Others					
	i) Considered Good -Secured		81.88	54.18	6.66	5.49
	ii) Considered Good -Unsecured		9.28	6.03	6.05	5.41
			91.16	60.21	**12.71**	10.90
	Sub Total		**91.55**	60.58	**12.86**	10.97
	TOTAL		**91.55**	60.58	**12.86**	10.97

Notes :

		Non-current 31-Mar-23	Non-current 31-Mar-22	Current 31-Mar-23	Current 31-Mar-22
A.1	**Includes:**				
1	Due from Directors	**0.25**	0.29	**0.04**	0.03
2	Due from Officers	**-**	-	**-**	0.01
A.2	**Includes:**				
1	Due from Directors	**0.13**	0.05	**0.09**	0.01
2	Due from Officers	**0.01**	0.03	**0.02**	0.02

In compliance of Regulation 34(3) of SEBI(LODR) Regulations 2015, the required information is given as under:

₹ in Crore

		Amount as on		**Maximum Amount outstanding during the year ended**	
		31-Mar-23	31-Mar-22	**31-Mar-23**	31-Mar-22
I.	Loans and Advances in the nature of loans:				
A)	To Parent Company	-	-	-	-
B)	To Associates /Joint Venture	-	-	-	-
C)	To Firms/Companies in which directors are are interested	-	-	-	-

Current Year :

Borrower	**Amount of loan or advance in the nature of loan outstanding**	**Percentage to the total Loans and Advances in the nature of loans**
Promoter	-	-
Directors	0.51	0.5%
KMPs	0.03	0.0%
Related Parties	-	-

Previous Year :

Borrower	**Amount of loan or advance in the nature of loan outstanding**	**Percentage to the total Loans and Advances in the nature of loans**
Promoter	-	-
Directors	0.38	0.5%
KMPs	0.06	0.1%
Related Parties	-	-

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Note – 6 : OTHER FINANCIAL ASSETS

₹ in Crore

Sl. No	Particulars	Note	Non-current 31-Mar-23	Non-current 31-Mar-22	Current 31-Mar-23		Current 31-Mar-22
1	**Security Deposits**						
	To Others						
	i) Unsecured, Considered Good		**1.00**	1.45		**16.79**	12.46
2	**Claims Recoverable :**						
	a) From Related Parties						
	i) Unsecured, Considered Good	A	-	-	0.29		-
	ii) Unsecured, Considered Doubtful		-	-	22.66		22.66
			-	-	22.95		22.66
	Less : Provision for Doubtful Claims				12.53		12.53
	Sub Total		-	-		**0.29**	-
	b) Others						
	i) Unsecured, Considered Good		-	-	16.87		17.30
	ii) Unsecured, Considered Doubtful		-	-	6.03		5.89
			-	-	22.90		23.19
	Less : Provision for Doubtful Claims		-	-	6.03		5.89
	Sub Total		-	-		**16.87**	17.30
3	**Other Financial Assets**	B	-	-		**51.21**	46.34
	TOTAL		**1.00**	1.45		**85.16**	76.10

A Pertains to Indian Oil Corporation Ltd., the holding company

B Includes ₹ 9.59 Cr (2022: ₹ 7.58 Crore) towards net plan assets in respect of Leave enchashment. The Liability of ₹ 127.20 cr is netted off against associated plan assets of ₹ 136.79 cr, which was hitherto accounted on gross basis as Provision for employee benefits (2022: ₹ 120.48 Cr) and Deposit for Leave Encashment Funds (₹ 128.06 crore).

Previous year figures have been grossed up to the extent of ₹ 5.38 Cr which has now been shown under Note 16 - Liability to Trusts and Other funds.

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CONSOLIDATED FINANCIAL STATEMENTS
Note – 7 : INCOME TAX ASSETS/ LIABILITIES (NET)

₹ in Crore

Particulars	Non - Current			Current	
	31-Mar-23		31-Mar-22	31-Mar-23	31-Mar-22
Income Tax Asset / (Liability) - Net					
Advance payments for Income Tax	1105.97		412.22	-	-
Less: Provision for Income Tax	1095.71		340.77	-	-
Income Tax Asset / (Liability) - Net		10.26	71.45	-	-
TOTAL		10.26	71.45	-	-

(I) Reconciliation between the average effective tax rate and the applicable tax rate is as below:

	Note	31-Mar-23	31-Mar-22
Accounting profit			
Tax at the applicable tax rate of 25.17% (31.3.2022: 25.17%)		**25.17%**	**25.17%**
Tax effect of income that are not taxable in determining taxable profit:		0.06%	0.08%
Tax effect on share of results of joint venture:		0.03%	0.21%
Tax effect of expenses that are not deductible in determining taxable profit:		0.17%	0.45%
Tax expense /income related to prior years :		(0.31%)	2.02%
Tax effect on recognition of previously unrecognised allowances / disallowances :		1.40%	(1.36%)
Tax expense		**26.52%**	**26.57%**

(II) In compliance of Ind As 12 on "Income Taxes", the item wise details of deferred tax liability (net) are as under:

	As at 31-Mar-21	Provided during the Year 2021-22	Provided during the Year in OCI 2021-22	As at 31-Mar-22	Provided during the Year 2022-23	Provided during the Year in OCI 2022-23	As at 31-Mar-23
Deferred tax liability:							
Related to Property,Plant & Equipment (Depreciation)	759.37	35.05	-	794.42	44.52	-	838.94
43B Disallowances , Gratuity etc.	(11.71)	10.39	7.61	6.29	3.43	-	9.72
Total deferred tax liability (A)	**747.66**	**45.44**	**7.61**	**800.71**	**47.95**	-	**848.66**
Deferred tax assets:							
Carry forward Business Loss/Unabsorbed Depreciation	634.06	(475.20)	-	158.86	(158.86)	-	-
Provision on Inventories, Trade Receivables, Loans and advances, CWIP , Investments etc.	10.08	68.68	-	78.76	0.51	-	79.27
43B Disallowances , Gratuity etc.	-	-	-	-		4.86	4.86
Total deferred tax assets (B)	644.14	(406.52)	-	237.62	(158.35)	4.86	84.13
Deferred Tax Liability (Net) (A - B)	103.52	451.96	7.61	563.09	206.31	(4.86)	764.54

The recognition of deferred tax assets / liability is based on the "Asset and liability method", determined on the basis of difference between the financial statement and tax bases of the assets and liabilities, by using the enacted tax rates applicable to the company.

The deferred taxes are recognised to the extent, they are more likely than not to be realised, based on the best estimates as at the balance sheet date. In making such estimates all available positive and negative evidence, including future reversals of existing taxable temporary differences, projected future taxable income and pricing assumptions based on the past trend are considered. Such estimates are subject to significant fluctuations in earnings and timing of such earnings.

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Note – 8 : OTHER ASSETS

₹ in Crore

Sl. No	Particulars	Note	Non-current 31-Mar-23	Non-current 31-Mar-22	Current 31-Mar-23	Current 31-Mar-22
1	**Advance for Capital Expenditure**					
	a) **To Related Parties**					
	i) Unsecured, Considered Good		-	-	-	-
	b) **To Others**					
	i) Secured, Considered Good		-	-		
	i) Unsecured, Considered Good		22.21	0.75	-	-
	Less: Transfer to Asset held for transfer	A	20.08	0.24		-
			2.13	0.51	-	-
2	**Advances**					
	a) To Others					
	i) Unsecured, Considered Good		-	-	62.14	44.78
3	**Claims Recoverable :**					
	From Custom, Excise, Sales tax, Income Tax dept & Others					
	i) Unsecured, Considered Good		-	-	315.06	279.52
4	**GST-ITC recoverable**		-	-	21.44	11.93
5	**Balance with Customs, Port Trust and Excise Authorities:**					
	i) Unsecured, Considered Good		-	-	0.01	0.53
6	**Gold / Other Precious Metals**		-	-	19.67	19.67
7	**Deferred Expenses**		31.20	37.85	3.01	3.29
8	**Other Assets**	B	57.80	44.37	-	17.46
	TOTAL		91.13	82.73	421.33	377.18

Note :

A Refer Note 44.1

B Non current asset pertains to land given on lease related to Indian Oil Corporation Ltd., the holding company

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Note – 9 : INVENTORIES

₹ in Crore

Sl. No	Particulars		31-Mar-23	31-Mar-22
1	**In Hand :**			
a.	Stores, Spares etc.	346.79		324.43
	Less : Provision for Losses	43.10		42.83
			303.69	281.60
b.	Raw Materials		**2499.24**	3373.29
c.	Finished Products		**1681.69**	2456.30
d.	Stock in Process		**802.24**	1006.28
			5286.86	7117.47
2	**In Transit :**			
a.	Stores & Spares etc.		**1.45**	8.54
b.	Raw Materials		**685.28**	406.61
			686.73	415.15
	TOTAL		**5973.59**	7532.62
	Amount of write down of inventories to NRV and recognised as expense		**17.15**	-

Valuation of Inventories are done as per sl. no.7 of Significant accounting policies (Note-1A).

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CHENNAI PETROLEUM CORPORATION LIMITED
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Note – 10 : TRADE RECEIVABLES

₹ in Crore

Particulars	Note	31-Mar-23		31-Mar-22
a) From Related Parties				
i) Considered Good - Unsecured	A	150.05		179.08
b) From Others				
i) Considered Good -Unsecured		148.62		73.24
			298.67	252.32
TOTAL	B		298.67	252.32

Notes :

A Includes receivables from Indian Oil Corporation Ltd., the holding company ₹ 150.05 Crore (2022: ₹ 178.72 Crore) and receivables from Indian Additives Limited, Joint Venture Company ₹ Nil Crore (2022: ₹ 0.36 Crore).

B **Offsetting Financial Assets and Financial Liabilties:**

The following table presents the recognised financial instruments that are offset as at 31st March 2023 and 31st March 2022

Particulars	Effects of offsetting on the balance sheet		
	Gross Amount	Gross Amounts set off in the balance sheet	Net Amounts presented in the balance sheet
31-03-2023			
Financial Assets			
Trade receivables	2713.56	2414.89	298.67
Financial Liabilities			
Trade Payables	5422.00	2414.89	3007.11
31-03-2022			
Financial Assets			
Trade receivables	3242.96	2990.64	252.32
Financial Liabilities			
Trade Payables	6230.70	2990.64	3240.06

Offsetting Arrangements

The Trade receivables and payables to the extent being settled on net basis with Indian Oil Corporation Limited have been offset.

Trade receivables - Ageing

Current Year :

Particulars	Less than 6 months	6 months -1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	263.13	35.54	-	-	-	298.67

Previous Year :

Particulars	Less than 6 months	6 months -1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	249.60	-	2.72	-	-	252.32

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Note – 11 : CASH AND CASH EQUIVALENTS

₹ in Crore

Sl. No	Particulars	31-Mar-23	31-Mar-22
1	**Bank Balances with Scheduled Banks :**		
	Current Account	**1.23**	8.33
	TOTAL	**1.23**	8.33

Note – 12 : OTHER BANK BALANCES

₹ in Crore

	Particulars	Note	31-Mar-23	31-Mar-22
1	Earmarked Balances	A	**7.41**	3.67
	TOTAL		**7.41**	3.67

Note :
A) Pertains to Unpaid dividend (Refer note 16 - Sl.No.5)

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Note – 13 : EQUITY SHARE CAPITAL

₹ in Crore

Particulars	Note	31-Mar-23	31-Mar-22
Authorized:			
Equity:			
40,00,00,000 (2022: 40,00,00,000) Equity Shares of ₹ 10 each		400.00	400.00
Preference:			
100,00,00,000 (2022:100,00,00,000) Non-Convertible Cumulative Redeemable Preference Shares of ₹ 10 each		1000.00	1000.00
		1400.00	1400.00
Issued :			
Equity:			
14,89,11,400 (2022: 14,89,11,400) Equity Shares of ₹ 10 each	(i)	148.91	148.91
Preference:			
50,00,00,000 (2022: 50,00,00,000;) Non-Convertible Cumulative Redeemable Preference Shares of ₹ 10 each	(ii)	500.00	500.00
		648.91	648.91
Subscribed, Called-up and fully Paid-up :			
14,89,11,400 (2022: 14,89,11,400) Equity shares of ₹10 each	(i)	**148.91**	148.91
Total Paid up Equity share Capital		**148.91**	148.91
TOTAL		**148.91**	148.91

Notes :

(i)(A) As per the Formation Agreement entered into between the promoters, an offer is to be made to the Naftiran Intertrade Company Limited (NICO), an affiliate of National Iranian Oil Company (NIOC) in any issue of the Capital in proportion to the shares held by them at the time of such issue to enable them to maintain their shareholding at the existing percentage.

(B) The Shareholders of the Company at the General meeting held on 24th August 2018 has accorded approval for

a) Cancellation of unsubscribed equity share capital of ₹ 20.87 Crore consisting of 2,08,68,900 equity shares of ₹ 10/- each, comprising of partial subscription to Rights Issue made by the company in 1984, by the Government of India and non-subscription by Amoco India Inc., to the Rights Issue made by the company in 1984;

b) Cancellation of 2,19,700 forfeited equity shares of ₹ 10/- each totaling ₹ 0.22 Crore (1,87,900 equity shares forfeited on 26.09.2003 and 31,800 equity shares forfeited on 26.10.2006)

(ii) Based on special resolution passed by the shareholders through postal ballot on 16.07.2015, the company has allotted 100 Crore Non Convertible Cumulative Redeemable Preference Shares of ₹ 10 each for cash at par amounting to ₹ 1000 Crore to Indian Oil Corporation Ltd, the holding company on private placement preferential allotment basis on 24.09.2015 after receipt of full subscription amount.

Preference shares to the extent of ₹ 500 crore, out of the total outstanding amount of ₹ 1000 crore were redeemed on 06.06.2018. Accordingly the outstanding amount as at 31.03.2023 is ₹ 500 crore.

Preference Shares classified as financial liability (long term borrowing) as per Ind AS 32 - Refer note - 15(D)

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Note – 13 : EQUITY SHARE CAPITAL

A. Reconciliation of No. of Shares	31-Mar-23		31-Mar-22	
	Equity Shares	**Preference Shares**	Equity Shares	Preference Shares
Opening Balance	14,89,11,400	50,00,00,000	14,89,11,400	50,00,00,000
Shares Issued	-	-	-	-
Shares bought back / Redeemed	-	-	-	-
Closing Balance	**14,89,11,400**	**50,00,00,000**	14,89,11,400	50,00,00,000

B. Rights, preferences and restrictions attached to Equity shares

Equity Shares: The company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company in proportion to their shareholding.

C. Shares held by Holding Company

₹ in Crore

	31-Mar-23	31-Mar-22
7,72,65,200 Equity Shares of ₹10 each (51.89%) fully paid-up, held by Indian Oil Corporation Limited, the Holding Company.	77.27	77.27

D. Details of shareholders holdings more than 5% shares
Equity Shares

Name of Shareholder	31-Mar-23		31-Mar-22		% change during the year
	Number of shares held	**Percentage of Holding**	Number of shares held	Percentage of Holding	
Indian Oil Corporation Limited	**77265200**	**51.89**	77265200	51.89	NIL
Naftiran Intertrade Company Limited	**22932900**	**15.40**	22932900	15.40	

E. Details of shares held by promotors
Equity Shares

Name of Shareholder	31-Mar-23		31-Mar-22		% change during the year
	Number of shares held	**Percentage of Holding**	Number of shares held	Percentage of Holding	
Indian Oil Corporation Limited	**77265200**	**51.89**	77265200	51.89	NIL
Naftiran Intertrade Company Limited	**22932900**	**15.40**	22932900	15.40	

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CHENNAI PETROLEUM CORPORATION LIMITED
CONSOLIDATED FINANCIAL STATEMENTS
Note – 14 : OTHER EQUITY

₹ in Crore

Sl. No	Particulars	Note		31-Mar-23	31-Mar-22
1	**Retained Earnings**				
a)	**General Reserve :**				
	As per last Account		3557.45		3533.95
	Add: Remeasurement of Defined Benefit Plans		(13.40)		23.50
	Less: Dividend Paid		(29.78)		-
	Add: Transferred from Profit and Loss Account		950.47		-
			4464.74		3557.45
b)	**Surplus (Balance in Statement of Profit and Loss):**				
	Balance Brought Forward from Last Year's Account		(1669.76)		(2921.79)
	Add: Profit / (Loss) for the Year		3531.53		1352.03
	Less: APPROPRIATIONS:				
	Insurance Reserve Account		15.00		-
	Capital Redemption Account		300.00		100.00
	General Reserve		950.47		-
	Balance carried forward to next year's account		596.30		(1669.76)
				5061.04	1887.69
2	**Other Reserves**				
a)	**Capital Redemption Reserve :**	A			
	As per last Account		700.00		600.00
	Add: Transferred from Profit and Loss Account		300.00		100.00
				1000.00	700.00
b)	**Insurance Reserve :**	B			
	As per last Account		-		-
	Add: Transferred from Profit and Loss Account		15.00		-
				15.00	-
c)	**Securities Premium:**	C			
	As per last Account			**250.04**	250.04
d)	**Capital Reserve**	D			
	As per last Account			**0.09**	0.09
	TOTAL			**6326.17**	2837.82

Note :
Retained Earnings

The retained earnings comprises of general reserve and surplus which is used from time to time to transfer profits by appropriations. Retained earnings is free reserve of the Company and is used for the purposes like issuing bonus shares, buy back of shares and other purposes (like declaring Dividend etc.) as per the approval of Board of Directors. It includes the remeasurement of defined benefit plan as per actuarial valuations which will not be re-classified to statement of profit and loss in subsequent periods.

Other Reserves

Reserves created in compliance with the Provision of the Companies Act, the utilisation of which is restricted to the purposes mandated therein:

A Capital Redemption Reserve Account : As per Companies Act 2013, capital redemption reserve is created to redeem preference shares. Utilisation of this reserve is governed by the provisions of the Companies Act 2013.

B Insurance Reserve : Insurance Reserve is created by the company to Offset risk of loss of assets not insured with external insurance agencies. The reserve is utilised to Offset actual losses by way of net appropriation in case any uninsured loss is incurred

C Capital Reserve: Capital Reserve was created through forfeiture of shares and shall be utilised as per the provisions of the Companies Act 2013.

D Securities Premium : Premium on shares issued by the company appropriated under this reserve.

G.M. KAPADIA & CO. CHENNAI Chartered Accountants

CHENNAI PETROLEUM CORPORATION LIMITED
CONSOLIDATED FINANCIAL STATEMENTS
Note – 15 : LONG-TERM BORROWINGS
(At Amortised Cost)

₹ in Crore

Sl. No	Particulars	Note	Non-current			Current Maturities		
				31-Mar-23	31-Mar-22		31-Mar-23	31-Mar-22
I.	**SECURED BORROWINGS**							
1	**Term Loans:**							
	From other parties							
	i) Loans from OIDB	A		**74.19**	306.55	**50.00**		137.50
	Total (Term Loans)			**74.19**	306.55		**50.00**	137.50
	Total Secured Borrowings			**74.19**	306.55		**50.00**	137.50
II.	**UNSECURED BORROWINGS**							
1	**Debentures**							
	8100 Nos. of 5.78% Unsecured Redeemable Non-Convertible Debentures of ₹ 10 Lakhs each redeemable at par - Series - I-2021 (2022: 8100)		**810.00**		810.00	**33.09**		33.09
	7750 Nos. of 5.44% Unsecured Redeemable Non-Convertible Debentures of ₹ 10 Lakhs each redeemable at par - Series - II-2022 (2022: 7750)	B	**775.00**		775.00	**32.57**		32.57
	11450 Nos. of 6.43% Unsecured Redeemable Non-Convertible Debentures of ₹ 10 Lakhs each redeemable at par - Series - I-2020 (2022: 11450)		-		-	-		1151.46
	Total (Term Loans)			**1585.00**	1585.00		**65.66**	1217.12
2	**Loans from related parties:** 50,00,00,000 (2022 :50,00,00,000) Non-Convertible Cumulative Redeemable Preference Shares of ₹ 10 each	C		**500.00**	500.00		**33.25**	139.01
	Total Unsecured Borrowings			**2085.00**	2085.00		**98.91**	1356.13
	TOTAL LONG-TERM BORROWINGS			**2159.19**	2391.55		**148.91**	1493.63

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A. Secured Rupee Term Loans:

Sl. No.	Particulars	Availed Date	Rate of Interest	Date of Repayment	Security Details
1	Term Loan from Oil Industry Development Board - Rs 50 Crore	18-03-2019	Floating rate based on month end (semi-annualised) interest rates for 5 year G-Sec as per FIMMDA plus 50% of margins of AAA rated Bonds over G-Sec as quoted in INCORP (quote AAA INBMK) reset on a quarterly basis.	The loan will be for a period of 5 years with 1 year moratorium and repayable in 4 equal installments. Interest payable on Quarterly basis. Fully prepaid on 13.06.2022.	First Mortgage and charge on Immovable properties, both present and future and First Charge by way of Hypothecation on Movables including movable machinery, machinery spares, tools and accessories, present and future, pertaining to RLNG project Satisfaction of charge completed upon prepayment
2	Term Loan from Oil Industry Development Board - Rs 50 Crore	17-05-2019			
3	Term Loan from Oil Industry Development Board - Rs 150 Crore	30-10-2019		The loan will be for a period of 5 years with 1 year moratorium and repayable in 4 equal installments. Interest payable on Quarterly basis. Fully prepaid on 13.06.2022.	
4	Term Loan from Oil Industry Development Board - Rs 100 Crore	31-03-2020	6.16%	The loan will be for a period of 5 years with 1 year moratorium and repayable in 4 equal installments. Interest payable on Quarterly basis	First Mortgage and charge on Immovable properties, both present and future and First Charge by way of Hypothecation on Movables including movable machinery, machinery spares, tools and accessories, present and future, pertaining to BS-VI project to the extent of outstanding.
5	Term Loan from Oil Industry Development Board - Rs 100 Crore	30-06-2020	5.68%		
6	Term Loan from Oil Industry Development Board - Rs 100 Crore	26-03-2021	Floating rate based on month end (semi-annualised) interest rates for 5 year G-Sec as per FIMMDA plus 50% of margins of AAA rated Bonds over G-Sec as quoted in INCORP (quote AAA INBMK) reset on a quarterly basis.	The loan will be for a period of 5 years with 1 year moratorium and repayable in 4 equal installments. Interest payable on Quarterly basis. Fully prepaid on 13.06.2022.	

B. Unsecured Loans:

Sl. No.	Particulars	Availed Date	Rate of Interest	Date of Redemption
1	Unsecured Redeemable Non-Convertible Debentures of ₹ 10 Lakhs each redeemable at par - Series -I-2021	17-07-2020	5.78%	Principal repayable at the end of 5 years from date of availment. Interest payable Annually
2	Unsecured Redeemable Non-Convertible Debentures of ₹ 10 Lakhs each redeemable at par - Series -II-2022	23-06-2021	5.44%	Principal repayable at the end of 3 years from date of availment. Interest payable Annually
3	Unsecured Redeemable Non-Convertible Debentures of ₹ 10 Lakhs each redeemable at par - Series -I-2020	28-02-2020	6.43%	Principal repayable at the end of 3 years from date of availment. Interest payable Annually. Fully Redeemed on 28.02.2023.

C. Non Convertible Cumulative Redeemable Preference Shares

Preference Share is treated as financial liability as per Ind AS 32, as these are redeemable on maturity for a fixed determinable amount and carry fixed rate of dividend.

(i) **Rights, preferences and restrictions attached to Preference shares:**

The Company has one class of preference shares i.e. Non-Convertible Cumulative Redeemable Preference Shares (NCCRP Shares) of ₹ 10 per share.

(a) Such shares shall confer on the holders thereof, the right to preferential dividend from the date of allotment i.e., 24.09.2015

(b) Such shares shall rank for capital and dividend (including all dividend undeclared upto the commencement of winding up) and for repayment of capital in a winding up, pari passu inter se and in priority to the Ordinary Shares of the Company, but shall not confer any further or other right to participate either in profits or assets.

(c) The holders of such shares shall have the right to receive all notices of general meetings of the Company and have a right to vote only on resolution placed before the share holders which directly affect their rights attached to preference shares like winding up of company or repayment of preference shares etc.

(d) The tenure of the NCCRP Shares would be 10 years , with put and call option. Either the preference shareholder shall have right to exercise Put option or the Issuer shall have right to exercise Call option to redeem the preference shares, in whole or in part after the 5 years of the preference issue date. However, it is also agreed that Put & Call option before the 5 year period can be exercised by mutual consent of both the parties by giving 30 days notice.

(e) Dividend rate shall be equivalent to the Post tax yield of AAA rated corporate bond i.e. prevailing (at the time of issue) 10 year G-Sec yield plus spread on AAA rated corporate bond i.e., 6.65% p.a.

(ii) Non-convertible cumulative redeemable preference shares to the extent of ₹ 500 Crore, out of ₹ 1000 crore was redeemed on 06.06.2018.

(iii) **Preference Shares held by Holding Company**

₹ in Crore

Particulars	31-Mar-23	31-Mar-22
50,00,00,000 (2022 : 50,00,00,000) Non-Convertible Cumulative Redeemable Preference Shares of ₹10/- each (100%) fully paid-up, held by Indian Oil Corporation Limited, the Holding Company.	500.00	500.00

(iv) **Details of Preference shareholders holdings more than 5% shares**

Name of Preference Shareholder	31-Mar-23		31-Mar-22	
	Number of Preference shares held	Percentage of Holding	Number of Preference shares held	Percentage of Holding
Indian Oil Corporation Limited	500000000	100	500000000	100

(v) Preference dividend has been provisionally accrued as finance cost. However, as per the Companies Act 2013, the preference shares is treated as part of share capital and the provisions of the Act relating to declaration of Preference Dividend would be applicable.The Board of Directors have recommended preference dividend of 6.65% on the outstanding preference shares amounting to Rs. 33.25 Cr for the year (2021-22 : Rs. 33.25 cr for FY 2021-22 and Rs. 105.76 Cr being the cumulative preference dividend for the previous year(s)).

(vi) Refer Note -13 & 13A - Authorised and issued Preference Share capital and the reconciliation of no. of shares of preference shares

CHENNAI PETROLEUM CORPORATION LIMITED
CONSOLIDATED FINANCIAL STATEMENTS
Note – 16 : OTHER FINANCIAL LIABILITIES

₹ in Crore

Sl. No	Particulars	Note	Non-current 31-Mar-23	Non-current 31-Mar-22	Current 31-Mar-23	Current 31-Mar-22
1	Liability for Capital Expenditure	A	-	-	**275.25**	348.34
	Less: Transfer to disposal group held for transfer	B	-	-	**11.06**	25.06
					264.19	323.28
2	Liability to Trusts and Other Funds	C	-	-	**12.73**	5.38
3	Employee Liabilities for Expenses		-	-	**202.34**	156.86
4	Security Deposits	D	**6.48**	6.60	**36.68**	31.99
5	Liability for Unpaid Dividend	E	-	-	**7.41**	3.67
6	Other Financial Liabilities		-	-	**3.02**	2.04
	TOTAL		**6.48**	6.60	**526.37**	523.22

Notes :

A Includes dues Payable to Indian Oil Corporation Limited ₹ Nil (2022: ₹ 4.31 Crore) and Indian Oiltanking Limited ₹ 4.76 Crore (2022: ₹ 4.76 Crore)

B Refer Note 44.1

C Previous year figures have been regrouped from Note 6- Other Financial Assets which was hitherto netted and shown has now been grossed up.

D Non-Current Liability pertains to Indian Oil Corporation Ltd., the holding company.

E There are no amounts due for payment to the Investor Education and Protection Fund as at the year end.

G.M. KAPADIA & CO. CHENNAI Chartered Accountants

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CONSOLIDATED FINANCIAL STATEMENTS
Note – 17 : PROVISIONS

₹ in Crore

Sl. No	Particulars	Note	Non-current		Current	
			31-Mar-23	31-Mar-22	**31-Mar-23**	31-Mar-22
1	Provision for Employee Benefits	A	**9.04**	9.58	**1.86**	1.73
2	Contingencies for probable obligations	B	**-**	-	**522.74**	332.73
	TOTAL		**9.04**	9.58	**524.60**	334.46

A Refer Note 6 B

B In compliance of Ind AS – 37 on "Provisions, Contingent Liabilities and Contingent Assets", the required information is as under :

	Opening Balance	Addition during the year	Utilization during the year	Reversals during the year	Closing Balance
Sales Tax	246.04	217.05	-	-	463.09
Income Tax	86.69	-	-	27.04	59.65
TOTAL	**332.73**	**217.05**	**-**	**27.04**	**522.74**
Previous Year	24.50	321.67	-	13.44	332.73

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CHENNAI PETROLEUM CORPORATION LIMITED
CONSOLIDATED FINANCIAL STATEMENTS
Note – 18 : OTHER LIABILITIES

₹ in Crore

Sl. No	Particulars	Note	Non-current		Current	
			31-Mar-23	31-Mar-22	**31-Mar-23**	31-Mar-22
1	Deferred Income	A	**7.16**	7.45	**0.29**	0.29
2	Government Grants					
	Liability towards Government Grants (Refer Note - 40)		**13.24**	11.59	**0.62**	1.69
3	Statutory Liabilities		**-**	-	**394.44**	479.90
4	Advances from Customers	B	**-**	-	**36.44**	52.43
	TOTAL		**20.40**	19.04	**431.79**	534.31

Note :

A Pertains to Indian Oil Corporation Ltd., the holding company

B Includes payables to Indian Additives Limited, Joint Venture Company ₹ 0.82 Crore (2022: Nil).

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CHENNAI PETROLEUM CORPORATION LIMITED
CONSOLIDATED FINANCIAL STATEMENTS
Note – 19 : BORROWINGS - CURRENT
(At Amortised Cost)

₹ in Crore

Sl. No	Particulars	Note		31-Mar-23	31-Mar-22
I.	**SECURED BORROWINGS**				
	1 Loans Repayable on Demand				
	From Banks:				
	a) In Rupees				
	i) Working Capital Demand Loan	A	-		2507.46
	Sub-Total			-	2507.46
	2 Current maturities of Long term debt			**50.00**	137.50
	Total Secured Borrowings			**50.00**	2644.96
II.	**UNSECURED BORROWINGS**				
	1 Loans Repayable on Demand				
	From Banks/Financial Institutions:				
	In Rupees				
	Working Capital Demand Loan		1927.36		2730.23
	Sub-Total			**1927.36**	2730.23
	2 Other Loans				
	From Banks/Financial Institutions:				
	In Rupees				
	Commercial Paper			-	99.83
	3 Current maturities of Long term debt			**98.91**	1356.13
	Total Unsecured Borrowings			**2026.27**	4186.19
	TOTAL BORROWINGS - CURRENT			**2076.27**	6831.15

Notes:

A Secured against hypothecation by way of first charge on Trade Receivables & Inventories to State Bank of India. The quarterly statements of current assets filed by the company with banks or financial institutions are in agreement with the books of accounts.

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CHENNAI PETROLEUM CORPORATION LIMITED
CONSOLIDATED FINANCIAL STATEMENTS
Note – 20 : TRADE PAYABLES

₹ in Crore

Particulars	Note	31-Mar-23	31-Mar-22
Dues to Micro and Small Enterprises	A	**5.30**	6.79
Dues to Related Parties	B	**2202.38**	1887.18
Dues to Others		**799.43**	1346.09
TOTAL	C	**3007.11**	3240.06

Notes :

A Details relating to Micro and Small Enterprises is as follows:

Particulars	31-Mar-23	31-Mar-22
(a) the principal amount	5.30	6.79
(b) the interest due thereon remaining unpaid	-	-
(c)the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(d)the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(e)the amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
(f) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

B Represents dues to Indian Oil Corporation Ltd., the holding company

C Refer Note - 10(A)

D Trade Payables aging schedule

Current Year: ₹ in Crore

Particulars	Outstanding for following periods from due date of payment					
	Unbilled	Less than 1 year	1-2 years	2 - 3 years	More than 3 years	Total
(i) MSME	-	5.30	-		-	5.30
(ii) Others	109.21	2878.02	7.54	3.42	3.48	3001.66
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	0.15	-	0.15
Total						**3007.11**

Previous Year: ₹ in Crore

Particulars	Outstanding for following periods from due date of payment					
	Unbilled	Less than 1 year	1-2 years	2 - 3 years	More than 3 years	Total
(i) MSME	-	6.79	-	-	-	6.79
(ii) Others	118.38	3103.31	4.67	2.63	4.13	3233.12
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	0.15	-	-	0.15
Total						**3240.06**

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CHENNAI PETROLEUM CORPORATION LIMITED
CONSOLIDATED FINANCIAL STATEMENTS
Note – 21 : REVENUE FROM OPERATIONS

₹ in Crore

Sl. No	Particulars	Note		31-Mar-23	31-Mar-22
1	Sale of Products and Crude (including Excise Duty)		90945.14		60504.15
	Less: Discounts		144.03		102.13
	Sales (Net of Discounts)	A	90801.11		60402.02
2	Other Operating Revenues (Note "21.1")		107.16		72.27
				90908.27	60474.29
	TOTAL	B		**90908.27**	60474.29

Notes :

A Breakup of Gross revenue and Excise Duty on sales

Particulars	31-Mar-23	31-Mar-22
Revenue (gross)	90801.11	60402.02
Less: Excise Duty	14200.56	17358.81
Net Revenue	**76600.55**	43043.21

B Refer Note-42 Revenue from contracts with customers

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CHENNAI PETROLEUM CORPORATION LIMITED
CONSOLIDATED FINANCIAL STATEMENTS
Note – 21.1 : OTHER OPERATING REVENUES

₹ in Crore

Sl. No	Particulars	Note	31-Mar-23	31-Mar-22
1	Sale of Power		**1.73**	1.98
2	Unclaimed / Unspent liabilities written back		**1.57**	2.67
3	Recoveries from Employees		**1.67**	1.57
4	Sale of Scrap		**37.32**	21.20
5	Amortisation of Government Grants related to OIDB loan		**0.86**	1.67
6	Terminalling Charges		**1.83**	1.75
7	Other Miscellaneous Income	A	**62.18**	41.43
	TOTAL		**107.16**	72.27

A Includes ₹11.74 Crore (2022 : ₹ Nil Crore) in respect of Insurance claims

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CHENNAI PETROLEUM CORPORATION LIMITED
CONSOLIDATED FINANCIAL STATEMENTS
Note – 22 : OTHER INCOME

₹ in Crore

Sl. No	Particulars	Note		31-Mar-23	31-Mar-22
1	Interest on : Financial Item:				
	a) Loans and Advances		6.93		4.56
	b) Deposits		0.26		0.18
	c) Others	A	-		5.56
				7.19	10.30
2	Other Non Operating Income			-	0.01
	TOTAL			**7.19**	10.31

A Mainly due to reversal of interest expense under Income Tax Act

Total interest income (calculated using the effective interest method) for financial assets that are not at fair value through profit or loss:

₹ in Crore

	31-Mar-23	31-Mar-22
In relation to financial assets measured at amortised cost	**7.19**	10.30

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CHENNAI PETROLEUM CORPORATION LIMITED
CONSOLIDATED FINANCIAL STATEMENTS
Note – 23 : COST OF MATERIALS CONSUMED

₹ in Crore

Particulars	Note	31-Mar-23	31-Mar-22
Raw Material Consumed :			
Opening Balance		**3779.90**	1968.68
Add :			
Purchases		**66593.40**	41856.47
Sub Total		**70373.30**	43825.15
Less: Closing Stock		**3184.52**	3779.90
TOTAL (Net)		**67188.78**	40045.25

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CONSOLIDATED FINANCIAL STATEMENTS
Note – 24 : CHANGES IN INVENTORY

₹ in Crore

Particulars		31-Mar-23	31-Mar-22
Closing Stock			
a) Finished Products	1681.69		2456.30
b) Stock in Process	802.24		1006.28
		2483.93	3462.58
Less:			
Opening Stock			
a) Finished Products	2456.30		1935.27
b) Stock in Process	1006.28		299.96
		3462.58	2235.23
NET INCREASE/(DECREASE)		**(978.65)**	1227.35

CHENNAI PETROLEUM CORPORATION LIMITED
CONSOLIDATED FINANCIAL STATEMENTS
Note – 25 : EMPLOYEE BENEFIT EXPENSE

₹ in Crore

Particulars		31-Mar-23	31-Mar-22
Employee Benefit Expense:			
(a) Salaries, Wages, Bonus etc	A	**445.01**	395.47
(b) Contribution to Provident & Other Funds		**49.50**	89.07
(c) Staff Welfare Expenses		**61.79**	63.29
TOTAL	B & C	**556.30**	547.83

Notes :

A Interest on plan assets in respect of Leave enchashment which was hitherto recognised under Interest on financial items - others ₹ 7.43 Cr has now been netted against Employee benefit expenses in respect of previous year figures.

B Disclosure in compliance with Ind AS - 19 on "Employee Benefits" is given in Note - 32

C Above excludes ₹ 14.42 Crore (2022: ₹ 19.2 Crore) transferred to capital work in progress (Note - 2.2) and ₹ 21.85 Crore (2022: ₹ 19.64 Crore) transferred to disposal group held for transfer (Note - 2.2)

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CHENNAI PETROLEUM CORPORATION LIMITED
CONSOLIDATED FINANCIAL STATEMENTS
Note – 26 : FINANCE COSTS

₹ in Crore

Sl. No	Particulars	Note		31-Mar-23	31-Mar-22
1	**Interest Payments on Financial items:**	(i)			
	I Working Capital Loans				
	Short term Borrowings		169.67		227.70
	II Other Loans				
	Debentures/Long Term Loan	A	122.14		140.61
				291.81	368.31
	III Unwinding of Finance cost on Lease obligations			**2.48**	1.80
	IV Interest expense for Preference Shares treated as financial liabilities	B		**33.25**	33.25
2	**Interest Payments on Non Financial items**	C		**2.21**	0.36
3	**Other Borrowing Cost**	D		**0.43**	1.15
4	**Exchange differences regarded as adjustment to borrowing cost**			-	7.57
	TOTAL			**330.18**	412.44

Notes :

		31-Mar-23	31-Mar-22
A	Net of interest capitalised as part of CWIP Rs.8.69 Cr (2022: Rs.24.32 Cr) & transferred to disposal group held for transfer Rs.39.32 Cr (2022: Rs.27.08 Cr)	**48.01**	**51.40**

B Refer Note-15 C (v)

C Mainly includes interest expense on account of Income Tax / GST

(i) Total interest expense (calculated using the effective interest method) for financial liabilities that are not measured at fair value through profit or loss:

₹ in Crore

	31-Mar-23	31-Mar-22
In relation to financial liabilities measured at amortised cost	**327.54**	403.36

D Mainly pertains to Stamp duty & other indirect expenses on borrowings.

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CONSOLIDATED FINANCIAL STATEMENTS
Note – 27 : OTHER EXPENSES

₹ in Crore

Sl. No	Particulars		31-Mar-23	31-Mar-22
1	Consumption:			
	a) Stores, Spares and Consumables	133.77		94.41
	b) Packages & Drum Sheets	1.79		1.26
			135.56	95.67
2	Power & Fuel	3320.22		2485.20
	Less : Fuel from own production	3242.45		2419.28
			77.77	65.92
3	Irrecoverable taxes - Central Sales Tax		**463.35**	307.09
4	Repairs and Maintenance			
	i) Plant & Machinery	251.35		186.15
	ii) Buildings	1.14		1.09
	iii) Others	43.08		66.97
			295.57	254.21
5	Freight, Transportation Charges and Demurrage		**77.13**	27.37
6	Office Administration, Selling and Other Expenses (Refer Note "27.1")		**889.16**	481.46
	TOTAL		**1938.54**	1231.72
	Less: Company's use of own Products		**0.67**	1.10
	TOTAL (Net)		**1937.87**	1230.62

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CHENNAI PETROLEUM CORPORATION LIMITED
CONSOLIDATED FINANCIAL STATEMENTS
Note – 27.1 : OFFICE ADMINISTRATION, SELLING AND OTHER EXPENSES

₹ in Crore

Sl. No	Particulars	Note		31-Mar-23	31-Mar-22
1	Rent			**4.57**	11.60
2	Insurance			**30.80**	27.83
3	Rates & Taxes			**3.44**	2.14
4	Payment to auditors :				
	a) For Statutory Audit		0.24		0.24
	b) For Limited Review		0.11		0.12
	c) For Taxation Matters		0.05		0.04
	d) Other Services(for issuing other certificates etc.)		0.03		0.03
				0.43	0.43
5	Travelling & Conveyance			**20.03**	18.58
6	Communication Expenses			**2.05**	1.63
7	Printing & Stationery			**1.20**	0.93
8	Electricity & Water			**0.75**	0.46
9	Bank Charges			**0.51**	0.77
10	Provision / Loss on Assets sold or written off (Net)			**9.64**	12.10
11	Technical Assistance Fees			**6.96**	8.65
12	Exchange Fluctuation (Net)			**523.43**	98.65
13	Provision for Doubtful Debts, Advances, Claims and Obsolescence of Stores			**0.41**	2.78
14	Security Force Expenses			**34.30**	30.16
15	Terminalling Charges			**11.14**	9.90
16	Provision for Probable Contingencies			**217.06**	234.86
17	Expenses on CSR Activities	Refer Note:39		**-**	-
18	Miscellaneous Expenses	A		**22.44**	19.99
	TOTAL			**889.16**	481.46

Note :

A Miscellaneous Expenses Includes:

i) Expenditure on Advertisement, Public Relations and Publicity amounting to ₹ 0.61 Crore (2022: ₹ 0.49 Crore). The ratio of annual expenditure on Advertisement,Public Relations and Publicity to the annual turnover (inclusive of excise duty) is 0.00001:1 (2022: 0.00001:1)

ii) Entertainment Expenses ₹ 0.18 Crore (2022: ₹ 0.16 Crore)

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Note – 28 : OTHER COMPREHENSIVE INCOME

₹ in Crore

Sl. No	Particulars		31-Mar-23	31-Mar-22
A.	**Items that will not be reclassified to profit or loss:**			
1	Remeasurement of Defined Benefit Plans	(18.12)		30.85
2	Share of Joint Ventures and Associates in Remeasurement of Defined Benefit Plans	(0.14)		0.34
			(18.26)	31.19
B.	**Income Tax relating to items that will not be reclassified to profit or loss:**			
1	Remeasurement of Defined Benefit Plans	4.82		(7.61)
2	Share of Joint Ventures and Associates in Remeasurement of Defined Benefit Plans	0.04		(0.08)
			4.86	(7.69)
	TOTAL		**(13.40)**	23.50

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Note – 29 : DISTRIBUTIONS MADE AND PROPOSED

₹ in Crore

Particulars	31-Mar-23	31-Mar-22
Cash dividends on Equity shares	-	-
Final dividend for FY 2021-22 declared and paid during the year ended 31 March 2023: ₹ 2 per share; (for FY 2020-2021 declared and paid during the year ended 31 March 2022 : ₹ NIL Per Share)	29.78	-
	29.78	**-**
Proposed dividends on Equity shares:		
Final dividend for year ended 31 March 2023: ₹ 27 per share (31 March 2022: ₹ 2 per share)	402.06	29.78
	402.06	29.78

Proposed dividend on equity shares are subject to approval at the Annual General Meeting and are not recognised as a liability as at 31 March 2023

Note : Refer Note-15 C (v) for Preference dividend

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Note – 30 : EARNINGS PER SHARE (EPS)

Basic and Diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	**31-Mar-23**	**31-Mar-22**
Profit / (Loss) attributable to equity holders (₹ in Crore)	**3531.53**	1352.03
Weighted Average number of equity shares used for computing Earning Per Share (Basic & Diluted)	**148911400**	148911400
Earning Per Share (Basic and Diluted) (₹)	**237.16**	90.79
Face value per share (₹)	**10.00**	10.00

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CHENNAI PETROLEUM CORPORATION LIMITED
CONSOLIDATED FINANCIAL STATEMENTS
Note – 31 : DISCLOSURE OF INTEREST IN JOINT VENTURES AND ASSOCIATES

(₹ in Crore)

Name of entity	Place of business	% of ownership interest	Relationship	Accounting method	Carrying Amount	
					As at 31.03.2023	As at 31.03.2022
Indian Additives Limited	India	50%	Joint Venture	Equity Accounting	205.95	208.33
National Aromatics and Petrochemical Corporation Limited	India	50%	Joint Venture	Equity Accounting	(10.13)	(10.13)

Note: CPCL has paid Rs. 0.0125 Cr during the year towards share application money pending allotment in CBRPL (Refer Note 6 - Other Finanical Assets 2 (A))

Summarised balance sheet of the Indian Additives Limited: (₹ in Crore)

	31-Mar-23	31-Mar-22
	Audited	Audited
Current assets	439.35	367.50
Current liabilities	212.34	99.11
Non-current assets	197.83	183.18
Non-current liabilities	12.67	34.67
Net assets	**412.17**	**416.90**

	31-Mar-23	31-Mar-22
	Audited	Audited
Proportion of the company's ownership on the above	50%	50%
Carrying amount of the investment	205.95	208.33
The above amounts of assets and liabilities include the followings		
Cash and cash equivalents	13.11	13.38

Summarised statement of profit and loss of the Indian Additives Limited:

(₹ in Crore)

Paritculars	31-Mar-23	31-Mar-22
	Audited	Audited
Revenue From Operations	1187.35	866.74
Other Income	8.68	9.61
Cost of Material Consumed	879.16	620.24
Purchases of Stock in trade	88.62	77.85
Changes in inventories of finished goods, stock-in-trade and work in progress	5.92	(28.45)
Excise duty on sale of goods	-	-
Employee Benefits Expense	37.87	36.33
Finance Costs	2.65	0.34
Depreciation and amortization expense		
a) Tangible Assets	17.63	16.37
b) Intangible Assets	0.04	0.04
Other Expenses	145.36	112.26
Profit before exceptional items and tax	**18.78**	**41.38**
Exceptional Items		
Profit/(loss) before tax	**18.78**	**41.38**
Tax expense:		
Current Tax	4.70	10.20
Tax Expense relating to previous year	2.25	(0.44)
Deferred Tax	0.49	0.42
Profit (Loss) for the period	**11.34**	**31.20**
Other Comprehensive Income	(0.21)	0.50
Total comprehensive income	**11.13**	**31.70**
Dividend received	0.00	0.00

Commitments and contingent liabilities in respect of Joint Venture

Particulars	31-Mar-23	31-Mar-22
	Audited	Audited
Commitments – Joint Venture		
Property, Plant and Equipments	1.82	1.14
Civil Work relating to Project	-	-
Contingent liabilities – Joint Venture		
Income Tax Matters	1.05	3.33
Excise Duty Matters	0.01	0.01
Service Tax Matters	0.57	0.57
Sales Tax Matters	0.34	0.34
Customs duty matters	-	-

Individually immaterial Joint Ventures:

Particulars	31-Mar-23	31-Mar-22
Aggregate carrying amount of individually immaterial Joint Venture		
i) National Aromatics and Petrochemical Corporation Limited A	-	-
Aggregate amounts of the group's share of:		
Profit/(loss) from continuing operations	NA	NA
Other comprehensive income	NA	NA
Total comprehensive income	NA	NA
Share of profits from Joint Venture	(0.01)	(0.01)

A. The Investment in JV have been fully provided for dimunition in value of investments. The JV is not Operational
The company has decided to exit from the JV and the process in this regard is already initiated.

NA - Not Applicable

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Note – 32 : EMPLOYEE BENEFITS

Disclosures in compliance with Ind AS 19 on "Employee Benefits" is as under:

A. Defined Contribution Plans- General Description

Pension Scheme:

During the year, the company has recognised ₹ 25.03 Crore (2022: ₹ 24.62 Crore) towards contribution to Defined Employees Pension Scheme in the Statement of Profit and Loss / CWIP (included in Contribution to Provident & Other Funds in Note - 25 / Construction period expenses in Note-2.1)

During the year, the company has recognised ₹ 1.71 Crore (2022: ₹ 1.81 Crore) as contribution to EPS-95 in the Statment of Profit and Loss / CWIP (included in Contribution to Provident and Other Funds in Note - 26 / Construction period expenses in Note-2.1)

B. Defined Benefit Plans- General Description

1 Provident Fund:

The Company's contribution to the Provident Fund is remitted to separate provident fund trust established for this purpose based on a fixed percentage of the eligible employee's salary and charged to Statement of Profit and Loss. Shortfall, if any, in the fund assets, based on the Government specified minimum rate of return, will be made good by the Company. The Provident Fund maintained by the PF Trust in respect of which actuarial valuation is carried out and ₹ 6.9 Crore (2022 : ₹ 4.91 Crore) has been provided by the company towards the current and future interest shortfall/losses beyond available surplus.

2 Gratuity:

Each employee rendering continuous service of 5 years or more is entitled to receive gratuity amount equal to 15/26 of the eligible salary for every completed year of service subject to a maximum of ₹ 0.20 Crore at the time of separation from the company. Besides, the ceiling of gratuity increases by 25% whenever IDA rises by 50%. The company has funded the liability through insurance company.

3 Post Retirement Medical Scheme (PRMS):

PRMS provides medical benefit to retired employees and eligible dependant family members.The company has funded the liability through insurer managed funds.

4 Workman Compensation:

The company pays an equivalent amount of 100 months salary to the family member of employee, if employee dies due to accidental death while he is on duty. This scheme is not funded by the company. The liability originates out of the workman compensation Act and Factory Act.

C. Other Long-Term Employee Benefits - General Description

1 Leave Encashment:

(i) Each employee is entitled to get 8 days of earned leave for each completed quarter of service. Encashment of earned leave is allowed during service leaving a minimum balance of 15 days subject to maximum accumulation up to 300 days. In addition each employee is entitled to get 5 days of sick leave at the end of every six months. The Company has been adopting a practice of permitting encashment of the entire accumulation of sick leave only at the time of retirement.

(ii) DPE Guidelines in this regard states that sick leave cannot be encashed. The company continues this practice keeping in view operational complications and service agreements. Our Holding company has represented to the concerned authorities in earlier years to reconsider the matter. The matter has been dealt in 3rd PRC recommendations, which is effective January 1,2017 and CPSEs have been allowed to frame their own rules considering operational necessities and subject to conditions set therein. The net expenditure accounted towards encashment of sick leave for the year is ₹ 6.07 Crore (2022: ₹ 1.96 crore). The accumulated provision for towards encashment of sick leave is ₹ 32.16 Crore (2022: ₹ 29.86 Crore).

2 Long Service Award:

On completion of specified period of service with the Company and also at the time of retirement, employees are rewarded with Prepaid Card as per eligibility, based on the duration of service completed based on the Board approved policy. This award based on length of meritorious and faithful service of employees (Long Service Award) was specifically allowed by DPE (formerly BPE) thru its letter dated 14.02.1983. MOP&NG has advised the Company that the Scheme is in contravention to the present DPE guidelines issued vide DPE OM No. 2(22)/97-DPE(WC) dated 20th November, 1997. The matter is being pursued with MOP&NG for resolution. Pending resolution of the matter, the company is of the view that the provision is in line with Board approved policy. The net expenditure accounted on this account is ₹ 1.01 Crore (2022: ₹ 0.96 Crore). The accumulated provision in this regard is ₹ 10.54 Crore (2022: ₹ 10.95 Crore). The Company continues this practice keeping in view operational complications and service agreements. Our Holding company has represented to the concerned authorities in earlier years to reconsider the matter.

D. The summarised position of various defined benefits / Long Term Employee Benefits recognised in the Statement of Profit & Loss, Balance Sheet are as under:

(Figures presented in *Italic Font* in the table are for previous year)

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(i) Reconciliation of balance of Defined Benefit / Long Term Employee Benefit Obligations

₹ in Crore

	Provident Fund	Gratuity	PRMS
	Funded	Funded	Funded
Defined Obligation at the beginning	**629.90**	**153.46**	**254.59**
	617.28	*163.96*	*258.00*
Current Service Cost	**23.62**	**3.19**	**3.91**
	23.58	*3.35*	*3.93*
Interest Cost	**47.38**	**11.10**	**18.84**
	61.21	*11.23*	*17.83*
Past Service Cost		-	-
	-	-	-
Benefits paid	**(90.83)**	**(16.00)**	**(7.74)**
	(112.73)	*(19.53)*	*(6.01)*
Employee Contribution	**37.61**	-	-
	40.41	-	-
Amounts Transferred in /out	**(19.42)**	-	-
	(0.12)	-	-
Actuarial (gain)/ loss on obligations	**1.71**	**1.89**	**13.64**
	0.27	*(5.55)*	*(19.16)*
Defined Benefit Obligation at the end of the year	**629.97**	**153.64**	**283.24**
	629.90	*153.46*	*254.59*

(ii) Reconciliation of balance of Fair Value of Plan Assets

(₹ in Crore)

	Provident Fund	Gratuity	PRMS
	Funded	Funded	Funded
Fair Value of Plan Assets at the beginning of the year	**625.00**	**170.89**	**275.88**
	612.93	*137.53*	*246.45*
Expected return on plan assets (Interest Income)	**47.02**	**12.36**	**20.41**
	60.93	*9.42*	*17.03*
Contribution by employer	**23.62**	-	-
	23.58	*23.59*	*8.29*
Contribution by employees	**37.61**	-	-
	40.41	-	-
Benefit paid	**(90.83)**	**(0.16)**	-
	(112.73)	*(1.94)*	-
Amounts Transferred in /out	**(19.35)**	-	-
	(0.12)	-	-
Actuarial gain / (losses)(Return on Plan Assets excl interest income)	-	**(0.41)**	**(0.47)**
	-	*2.29*	*4.11*
Fair Value of plan assets at the end of the year	**623.07**	**182.68**	**295.82**
	625.00	*170.89*	*275.88*

(iii) Reconciliation of Fair Value of Plan Assets and Defined Benefit Obligation

(₹ in Crore)

	Provident Fund	Gratuity	PRMS
	Funded	Funded	Funded
Fair Value of plan assets at the end of the year	**623.07**	**182.68**	**295.82**
	625.00	*170.89*	*275.88*
Defined Benefit Obligation at the end of the year	**629.97**	**153.64**	**283.24**
	629.90	*153.46*	*254.59*
Net Interest shortfall / Liability / (Asset)recognise	**6.90**	**(29.04)**	**(12.58)**
	4.90	*(17.43)*	*(21.29)*
Amount not recognised in the Balance Sheet	-	-	-
	-	-	-

(iv) Amount recognised in Statement of Profit and Loss / CWIP

(₹ in Crore)

	Provident Fund	Gratuity	PRMS
	Funded	Funded	Funded
Current Service Cost	**23.62**	**3.19**	**3.91**
	23.58	*3.35*	*3.93*
Interest Cost	**47.38**	**11.10**	**18.84**
	61.21	*11.23*	*17.83*
Expected (return) / loss on plan asset	**(47.02)**	**(12.36)**	**(20.41)**
	(60.93)	*(9.42)*	*(17.03)*
Contribution by Employees	-	-	-
	-	-	*(0.12)*
Past Service Cost	-	-	-
	-	-	-
Expenses for the year	**23.98**	**1.93**	**2.34**
	23.86	*5.16*	*4.61*

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(v) Amount recognised in Other Comprehensive Income (OCI)

(₹ in Crore)

	Provident Fund	Gratuity	PRMS
	Funded	Funded	Funded
Actuarial (gain)/ loss on Obligations	**1.71**	**1.89**	**13.64**
	0.27	*(5.55)*	*(19.16)*
Remeasurement (Return on Plan Assets excl interest income)	-	**0.41**	**0.47**
	-	*(2.29)*	*(4.11)*
Net Loss / (Gain) recognized in OCI	**1.71**	**2.30**	**14.11**
	0.27	*(7.84)*	*(23.27)*
Net Loss / (Gain) not recognized in P&L / OCI	-	-	-
	-	-	-

(vi) Major Actuarial Assumptions

	Provident Fund	Gratuity	PRMS
	Funded	Funded	Funded
Discount rate	**7.52%**	**7.52%**	**7.53%**
	7.23%	*7.23%*	*7.40%*
Guaranteed return on plan assets	**8.15%**	-	-
	8.10%	-	-
Salary escalation	-	**8.00%**	-
	-	*8.00%*	-
Inflation	-	-	**7.00%**
	-	-	*7.00%*

The estimate of future salary increases considered in actuarial valuation takes into account of inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. The expected return on plan assets is determined considering several applicable factors mainly the composition of the plan assets held, assessed risks of asset management and historical results of the return on plan assets.

(vii) Sensitivity on Actuarial Assumptions:

(₹ in Crore)

Loss / (Gain) for:	Gratuity	PRMS
	Funded	Funded
Change in Discounting Rate		
Increase by 0.5%	**(4.77)**	**(21.72)**
	(4.76)	*(19.22)*
Decrease by 0.5%	**5.12**	**24.74**
	5.11	*21.88*
Change in Employee Turnover		
Increase by 0.5%	**0.46**	**0.60**
	0.42	*0.50*
Decrease by 0.5%	**(0.48)**	**(0.64)**
	(0.44)	*(0.54)*
Change in Salary Escalation/ Inflation rate		
Increase by 0.5%	**2.17**	**24.89**
	4.13	*21.99*
Decrease by 0.5%	**(2.12)**	**(22.04)**
	(3.78)	*(19.48)*

(viii) Investment details:

	Provident Fund	Gratuity	PRMS
	Funded	Funded	Funded
Investment with Insurer	-	**100.00%**	**100.00%**
	-	*100.00%*	*100.00%*
Self managed investments	**100.00%**	-	-
	100.00%	-	-

Details of the investment pattern for the above mentioned funded obligations is as under:

	Provident Fund	Gratuity	PRMS
	Funded	Funded	Funded
Government securities (Central & State)	**51.66%**	**65.43%**	**80.37%**
	48.46%	*29.80%*	*81.85%*
Investment in Equity / Mutual Funds	**12.73%**	**12.27%**	**10.87%**
	10.24%	*14.51%*	*8.39%*
Investment in Debentures / Securities	**30.19%**	**20.53%**	**8.36%**
	36.37%	*50.98%*	*9.23%*
Other approved investments (incl. Cash)	**5.42%**	**1.77%**	**0.40%**
	4.92%	*4.71%*	*0.53%*

(ix) The following payments are expected projections to the defined benefit plan in future years:

(₹ in Crore)

Cash Flow Projection from the Fund/Employer	Gratuity Funded	PRMS Funded	Total
Within next 12 Months	**18.91**	**8.19**	**27.10**
	20.49	*7.53*	*28.02*
Between 2 to 5 Years	**69.60**	**42.32**	**111.92**
	62.69	*38.82*	*101.50*
Between 6 to 10 Years	**68.51**	**76.74**	**145.25**
	70.38	*70.10*	*140.48*

	Gratuity Funded	PRMS Funded
Weighted Average Duration of Defined Benefit Obligation	**8 Years**	**15 Years**
	8 Years	*14 Years*

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Note – 33 : COMMITMENTS AND CONTINGENCIES

A Leases

(a) As lessee

The Company has entered into various material lease arrangements (including in substance lease arrangements) such as lands and buildings for purpose of its plants, facilities, offices, etc..,

The Employees Township at Cauvery Basin Refinery has been constructed on land area of thirty four acres and forty nine cents of land leased from a trust on five-year renewable basis.

Amount Recognized in Statement of Profit and Loss Account or Carrying Amount of Another Asset

(₹ in Crore)

Particulars	**31-03-2023**	**31-03-2022**
Depreciation recognized	7.63	6.27
Interest on lease liabilities	2.08	1.39
Expenses relating to short-term leases (leases more than 30 days but less than 12 months)	3.12	2.46
Variable lease payments not included in the measurement of lease liabilities	1.32	2.19
Total cash outflow for leases	12.87	12.02
Additions to ROU during the year	15.29	2.61
Net Carrying Amount of ROU at the end the year	21.15	13.49

The details of ROU Asset other than leasehold land included in PPE (Note 2) held as lessee by class of underlying asset is presented below :-

Current Year :

(₹ in Crore)

Asset Class	**Items Added to RoU Asset as on 01.04.2022**	**Additions to RoU Asset during the Year**	**Depreciation Recognized During the Year**	**Net Carrying value as on 31.03.2023**
Leasehold Land	7.86	4.28	4.50	7.63
Buildings Roads etc.	0.31	-	0.02	0.30
Plant & Equipment	0.00	-	0.00	-
Transport Equipments	5.32	11.01	3.11	13.22
Total	**13.49**	**15.29**	**7.63**	**21.15**

Previous Year :

(₹ in Crore)

Asset Class	**Items Added to RoU Asset as on 01.04.2021**	**Additions to RoU Asset during the Year**	**Depreciation Recognized During the Year**	**Net Carrying value as on 31.03.2022**
Leasehold Land	8.42	0.94	1.50	7.86
Buildings Roads etc.	0.33	-	0.02	0.31
Plant & Equipment	1.11	-	1.11	-
Transport Equipments	7.29	1.67	3.64	5.32
Total	**17.15**	**2.61**	**6.27**	**13.49**

As per requirement of the standard, maturity analysis of Lease Liabilities have been shown as part of borrowings under Liquidity Risk of Note 36: Financial Instruments & Risk Factors.

Details of items of future cash outflows which the Company is exposed as lessee but are not reflected in the measurement of lease liabilities are as under;

(i) Variable Lease Payments

As per general industry practice, the Company incurs various variable lease payments which are based on rate, kms covered etc. and are recognized in profit or loss and not included in the measurement of lease liability.

(b) As lessor

(i) Operating Lease

The lease rentals recognized as income in these statements as per the rentals stated in the respective agreements:

(₹ in Crore)

Particulars	**31-03-2023**	**31-03-2022**
A. Lease rentals recognized during the period	31.03	30.62
B. Value of assets given on lease included in tangible assets		
- Gross Carrying Amount	15.08	9.99
- Accumulated Depreciation	2.87	1.41
- Depreciation recognized in the Statement of Profit and Loss	0.39	0.19

These relate to storage tankage facilities for petroleum products, buildings, plant and equipments given on lease. Asset class wise details have been presented under Note 2: Property, Plant & Equipments.

Maturity Analysis of Undiscounted Lease Payments to be received after the reporting date

(₹ in Crore)

	31-03-2023	31-03-2022
Less than one year	16.83	16.75
One to two years	15.85	15.16
Two to three year	16.67	15.92
Three to four years	17.52	16.74
Four to five years	18.42	17.52
More than five years	693.80	712.23
Total	779.09	794.32

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B Contingent Liabilities

Contingent Liabilities amounting to ₹606.82 Crore (2022: ₹201.48 Crore) are as under:

(i) ₹ 539.11 Crore (2022: ₹ 28.03 Crore) being the demands raised by the Central Excise / Customs / Service Tax Authorities including interest of ₹ 173.16 Crore (2022: ₹ 12.26 Crore).

(ii) ₹ 10.48 Crore (2022: ₹ 145.73 Crore) being the demands raised by the VAT/ Sales Tax Authorities and includes no interest (2022: Nil).

(iii) ₹ 54.31 Crore (2022: ₹ 20.67 Crore) on account of Projects for which suits have been filed in the Courts or cases are lying with Arbitrator. This includes interest of ₹ 8.58 Crore (2022: ₹ 8.41 Crore).

(iv) ₹ 2.92 Crore (2022: ₹ 7.05 Crore) in respect of other claims including interest of ₹ 1.37 Crore (2022: ₹ 6.75 Crore).

The Company has not considered those disputed demands / claims as contingent liabilities, for which, the outflow of resources has been considered as remote.

C Commitments

(i) **Capital Commitments**

Estimated amount of contracts remaining to be executed on Capital Account not provided for ₹ 199.76 Crore (2022: ₹ 266.81 Crore).

(ii) **Other Commitments**

The Company has an export obligation to the extent of ₹ 219.05 Crore (2022: ₹ 147.02 Crore) on account of concessional rate of customs duty availed under EPCG license scheme on procurement of capital goods and the same is expected to be fulfilled by way of exports.

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CONSOLIDATED FINANCIAL STATEMENTS
Note - 34 "Related Party Disclosures" in compliance with Ind-AS 24, are given below:

1.Relationship with Entities

A. Details of Holding Company

1) Indian Oil Corporation Limited (IOCL)

The following transactions were carried out with Holding Company in the ordinary course of business:

(₹ in Crore)

Particulars	31-Mar-2023	31-Mar-2022
• Sale of Products/ Crude and Services	84387.19	57194.25
• Dividend on Preference Shares	33.25	33.25
• EDP Maintenance	4.82	3.08
• Other Operating Income	32.93	32.52
• Purchase of Raw Material	-	969.91
• Purchase of Stock-in-Trade	198.30	47.72
• Purchase of Stores & Spares	5.35	5.10
• Canalising commission	5.88	6.35
• Vessel hiring charges	62.45	84.68
• Terminalling and Facilitation Charges	6.42	6.00
• Rental Expenditure	0.66	3.18
• Subscription Expenses	-	0.30
• Training Expenses	0.02	0.03
• Purchase of RLNG	1847.18	1355.02
• Finance Cost - Unwinding of finance cost	0.40	0.40
• Capital Advances / (Liabilities)	-	(4.31)
• Revenue Advances	0.20	0.16
• Outstanding Receivables	150.34	178.72
• Other Liabilities - Land given on lease	13.93	14.34
• Other Non - current Assets - Land given on lease	57.80	44.37
• Outstanding payables		
Trade Payables	2202.38	1887.18
Preference Shares (at face value)	500.00	500.00

B.Details of Joint Ventures / Associates

i) Indian Additives Limited

(₹ in Crore)

Particulars	31-Mar-2023	31-Mar-2022
• Investment	11.83	11.83
• Sale of Product	38.72	29.65
• Rental income	0.64	0.58
• Maintenance Expenses	-	1.30
• Dividend received	7.93	5.92
• Outstanding Payables	0.82	1.30
• Outstanding Receivables	-	0.36

ii) National Aromatics & Petrochemicals Corp. Limited

(₹ in Crore)

Particulars	31-Mar-2023	31-Mar-2022
• Investments in Joint Venture Entities/ Associates	0.03	0.03
• Claims recoverable	22.66	22.66

The Investment & claims recoverable has been fully impaired (Note - 4)

iii) Cauvery Basin Refinery and Petrochemicals Limited

(₹ in Crore)

Particulars	31-Mar-2023	31-Mar-2022
• Share application money pending allotment	0.01	-

C.Details of Joint Ventures/Associates of Holding Company

(₹ in Crore)

i) Indian Oiltanking Limited

Particulars	31-Mar-2023	31-Mar-2022
• Outstanding payable	4.76	4.76

ii) Falcon Oil & Gas B.V

Particulars	31-Mar-2023	31-Mar-2022
• Purchase of Crude Oil	865.83	-

D. Government related entities where significant transactions are carried out:

Apart from transactions reported above, the company has transactions with other Government related entities, which includes but not limited to the following:

Name of Government: Government of India (Central and State Government)

Nature of Transactions:

- Sale of Product and Services
- Purchase of Product
- Purchase of Raw Materials
- Handling and Freight Charges, etc.
- Borrowings

These transactions are conducted in the ordinary course of the Company's business on terms comparable to those with other entities that are not Government-related

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2) Key Managerial Personnel

A. Whole Time Directors / Company Secretary

1) Shri Arvind Kumar (w.e.f 27.08.2021)
2) Shri Rajeev Ailawadi (Upto 28.02.2023)
3) Shri Rohit Kumar Agrawala (w.e.f 01.03.2023)
4) Shri. S.Krishnan
5) Shri H. Shankar
6) Shri P.Shankar

B. Independent / Part time Non-Executive Directors (Government / IOCL/ NICO Nominee)

1) Shri S M Vaidya (Non - Executive Chairman)
2) Shri D. Durai Ganesan (Upto 13.08.2021)
3) Smt. Sobha Surendran (Upto 31.10.2022)
4) Shri Mohammad Bagher Dakhili
5) Shri Babak Bagherpour
6) Shri M Narayana Rao (Upto 29.07.2022)
7) Shri Amitabh Mathur (Upto 29.07.2022)
8) Shri Deepak Srivastava (w.e.f 10.08.2021)
9) Ms. Sukla Mistry (w.e.f. 16.11.2021)
10) Shri Dr. C. K. Shivanna (w.e.f. 16.11.2021)
11) Shri Ravi Kumar Rungta (w.e.f. 16.11.2021)
12) Shri Manoj Sharma (Upto 09.11.2021)
13) Shri Sukh Ram Meena (Upto 09.08.2021)
14) Shri K Surendran (w.e.f 27.03.2023)

C) Details relating to the parties referred to in Item No.2A & 2B above :

For the Year ended 31-Mar-2023

(₹ in Crore)

Details of Key Managerial Personnel	Short-Term Employee Benefits	Post Employment Benefits	Other Long Term Benefits	Termination Benefits	Total Remuneration	Sitting Fee	Outstanding loans/advance receivables
A. Whole Time Directors / Company Secretary							
1) Shri Arvind Kumar	0.60	0.11	-	-	0.71	-	0.07
2) Shri Rajeev Ailawadi	0.58	0.10	0.47		1.15		-
3) Shri Rohit Kumar Agrawala	0.03	0.01			0.04		0.17
4) Shri S.Krishnan	0.67	0.12	0.08		0.87		-
5) Shri H.Shankar	0.62	0.11	0.07		0.80		0.27
6) Shri P.Shankar	0.56	0.10	0.16		0.82		0.03
B. Independent / Government Nominee Directors#							
1)Shri. Amitabh Mathur	-	-	-	-	-	0.02	-
2) Shri. Myneni Narayana Rao	-	-	-	-	-	0.03	-
3) Smt. Sobha Surendran	-	-	-	-	-	0.03	-
4) Shri. Ravi Kumar Rungta	-	-	-	-	-	0.05	-
5) Shri. C.K Shivanna	-	-	-	-	-	0.05	-
TOTAL	**3.06**	**0.55**	**0.78**	**-**	**4.39**	**0.18**	**0.54**

Sitting fees paid to Independent Directors

For the Year ended 31-Mar-2022

(₹ in Crore)

Details of Key Managerial Personnel	Short-Term Employee Benefits	Post Employment Benefits	Other Long Term Benefits	Termination Benefits	Total Remuneration	Sitting Fee	Outstanding loans/advance receivables
A. Whole Time Directors / Company Secretary							
1) Shri Arvind Kumar	0.25	0.06	-	-	0.31	-	0.09
2) Shri Rajeev Ailawadi	0.63	0.10	-	-	0.73	-	-
3) Shri S.Krishnan	0.68	0.11	-	-	0.79	-	-
4) Shri H.Shankar	0.51	0.10	-	-	0.61	-	0.30
5) Shri P.Shankar	0.56	0.09	0.01	-	0.66	-	0.06
B. Independent / Government Nominee Directors#							
1)Shri. D.Durai Ganesan	-	-	-	-	-	0.02	-
2) Shri. Amitabh Mathur	-	-	-	-	-	0.05	-
3) Shri. Myneni Narayana Rao	-	-	-	-	-	0.05	-
4) Smt. Sobha Surendran	-	-	-	-	-	0.03	-
5) Shri. Ravi Kumar Rungta	-	-	-	-	-	-	-
6) Shri. C.K Shivanna	-	-	-	-	-	-	-
TOTAL	**2.63**	**0.46**	**0.01**	**-**	**3.10**	**0.15**	**0.45**

Sitting fees paid to Independent Directors

This does not include the impact of provision made on actuarial valuation of retirement benefit/long term Schemes and provision made during the period towards Post Retirement Benefits as the same are not separately ascertainable for individual directors

3) Trusts

Transactions with Post Employment Benefit Plans managed through separate trust

(₹ in Crore)

Sl. No	Name of the Trust	Post Employment Benefit Plan	31-Mar-2023		31-Mar-2022	
			Contribution by Employer	Outstanding Payable	Contribution by Employer	Outstanding Payable
A	CPCL Employees Provident Fund	Provident Fund	24.20	2.11	24.05	2.00
B	CPCL Employees Superannuation Benefit Fund	Pension Scheme	6.47	-	11.52	-
C	CPCL Employees Group Gratuity Trust	Gratuity	-	-	23.59	-
D	Post Retirement Medical Benefit Trust	PRMB	-	-	8.17	-

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Note – 35 : FAIR VALUES

Set out below, is a comparison by class of the carrying amounts as per financial statements and fair value of the Company's financial instruments, along with the fair value measurement hierarchy:

(₹ in Crore)

Particulars	Carrying value		Fair value		Fair value measurement hierarchy level
	As at 31-Mar-2023	As at 31-Mar-2022	**As at 31-Mar-2023**	As at 31-Mar-2022	
Financial Assets					
Amortised Cost:					
Loans to employees	**104.41**	71.55	**68.51**	52.92	Level 2
Total	**104.41**	71.55	**68.51**	52.92	
Financial liabilities					
A. Borrowings:					
Amortised Cost:					
Non-Convertible Redeemable Debentures	**1650.66**	2802.12	**1591.89**	2818.63	Level 2
Lease obligation	**24.14**	15.63	**23.89**	15.88	Level 2
Preference Shares	**533.25**	639.01	**548.27**	626.40	Level 2
Term Loans from Oil Industry Development Board (OIDB)	**124.19**	444.05	**125.63**	452.66	Level 2
Total	**2332.24**	3900.81	**2289.68**	3913.57	

Notes:

1. Levels under Fair Value measurement hierarchy are as follows:

(a) **Level 1** items fair valuation is based upon **market price quotation at each reporting date**

(b) **Level 2** items fair valuation is based upon **Significant observable inputs like PV of future cash flows, MTM valuation, etc.**

(c) **Level 3** items fair valuation is based upon **Significant unobservable inputs wherein valuation done by independent valuer.**

2. The management assessed that Trade Receivables, Cash and Cash Equivalents, Bank Balances, Deposit for Leave Encashment Fund, Recoverable from Employee Benefits Trusts, Other Non-derivative Current Financial Assets, Short-term Borrowings, Trade Payables, Floating Rate Loans and Other Non-derivative Current Financial Liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

3. The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Methods and assumptions

The following methods and assumptions were used to estimate the fair values at the reporting date:

Level 2 Hierarchy:

(i) **Derivative instruments at fair value through profit or loss viz.Foreign exchange forward contracts:** Replacement cost quoted by institutions for similar instruments by employing use of market observable inputs are considered.

(ii) **Loans to employees, Loan to related parties, Security deposits paid and Security deposits received,Lease obligations:** Discounting future cash flows using rates currently available for items on similar terms, credit risk and remaining maturities

(iii) **Non Convertible Redeemable Preference shares :** The fair value of Preference shares is estimated by discounting future cash flows.

(iv)**Term Loans from Oil Industry Development Board (OIDB):** Discounting future cash flows using rates currently available for similar type of borrowings (OIDB Borrowing rate) using exit model as per Ind AS 113.

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Note – 36 : FINANCIAL INSTRUMENTS AND RISK FACTORS

Financial Risk
Factors
The Company's principal financial liabilities, other than derivatives, comprise Borrowings, trade and other payables, security deposits and employee liabilities. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's principal financial assets include loans & advances, trade and other receivables, short-term deposits and cash / cash equivalents that derive directly from its operations. The company's requirement of crude oil imports are canalized through its holding company, Indian Oil Corporation Limited. The derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that trading in derivatives are taken only to hedge the various risks that the company is exposed to and not for speculation purpose.

The Company is exposed to a number of different financial risks arising from natural business exposures as well as its use of financial instruments including market risk relating to interest rate, commodity prices, foreign currency exchange rates and equity price, credit risk and liquidity risk.

To ensure alignment of Risk Management system with the corporate and operational objective and to improve upon the existing procedure, the Executive Committee of the company constituted a Committee comprising of officials from various functional areas to identify the risks in the present context, prioritize them and formulate proper action plan for implementation. The Committee has formulated the Risk Management Policy.

The Action Taken Report on the Risk Management Policy for the year 2022-23 was reviewed by the Risk Management Committee, Audit Committee and Board of Directors at their meetings held on 27.04.2023.

The Board of Directors oversees the risk management activities for managing each of these risks, which are summarised below:

A. Market risk
Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The major components of market risk are interest rate risk, foreign currency risk, commodity price risk and other price risks etc. Financial instruments affected by market risk include Borrowings, Deposits and derivative financial instruments.

The sensitivity analysis in the following sections relate to the position as at 31 March 2023 and 31 March 2022

The analysis exclude the impact of movements in market variables on the carrying values of gratuity and other post-retirement obligations, provisions, and other non-financial assets.

The following assumptions have been made in calculating the sensitivity analysis:

- The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held as at 31 March 2023 and 31 March 2022 including the effect of hedge accounting.

- The sensitivity analysis have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant as at 31st March 2023.

1) Interest rate risk
The Company is also exposed to interest rate risk from the possibility that changes in interest rates will affect future cash flows of a financial instrument, principally financial debt. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company's interest rate risk management includes to maintain a mix between fixed and floating rates for rupee and foreign currency loans, based on liquidity, availability of cost effective instruments and considering the market / regulatory constraints. As at 31 March 2023, approximately 100% of the Company's Long term borrowings are at fixed rate of interest (31 March 2022: 92%).

The sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, with all other variables held constant, on floating rate borrowings is as follows:

Currency	Increase / Decrease	Effect on profit before tax	Increase / Decrease	Effect on profit before tax
	in basis points	(₹ in Crore)	in basis points	(₹ in Crore)
	31-Mar-2023		31-Mar-2022	
INR	+50	-	+50	(1.35)
US Dollar	+50	-	+50	-
INR	-50	-	-50	1.35
US Dollar	-50	-	-50	-

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

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2) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency) and Borrowings.

The Company manages its foreign currency risk through combination of natural hedge, hedging undertaken on occurrence of pre-determined triggers as per the Risk management policy. The hedging is undertaken through forward contracts.

The sensitivity to a reasonably possible change in USD exchange rates, with all other variables held constant and the impact on the Company's profit before tax due to changes in the fair value of monetary assets and liabilities is tabulated below. The Company's exposure to foreign currency changes for all other currencies is not material.

Currency	Increase / Decrease	Effect on profit before tax	Increase / Decrease	Effect on profit before tax
	in %	(₹ in Crore)	in %	(₹ in Crore)
	31-Mar-2023		31-Mar-2022	
US Dollar	+5%	(205.36)	+5%	(224.94)
	-5%	205.36	-5%	224.94

The effects of most exchange rate fluctuations are absorbed in business operating results which are offset by changing cost competitiveness, lags in market adjustments to movements in rates to its other non-financial assets like inventory etc. For this reason, the total effect of exchange rate fluctuations is not identifiable separately in the company's reported results.

3) Commodity price risk

The Company is exposed to various commodity price related risk such as Refinery Margins i.e. Differential between the prices of petroleum products & crude oil, inventory valuation fluctuation and crude oil imports etc. As per approved risk management policy, the Company can undertake refinery margin hedging, inventory hedging and crude oil price hedging through swaps, options and futures in the OTC market as well as domestic exchanges to mitigate the risk within the approved limits.

B. Credit risk

1) Trade receivables

Customer credit risk is managed according to the Company's policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored. Transactions other than with oil marketing companies are either generally covered by Letters of Credit, Bank Guarantees or cash-and-carry basis.

2) Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty so as to minimise concentration of risks and mitigate consequent financial loss.

The Company's maximum exposure to credit risk for the components of the Balance Sheet at 31 March 2023 and 31 March 2022 is the carrying amounts as provided in Note 4, 5, 6, 11 & 12.

C. Liquidity risk

The Company monitors its risk of shortage of funds using detailed cash flow projections which is monitored closely on daily basis. The Company seeks to manage its liquidity requirement by maintaining access to both short term and long term debt markets. In addition, Company has committed credit facilities from banks.
The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, commercial papers, bank loans and debentures. and finance leases. The Company assessed the concentration of risk and concluded it to be low. The Company has access to a sufficient variety of sources of funding.

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The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

(₹ in Crore)

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Year ended 31-Mar-2023						
Borrowings	1927.36	-	148.91	2159.19	-	4235.46
Lease obligations	0.00	1.56	4.30	16.77	1.51	24.14
Trade payables	247.92	2759.19	-	-	-	3007.11
Other financial liabilities	526.37	-	-	6.48	-	532.85
	2701.65	**2760.75**	**153.21**	**2182.44**	**1.51**	**7799.56**
Year ended 31-Mar-2022						
Borrowings	5237.69	137.33	1390.47	2457.22	-	9222.70
Lease obligations	0.00	1.10	3.37	8.60	2.56	15.63
Trade payables	287.59	2952.47	-	-	-	3240.06
Other financial liabilities	523.22	-	-	6.60	-	529.82
	6048.49	**3090.90**	**1393.84**	**2472.42**	**2.56**	**13008.21**

D. Excessive risk concentration

Substantial portion of the Company's sales is to the Holding Company, Indian Oil Corporation Limited. Consequently, trade receivables from IOCL are a significant proportion of the Company's receivables. Since the operations are synchronised with those of the Holding Company, for optimal results, the same does not present any risk.

E. Collateral

As the Company has been rated investment grade by various rating agencies, there has been no requirement of submitting any collateral for booking of derivative contracts. The Company undertakes derivatives contract only with those counterparties that have credit rating above the internally approved threshold rating. Accordingly, the Company does not seek any collaterals from its counterparties.

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CHENNAI PETROLEUM CORPORATION LIMITED
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Note – 37 : CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders or issue new shares. The Company monitors capital using debt equity ratio, which is borrowings divided by Equity. The Company's strategy is to keep the debt equity ratio in the range of 2:1 and 1:1 under normal circumstances. The Company also includes accrued interest in the borrowings for the purpose of capital management. The Debt-Equity ratio which impacted due to the lower product cracks arising out of the CoVID-19 situation has improved during the year.

(₹ in Crore)

Particulars	**31-Mar-23**	31-Mar-22
Borrowings	4235.46	9222.70
Total Borrowings	**4235.46**	**9222.70**
Equity Share Capital	148.91	148.91
Reserves and Surplus	6326.17	2837.82
Equity	**6475.08**	**2986.73**
Debt Equity Ratio	**0.65 : 1**	**3.09 : 1**

No changes were made in the objectives, policies or processes for managing capital during the years ended 31st March 2023 and 31st March 2022

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Note – 38 : RESEARCH AND DEVELOPMENT COSTS

Research and Development Expenses of ₹ 3.28 Crore(2022: ₹ 1.46 Crore) of capital expenditure incurred and ₹ 6.44 Crore (2022 ₹ 5.69 Crore) of recurring expenditure have been accounted for in the Statment of Profit and Loss during the year. Detailed break up of total expenditure is as under:

A. CAPITAL EXPENSES (PROPERTY, PLANT & EQUIPMENT)

₹ in Crore

Asset Block	Gross Block as at 1st Apr 2022	Additions during the year	Transferred from CWIP	Transfer/ Deduction/ Disposal during the year	Gross Block as at 31st Mar 2023	Work-in-Progress as at 1 Apr 2022	Additions during the year	Transferred to Fixed Assets (Capitalized)	Work-in-Progress as at 31st Mar 2023	Total Capital Expenditure
1	2	3	4	5	6 = (2+3+4-5)	7	8	9	10 = (7+8-9)	11=(3+8)
Property, Plant & Equipment										
Plant & Equipment	16.40	2.50	-	-	**18.90**	-	-	-	-	**2.50**
Office Equipment	0.81	0.78	-	-	**1.59**	-	-	-	-	**0.78**
Furniture & Fixtures	0.28	-	-	-	**0.28**	-	-	-	-	-
Total	**17.49**	**3.28**	-	-	**20.77**	-	-	-	-	**3.28**

B. RECURRING EXPENSES

₹ in Crore

Sl. No	Particulars	31-Mar-23	31-Mar-22
1	Consumption of Stores, Spares & Consumables	0.46	0.57
2	Repairs & Maintenance		
	(a) Plant & Equipment	1.17	0.25
	(b) Others	0.02	-
3	Payment to and Provisions for employees	3.95	4.05
4	Other Expenses	0.85	0.82
	Total	**6.44**	**5.69**

C. TOTAL RESEARCH EXPENSES

₹ in Crore

Particulars	31-Mar-23	31-Mar-22
Capital Expenditure	3.28	1.46
Recurring Expenditure	6.44	5.69
Total	**9.72**	**7.15**

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Note – 39 : DISCLOSURE RELATING TO CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENDITURE

(₹ in Crore)

Particulars	31-Mar-23	31-Mar-22
Surplus brought forward from previous year	11.70	1.96
(i) Gross Amount required to be spent by the company during the year	-	-
(ii) Amount of expenditure incurred	6.04	9.73
(iii) Shortfall at the end of the year	-	-
(iv) Total of previous year shortfall	-	-
(v) Reasons for shortfall	-	-
(vi) Details of related party transactions	-	-
(vii) Movement in the provision during the year	0.26	0.11
Surplus carried forward to the Next year	17.74	11.70

(₹ in Crore)

Nature of CSR activities	31-Mar-23			31-Mar-22		
	In cash	Yet to be paid In cash*	Total	In cash	Yet to be paid In cash	Total
(i) Construction/acquisition of any assets	-	-	-	-	-	-
(ii) On purposes other than (i) above						
Health and Sanitation	0.92	0.22	1.14	7.07	0.09	7.17
Swachh Bharat	0.15	-	0.15	0.25	0.01	0.25
Sports	2.17		2.17			
Education/employment vocational skills	1.86	0.06	1.92	1.99	-	1.99
Administration Expenses, training etc.	0.29	-	0.29	0.25	-	0.25
Other expenses	0.38	-	0.38	0.06	0.01	0.07
Total Expenses (ii)	5.76	0.28	6.04	9.62	0.11	9.73
Grand Total (i) and (ii)	5.76	0.28	6.04	9.62	0.11	9.73

*Provisions made for liabilities incurred

(vii) Movement in the provision during the year:

Particulars	31-Mar-23	31-Mar-22
Opening Balance	0.11	-
Provided during the year	0.28	0.11
Paid during the year	0.02	-
Closing Balance	0.37	0.11

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Note – 40 : DISCLOSURE ON GOVERNMENT GRANTS

A Revenue Grants

1 Stipend to apprentices under NATS scheme

The company has received grant of ₹ 0.64 Crore (2022: ₹ 0.67 crore) in respect of stipend paid to apprentices registered under National Apprenticeship Training Scheme (NATS) and the same has been accounted on net basis against training expenses.

2 EPCG Grant

Grant recognised in respect of duty waiver on procurement of capital goods under EPCG scheme of Central Government which allows procurement of capital goods including spares for pre production and post production at zero duty subject to an export obligations of 6 times of the duty saved on capital goods procured.The unamortized capital grant amount as on March 31, 2023 is ₹ 12.54 Crore (2022: ₹ 8.29 Crore). The company recognised Nil Crore (2022: ₹ Nil Crore) in the statement of profit & loss account as amortisation of revenue grant. The company expects to meet the export obligations in line with the scheme.

B Capital Grants

1 Capital Grant in respect of interest subsidy

The Company has received capital grant in the form of interest subsidy on loans taken from OIDB. The unamortized capital grant amount as on March 31, 2023 is ₹ 1.32 crore (2022:₹ 4.99 crore). During the year, the company has recognised ₹ 0.86 crore (2022: ₹ 1.67 crore) in the statement of profit and loss as amortisation of capital grants

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CHENNAI PETROLEUM CORPORATION LIMITED
CONSOLIDATED FINANCIAL STATEMENTS
Note – 41 : EXPOSURE TO FINANCIAL DERIVATIVES

Financial and Derivative Instruments:

1. All derivative contracts entered into by the Company are for hedging its foreign currency relating to underlying transactions and firm commitments and not for any speculative or trading purposes.

2. The company has no outstanding forward contract as at 31st March 2023(2022 : NIL)

3. Foreign currency exposure that are not hedged by a derivative instrument as on 31st March 2023 is given below:

₹ in Crore

S. No	Particulars	As on 31-Mar-2023 Aggregate amount	As on 31-Mar-2022 Aggregate amount
1	Unhedged- Payables	**4737.41**	5077.78
2	Unhedged- Receivables	**630.14**	579.02

Refer Note - 10A - Offsetting Financial Assets and Financial Liabilities

G.M. KAPADIA & CO. CHENNAI Chartered Accountants

CHENNAI PETROLEUM CORPORATION LIMITED
CONSOLIDATED FINANCIAL STATEMENTS
Note – 42 : REVENUE FROM CONTRACTS WITH CUSTOMERS

The Company is in the business of refining crude oil and it earns revenue primarily from sale of petroleum products and others. Revenue is recognized when control of the goods and services are transferred to the customer at an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods and services. Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. In determining the transaction price for the sale of products, the company considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

Generally, Company enters into contract with customers for sale on EX-MI basis. Majority of Company's sales are to Oil Marketing Companies and Downstream industries for which credit period is less than 1 year. Direct sales to other customers are generally on cash and carry basis. Revenue is recognised when the goods are delivered to the customer by adjusting the amounts deposited by customers, if any.

Bifurcation of Total Revenue into Revenue from contract with customers and other sources of revenue as per requirement of Ind AS 115 is given below;

₹ in Crore

	2022-23	2021-22
Total Revenue	90892.43	60468.38
Revenue from contract with customers	90801.11	60402.02
Revenue from other contracts / from others	91.32	66.36

No impairment of losses on receivables has been recognised during the current and previous year.

G.M. KAPADIA & CO. CHENNAI Chartered Accountants

CHENNAI PETROLEUM CORPORATION LIMITED
CONSOLIDATED FINANCIAL STATEMENTS
Note – 43 : STATUTORY GROUP INFORMATION

Name of the entity in the group	Net Assets, i.e., total assets minus total liabilities		Share in profit and loss		Share in other Comprehensive income		Share in Total Comprehensive income	
	As % of consolidated net assets	₹ in Crore	As % of consolidated profit and loss	₹ in Crore	As % of consolidated other comprehensive income	₹ in Crore	As % of total comprehensive income	₹ in Crore
Parent								
Chennai Petroleum Corporation Limited								
Balance as at 31st March 2023	**96.98%**	**6279.26**	**99.84%**	**3525.87**	**99.25%**	**(13.30)**	**99.84%**	**3512.57**
Balance as at 31st March 2022	93.36%	2788.53	98.85%	1336.44	98.89%	23.24	98.85%	1359.68
Joint ventures (investment as per the equity method of accounting)								
Indian								
1 **Indian Additives Limited**								
Balance as at 31st March 2023	**3.18%**	**205.95**	**0.16%**	**5.67**	0.75%	**(0.10)**	**0.16%**	**5.57**
Balance as at 31st March 2022	6.98%	208.33	1.15%	15.60	1.11%	0.26	1.15%	15.86
2 **National Aromatics and Petrochemical Corporation Limited**								
Balance as at 31st March 2023	**-0.16%**	**(10.13)**	**0.00%**	**(0.01)**	-	-	-	-
Balance as at 31st March 2022	-0.34%	(10.13)	-	(0.01)	-	-	-	-
Total **Balance as at 31st March 2023**	**100.00%**	**6475.08**	**100.00%**	**3531.53**	**100.00%**	**(13.40)**	**100.00%**	**3518.13**
Balance as at 31st March 2022	100.00%	2986.73	100.00%	1352.03	100.00%	23.50	100.00%	1375.53

G.M. KAPADIA & CO. * CHENNAI * Chartered Accountants

CHENNAI PETROLEUM CORPORATION LIMITED
CONSOLIDATED FINANCIAL STATEMENTS
Note – 44 : OTHER DISCLOSURES

1 The 9 MMTPA refinery project at Cauvery Basin Refinery, Nagapattinam was approved by the Board of Directors of Indianoil Corporation, (the holding company) in January 2021 for implementation through a Separate Joint Venture. The Joint Venture Company, Cauvery Basin Refinery and Petrochemicals Ltd (CBRPL). has since been incorporated during the year.

At the year-end on 31st Mar 2023 an amount of Rs.867.87 Cr and Rs.11.06 Cr, (2022: Rs. 618.46 Cr and Rs. 25.06 Cr) being the actual expenditure and the associated liabilities on the project, which has been considered as Asset/ Liability included in disposal group held for Transfer respectively. This group consists of CWIP, Intangible assets under development, advances for capital expenditure, construction period expenses and liability for capital expenditure amounting to Rs.384.31 Cr (2022: Rs.253.83 Cr), Rs.282.83 Cr (2022: Rs. 259.36 Cr), Rs 20.08 Cr (2022: Rs. 0.24 Cr), Rs 180.65 Cr (2022: Rs 105.03 Cr) and Rs 11.06 Cr (2022: Rs. 25.06 Cr) respectively as at 31st March 2023. The capital commitment as at 31st March 2023 for this group is Rs. 1805.72 Cr (2022: Rs.1545.31 Cr) in respect of this project.

As per Joint Venture agreement entered between CPCL, IOCL and other seed investors on 22nd Nov 2022, the expenditure incurred by CPCL on behalf of the Joint Venture shall be considered as CPCL's contribution towards share capital or Quasi-Equity Instruments or as may be decided later as permissible by Applicable law.

The Company is in the process of obtaining necessary approvals from the Administrative Ministry. Upon the receipt of requisite approval, the assets included in the disposal group held for transfer shall be dealt with accordingly.

2 The Company has refineries at two locations viz., Manali and Nagapattinam (Cauvery Basin Refinery - CBR). The operations of the CBR unit have been stopped from 01.04.2019. Accordingly, the value in use was negative and, the recoverable value of the assets was reviewed and it was estimated that there would not be any recoverable value for the same and impairment loss was recognised.
Some of the Assets to the extent of gross block of Rs. 17.09 crore and accumulated Depreciation of Rs. 11.00 crore in respect of which impairment to the extent of Rs. 6.09 crore was provided, has been dismantled and scrapped during the year. Impairment provision of Rs. 93.66 crore is continued in respect of the balance Assets.

3 The Government of India w.e.f. 01.07.2022, levied Duties on Export of Petroleum products at the rates notified on fortnightly basis, which have been reckoned in the Refinery Transfer Pricing. This has resulted in lower revenue realisations with significant impact on the profitability for and upto the quarter.

4 As part of CSR activities, CPCL sponsors polytechnic college, for which twenty acres of land of the company has been leased to the CPCL Educational Trust for a period of 50 years.

5 (a) The cost of land includes provisional payments towards cost, compensation, and other accounts for which detailed accounts are yet to be received from the authorities concerned.

(b) The company has valid title for all immovable properties. However, in respect of 186.93 acres of land allotted by Government of Tamil Nadu (classified as Poramboke) assignment deed is yet to be received. Out of this, value is to be determined by Government of Tamilnadu in respect of 135.93 acres.

(c) Pending decision of the Government/Court, additional compensation, if any, payable to the landowners and the Government for certain lands acquired, is not quantifiable, and hence not considered.

6 The company operates only in a single segment viz. downstream petroleum sector. As such reporting is done on a single segment basis.

7 There are no other significant subsequent events that require adjustments or disclosures in the financial statements as at balance sheet date, other than those disclosed above.

8 **Other disclosures as required under Schedule III to the Companies Act, 2013**
(i) Title deeds of Immovable properties not held in the name of company

Relevant item in Balance sheet	Gross carrying value (Rs. In Crores)		Acres	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter/ director	Property held since which date	Under Dispute (Yes/ No)	Reason for not being held in the name of the company
	31.03.2023	31.03.2022						
PPE - Freehold Land	Nil	Nil	40.69 acres	CPCL*	Not applicable	26.04.1990	No	The Tamilnadu Government has allotted the land for which permission to enter upon the land dated 26.04.1990 is available. However assignment deed is not yet executed.
PPE - Freehold Land	0.18	0.18	50.93 acres	CPCL*	Not applicable	31.05.1984	No	GO No. 605 dt 31.05.1984 directs to handover the possession of property to Company. However, assignment deed is not yet executed.
PPE - Freehold Land	Nil	Nil	94.39 acres	CPCL*	Not applicable	03.12.2001 & 20.02.2009	No	The Tamilnadu Government has allotted the land for which permission to enter upon the land dated 03.12.2001 & 20.02.2009 is available. However, assignment deed is not yet executed.

* Subject to reasons mentioned

(ii) The company has following transactions/balances with companies, struck off under Section 248 of the Companies Act, 2013 /Section 560 of Companies Act, 1956.

Name of the struck off company	Nature of transactions with struck off company	Balance outstanding as at current period Rs in Crore	Relationship with the struck off company	Balance outstanding as at previous period Rs in Crore	Relationship with the struck off company
Argus media	Trade payables	0.000		0.000	
Skpei engineering works private ltd	Trade payables	0.003		0.003	
Aspen technology inc.	Trade payables	0.000		0.000	
Arun tech indt services pvt ltd	Trade payables	0.000		0.005	
Mcog engg and fabrication pvt ltd	Trade payables	0.000	Not a related party	0.000	
Polycab wires & cables pvt ltd	Trade payables	0.000		0.000	Not a related party
Alliance aviation private limited	Trade payables	0.000		0.000	
The national sugar mills ltd	Customer Advances	0.009		0.004	
Sri anjaneya agro tech private limited	Customer Advances	0.000		0.000	
Total		**0.012**		**0.012**	

9 Previous year's comparative figures have been regrouped, reclassified and recast wherever necessary and the related disclosures are included in the respective notes.

G.M. KAPADIA & CO. CHENNAI Chartered Accountants

CHENNAI PETROLEUM CORPORATION LIMITED
CONSOLIDATED FINANCIAL STATEMENTS
Note – 45 : STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES/ ASSOCIATE COMPANIES/ JOINT VENTURES (FORM AOC-I)

Part A : Subsidiaries

Not applicable as there are no subsidiaries

Part "B" : Associates and Joint Ventures
Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint

₹ in Crore

Sl No	Name of the Associates / Joint Ventures	Indian Additives Limited	National Aromatics and Petrochemical Corporation Limited
1	Latest Audited Balance Sheet Date	31-Mar-2023	31-Mar-2023
2	Date on which the Associate or Joint Venture was associated or acquired	13-Jul-89	10-May-89
3	Shares of Associate / Joint Ventures held by the company on the year end		
	i) No.	1183401	25000
	ii) Amount of Investment in Associates / Joint Ventures	11.83	0.03
	iii) Extent of Holding	50.00%	50.00%
4	Description of how there is significant influence	Joint venture	Joint venture
5	Reason why the associate / Joint ventures is not consolidated	Consolidated	Consolidated
6	Net worth attributable to shareholding as per latest audited balance sheet	205.95	(10.13)
7	Profit / (Loss) for the year		
	I) Considered in Consolidation	5.67	(0.01)
	II) Not Considered in consolidation	5.67	(0.01)

for and on behalf of Board of Directors

(Arvind Kumar)	**(Rohit Kumar Agrawala)**	**(P.Shankar)**
Managing Director	**Director (Finance)**	**Company Secretary**
DIN - 09224177	**DIN - 10048961**	**ACS -7624**

As per our Report of even date

For G.M.Kapadia & Co.
Chartered Accountants
(FRN: 104767W)

G.M. KAPADIA & CO. CHENNAI Chartered Accountants

Satya Ranjan Dhall
Partner
Membership No. 214046

Place : Chennai
Date : 27-Apr-2023

CHENNAI PETROLEUM CORPORATION LIMITED
STANDALONE FINANCIAL STATEMENTS
BALANCE SHEET AS AT 31ST MARCH 2023

₹ in Crore

Particulars	Note No.	As at 31-Mar-23	As at 31-Mar-22
I ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment	2	**7596.08**	6924.17
(b) Capital work-in-progress	2.1	**331.43**	1209.55
(c) Intangible assets	3	**40.47**	42.46
(d) Intangible assets under development	3.1	**-**	-
(e) Financial Assets			
(i) Investments			
- Equity Investment in Joint Ventures	4	**11.84**	11.83
- Other Investments	4.1	**0.11**	0.11
(ii) Loans	5	**91.55**	60.58
(iii) Other Financial Assets	6	**1.00**	1.45
(f) Income tax assets (Net)	7	**10.26**	71.45
(g) Other non-current assets	8	**91.13**	82.73
		8173.87	8404.33
(2) Current assets			
(a) Inventories	9	**5973.59**	7532.62
(b) Financial Assets			
(i) Trade receivables	10	**298.67**	252.32
(ii) Cash and cash equivalents	11	**1.23**	8.33
(iii) Bank balances other than (ii) above	12	**7.41**	3.67
(iv) Loans	5	**12.86**	10.97
(v) Other Financial Assets	6	**85.16**	76.10
(c) Other current assets	8	**421.33**	377.18
		6800.25	8261.19
(3) Assets included in disposal group held for transfer	44.1	**867.87**	618.46
TOTAL ASSETS		**15841.99**	17283.98
II EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share capital	13	**148.91**	148.91
(b) Other Equity	14	**6132.05**	2641.32
LIABILITIES			
(1) Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	**2159.19**	2391.55
(ia) Lease Liabilities		**18.28**	11.16
(ii) Other financial liabilities	16	**6.48**	6.60
(b) Provisions	17	**9.04**	9.58
(c) Deferred tax liabilities (Net)	7	**764.58**	563.09
(d) Other non-current liabilities	18	**20.40**	19.04
		2977.97	3001.02
(2) Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	**2076.27**	6831.15
(ia) Lease liabilities		**5.86**	4.47
(ii) Trade payables	20		
-Total outstanding dues of micro and small enterprises		**5.30**	6.79
-Total outstanding dues of creditors other than micro and small enterprises		**3001.81**	3233.27
(iii) Other financial liabilities	16	**526.37**	523.22
(b) Other current liabilities	18	**431.79**	534.31
(c) Provisions	17	**524.60**	334.46
		6572.00	11467.67
(3) Liability included in disposal group held for transfer	44.1	**11.06**	25.06
TOTAL EQUITY AND LIABILTIES		**15841.99**	17283.98
Significant Accounting Policies, Estimates & Judgements	1A & 1B		
See accompanying notes to the financial statements	2-44		

for and on behalf of Board of Directors

Arvind Kumar

(Arvind Kumar)
Managing Director
DIN - 09224177

(Rohit Kumar Agrawala)
Director (Finance)
DIN - 10048961

P Shankar

(P.Shankar)
Company Secretary
ACS -7624

As per our attached Report of even date

For G.M.Kapadia & Co.
Chartered Accountants
(FRN: 104767W)

G.M. KAPADIA & CO. ★ CHENNAI ★ Chartered Accountants

Satya Ranjan Dhall
Partner
Membership No. 214046
Place : Chennai
Date : 27-Apr-2023

CHENNAI PETROLEUM CORPORATION LIMITED
STANDALONE FINANCIAL STATEMENTS
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2023

₹ in Crore

	Particulars	Note No.		For the Year ended 31-Mar-23		For the Year ended 31-Mar-22
I.	**Revenue from operations**	21		90908.27		60474.29
II.	**Other income**	22		15.12		16.23
III.	**Total Income (I + II)**			90923.39		60490.52
IV.	**Expenses:**					
	Cost of materials consumed	23		67188.77		40045.19
	Purchase of Stock-in-Trade			375.89		47.72
	Changes in Inventories (Finished Goods and Work-In Progress)	24		978.65		(1227.35)
	Excise Duty			14173.57		17098.91
	Employee benefits expense	25		556.30		547.83
	Finance costs	26		330.18		412.44
	Depreciation and Amortisation expense on:					
	a) Tangible Assets	2	570.06		500.46	
	b) Intangible Assets	3	3.40		3.43	
				573.46		503.89
	Impairment losses / (gain)			-		(0.37)
	Other expenses	27		1937.87		1230.62
	Total Expenses (IV)			86114.69		58658.88
V	**Profit before Exceptional items and tax (III - IV)**			4808.70		1831.64
VI	**Exceptional Items**			-		-
VII	**Profit before tax (V + VI)**			4808.70		1831.64
VIII	**Tax expense:**	7				
	(1) Current tax [Includes (15.02) Crore (2022: ₹ 37.27 Crore relating to prior years]			1068.58		37.27
	(2) Deferred tax			206.31		451.95
	[Includes Nil (2022: Nil Crore) relating to prior years]					
IX	**Profit for the year from continuing operations (VII - VIII)**			3533.81		1342.42
X	Profit/(loss) from discontinued operations			-		-
XI	Tax expense of discontinued operations			-		-
XII	**Profit from Discontinued operations(after tax) (X - XI)**			-		-
XIII	**Profit for the year (IX + XII)**			3533.81		1342.42
XIV	**Other Comprehensive Income**	28				
A.	(i) Items that will not be reclassified to profit or loss			(18.12)		30.85
	(ii) Income Tax relating to items that will not be reclassified to profit or loss	7		4.82		(7.61)
XV	**Total Comprehensive Income for the year (XIII + XIV) (Comprising Profit and Other Comprehensive Income for the year)**			3520.51		1365.66
XVI	**Earning per equity share:**					
	(1) Basic (₹)	30		237.31		90.15
	(2) Diluted (₹)	30		237.31		90.15

Significant Accounting Policies, Estimates & Judgements **1A & 1B**

See accompanying notes to the financial statements **2-44**

for and on behalf of Board of Directors

(Arvind Kumar)
Managing Director
DIN - 09224177

(Rohit Kumar Agrawala)
Director (Finance)
DIN - 10048961

(P.Shankar)
Company Secretary
ACS -7624

As per our attached Report of even date

For G.M.Kapadia & Co.
Chartered Accountants
(FRN: 104767W)

G.M. KAPADIA & CO. CHENNAI Chartered Accountants

Satya Ranjan Dhall
Partner
Membership No. 214046
Place : Chennai
Date : 27-Apr-2023

CHENNAI PETROLEUM CORPORATION LIMITED
STANDALONE FINANCIAL STATEMENTS
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2023

(a) Equity Share Capital

₹ in Crore

	No of Equity shares of ₹ 10 each issued, subscribed and fully paid	Subscribed, called-up and paid-up share capital	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of reporting period	Changes in equity capital during the year	Total paid-up equity share capital balance at the end of the reporting period
At 31 March 2022	148911400	148.91	-	148.91	-	148.91
At 31 March 2023	**148911400**	**148.91**	-	**148.91**	-	**148.91**

(b) Other equity

₹ in Crore

	Reserve and Surplus						Total
	Securities Premium	Insurance Reserve	Capital Redemption reserve	Capital reserve	Retained earnings	General reserve	
At 01 April 2021	250.04	-	600.00	0.09	(3108.70)	3534.23	1275.66
Changes in accounting policy or prior period errors	-		-	-	-	-	-
Restated balance at 01 April 2021	250.04		600.00	0.09	(3108.70)	3534.23	1275.66
Profit for the Year	-	-	-	-	1342.42	-	1342.42
Other comprehensive income Remeasurement of gain or loss on defined benefit plan	-	-	-	-	-	23.24	23.24
Total comprehensive income	-	-	-	-	1342.42	23.24	1365.66
Transfer to Retained Earnings	-	-	-	-	-	-	-
Transfer to Capital Redemption Reserve	-	-	100.00	-	(100.00)	-	-
Dividend	-	-	-	-	-	-	-
At 31 March 2022	**250.04**	**-**	**700.00**	**0.09**	**(1866.28)**	**3557.47**	**2641.32**

₹ in Crore

	Reserve and Surplus						Total
	Securities Premium	Insurance Reserve	Capital Redemption reserve	Capital reserve	Retained earnings	General reserve	
At 01 April 2022	250.04	-	700.00	0.09	(1866.28)	3557.47	**2641.32**
Changes in accounting policy or prior period errors	-		-	-	-	-	-
Restated balance at 01 April 2022	250.04		700.00	0.09	(1866.28)	3557.47	**2641.32**
Profit for the Year	-	-	-	-	3533.81	-	**3533.81**
Other comprehensive income Remeasurement of gain or loss on defined benefit plan	-	-	-	-	-	(13.30)	**(13.30)**
Total comprehensive income	-	-	-	-	3533.81	(13.30)	**3520.51**
Transfer to Retained Earnings	-	-	-	-	-	-	-
Transfer to Capital Redemption Reserve	-	-	300.00	-	(300.00)	-	-
Transfer to insurance reserve		15.00		-	(15.00)		-
Dividend	-	-	-	-	-	(29.78)	**(29.78)**
Transfer to General Reserve	-	-	-	-	(950.47)	950.47	-
At 31 March 2023	**250.04**	**15.00**	**1000.00**	**0.09**	**402.06**	**4464.86**	**6132.05**

for and on behalf of Board of Directors

(Arvind Kumar)
Managing Director
DIN - 09224177

(Rohit Kumar Agrawala)
Director (Finance)
DIN - 10048961

(P.Shankar)
Company Secretary
ACS -7624

As per our attached Report of even date

For G.M.Kapadia & Co.
Chartered Accountants
(FRN: 104767W)

G.M. KAPADIA & CO. CHENNAI Chartered Accountants

Satya Ranjan Dhall
Partner
Membership No. 214046

Place : Chennai
Date : 27-Apr-2023

CHENNAI PETROLEUM CORPORATION LIMITED

STANDALONE FINANCIAL STATEMENTS

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2023

₹ in Crore

	Particulars	For the Year ended 31-Mar-23	For the Year ended 31-Mar-22
A	**Cash Flow from Operating Activities**		
1	**Profit Before Tax**	4808.70	1831.64
2	**Adjustments for :**		
	Depreciation of property, plant and equipment	570.06	500.46
	Impairment losses / (gain)	-	(0.37)
	Loss/(gain) on disposal of property, plant and equipments (net)	9.64	12.10
	Amortisation on intangible assets	3.40	3.43
	Amortisation of Government Grants	(0.86)	(1.67)
	Net Exchange Differences	(15.27)	8.42
	Provision for Capital work-in-progress / Doubtful Debts written back	(1.51)	-
	Provision for Doubtful Debts, Advances and Claims	0.14	-
	Remeasurement of Defined Benefit Plans	(18.12)	30.85
	Provision for Stores (net)	0.27	2.78
	Finance income	(7.19)	(17.73)
	Finance costs	330.18	404.02
	Dividend Income	(7.93)	(5.92)
3	**Operating Profit before Working Capital Changes (1+2)**	**5671.51**	2768.01
4	**Change in Working Capital:**		
	(Excluding Cash & Cash equivalents)		
	Trade Receivables & Other receivables	(393.66)	(207.34)
	Inventories	1558.76	(3026.49)
	Trade and Other Payables	(269.86)	1241.36
	Provisions	189.60	270.72
	Change in Working Capital	**1084.84**	(1721.75)
5	**Cash Generated From Operations (3+4)**	**6756.35**	1046.26
6	**Less : Taxes paid**	1007.39	20.39
7	**Net Cash Flow from Operating Activities (5-6)**	**5748.96**	1025.87
B	**Cash Flow from Investing Activities:**		
	Proceeds from sale of Property, plant and equipment / Transfer of Assets	0.13	0.17
	Purchase of Property, plant and equipment	(417.75)	(699.67)
	Interest received (Finance Income)	7.19	17.73
	Dividend Income	7.93	5.92
	Investments	(0.01)	-
	Net Cash Generated/(Used) in Investing Activities:	**(402.51)**	(675.85)
C	**Net Cash Flow From Financing Activities:**		
	Proceeds from Long-Term Borrowings	-	775.00
	Repayments of Long-Term Borrowings (Including lease liability)	(1478.42)	(468.01)
	Proceeds from/(Repayments of) Short-Term Borrowings	(3410.16)	(313.17)
	Interest paid	(435.19)	(336.66)
	Dividends paid	(29.78)	-
	Net Cash Generated/(Used) from Financing Activities:	**(5353.55)**	(342.84)
D	**Net Change in Cash & cash equivalents (A+B+C)**	**(7.10)**	7.18
E-1	Cash & cash equivalents as at end of the year	1.23	8.33
E-2	Cash & cash equivalents as at beginning of the year	8.33	1.15
	NET CHANGE IN CASH & CASH EQUIVALENTS (E 1- E 2)	**(7.10)**	7.18

Notes:

1. Cash Flow Statement is prepared using Indirect method as per Indian Accounting Standard -7 Cash Flow Statement.

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Reconciliation between opening and closing balances of financial liabilites with the net cash generated /(Used) from financing activities:

₹ in Crore

Financial Liabilities	As at 31.03.2021	Cash Flow	Non-cash Changes			As at 31.03.2022
			Lease Liability	Interest Accrued but not due	Foreign exchange movement	
Borrowings (Including lease liabilities)	9166.96	1.41	4.00	65.96	-	9238.33

Financial Liabilities	As at 31.03.2022	Cash Flow	Non-cash Changes			As at 31.03.2023
			Lease Liability	Interest Accrued but not due	Foreign exchange movement	
Borrowings (Including lease liabilities)	9238.33	(5093.77)	16.94	98.10	-	4259.60

for and on behalf of Board of Directors

(Arvind Kumar)
Managing Director
DIN - 09224177

(Rohit Kumar Agrawala)
Director (Finance)
DIN - 10048961

(P.Shankar)
Company Secretary
ACS -7624

As per our attached Report of even date

For G.M.Kapadia & Co.
Chartered Accountants
(FRN: 104767W)

G.M. KAPADIA & CO. ★ CHENNAI ★ Chartered Accountants

Satya Ranjan Dhall
Partner
Membership No. 214046

Place : Chennai
Date : 27-Apr-2023

CHENNAI PETROLEUM CORPORATION LIMITED
STANDALONE FINANCIAL STATEMENTS

Note-1A Corporate Information and Significant Accounting Policies

Corporate Information

The standalone financial statements of "Chennai Petroleum Corporation Limited" ("the Company" or "CPCL") are for the year ended 31st March, 2023. The Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on Bombay Stock exchange and National Stock Exchange in India. The registered office of the Company is located at 536, Anna Salai, Teynampet, Chennai- 600018. (CIN – L40101TN1965GOI005389)

CPCL is in the business of refining crude oil to produce & supply various petroleum products.

Information on related party relationships of the Company is provided in Note-34.

The standalone financial statements have been approved for issue in accordance with a resolution of the Board of directors on 27th April, 2023.

Significant Accounting Policies

1 BASIS OF PREPARATION

1.1. The financial statements have been prepared in accordance with the applicable Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules and other relevant provisions of the Act and Rules thereunder, as amended from time to time.

1.2. The standalone financial statements have been prepared on historical cost convention, accrual and going concern basis except where Ind AS requires a different accounting treatment like fair value / amortized cost / present value / Realizable value. These accounting policies have been applied consistently over all periods presented in these financial statements

1.3. The standalone financial statements are presented in Indian Rupees (INR) which is Company's presentation and functional currency and all values are rounded to the nearest Crore (up to two decimals) except when otherwise indicated.

2 PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

2.1. Property, Plant and Equipment (PPE)

2.1.1. Property, Plant & Equipment (PPE) comprises of tangible assets and Capital Work in progress. PPE are stated at cost, less any accumulated depreciation and accumulated impairment losses, if any. (except freehold lands which are carried at historical cost). The cost of an item of PPE comprises its purchase price, construction cost, including applicable taxes (net of credits) after deducting any discounts and rebates, any directly attributable costs of bringing the assets to its working condition and location for its intended use and present value of any estimated cost of

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dismantling and removing the item and restoring the site on which it is located. These costs are capitalized until the asset is ready for use and includes borrowing cost capitalized in accordance with the Company's accounting policy.

2.1.2. The cost of an item of PPE is recognized as an asset if, and only if:

i. it is probable that future economic benefits associated with the item will flow to the entity; and

ii. the cost of the item can be measured reliably.

In accordance with the above criteria, subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate.

2.1.3. Technical know-how / license fee relating to plants/facilities and specific software that are integral part of the related hardware are capitalised as part of cost of the underlying asset.

2.1.4. Spare parts are capitalized when they meet the definition of PPE, i.e., when the Company intends to use these for a period exceeding 12 months.

2.1.5. The acquisition of some items of PPE although not, directly increasing the future economic benefits of any particular existing item of PPE, may be necessary for the Company to obtain the future economic benefits from its other assets. Such items of PPE, are recognized as assets.

2.1.6. On transition to Ind AS, the Company has elected to continue with the carrying value of all of its PPE recognised as at 1st April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the PPE.

2.2. Capital Work in Progress (CWIP)

A. Construction Period Expenses:

2.2.1. Revenue expenses exclusively attributable to projects incurred during construction period are capitalized. However, such expenses in respect of capital facilities being executed along with the production/operations simultaneously and where the expenses are not attributable exclusively are charged to revenue.

2.2.2. Borrowing cost incurred during construction period on loans specifically borrowed and utilized for projects is capitalized on quarterly basis upto the date of capitalization.

2.2.3. Borrowing cost, if any, incurred on General Borrowings used for projects is capitalized at the weighted average cost. The amount of such borrowings is determined on quarterly basis after setting off the amount of internal accruals.

B. Capital Stores

2.2.4. Capital Stores are valued at cost. Specific provision is made for likely diminution in value, wherever required.

2.3. Intangible Assets & Amortisation

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2.3.1. Technical know-how / license fee relating to production process and process design are recognized as Intangible Assets and amortized on a straight line basis over the life of the underlying plant/ facility.

2.3.2. Cost incurred on computer software/licenses purchased resulting in future economic benefits, other than specific software that are integral part of the related hardware, are capitalised as Intangible Asset and amortised over a period of three years beginning from the month in which such software / licenses are capitalised. However, where such computer software / license is under development or is not yet ready for use, accumulated cost incurred on such items are accounted as "Intangible Assets Under Development".

2.3.3. Right of ways with indefinite useful lives are not amortised, but tested for impairment annually at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

2.3.4. Intangible Assets acquired separately are measured on initial recognition at cost. Following initial recognition, Intangible Assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

2.3.5. The useful lives of Intangible Assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over the useful life on straight line basis and assessed for impairment whenever there is an indication that the Intangible Asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on Intangible Assets with finite lives is recognised in the Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognized.

2.3.6. On transition to Ind AS, the Company has elected to continue with the carrying value of all of its Intangible Assets recognized as at April 1, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the intangible assets.

2.3.7. Amortization is charged pro-rata on monthly basis on assets, from/upto the month of capitalization/ sale, disposal/ or earmarked for disposal.

2.4. Depreciation

2.4.1. Cost of PPE (net of residual value) excluding freehold land is depreciated on straight-line method as per the useful life prescribed in Schedule II to the Act, except in case of the following assets:

a) Useful life of 25 years for solar power plant considered based on technical assessment

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b) In case of specific agreements e.g. enabling assets etc., useful life as per agreement or Schedule II, whichever is lower

c) In case of immovable assets constructed on leasehold land, useful life as per Schedule-II to the Act or lease period of land (including renewable period/ likely renewable period), whichever is lower

d) In other cases like Spare Parts etc., useful life is considered based on the technical assessment (2-30 years).

Depreciation is charged pro-rata on monthly basis on assets, from / upto the month of capitalization / sale, disposal / or earmarked for disposal. Residual value is generally considered between 0 to 5% of cost of assets. Further, in case of catalyst with noble metal content, residual value is considered based on the cost of metal content.

The Company depreciates components of the main asset that are significant in value and have different useful lives as compared to the main asset separately. The Company depreciates spares over the life of the spare from the date it is available for use.

2.4.2. PPE, costing upto 5,000/- per item are depreciated fully in the year of capitalization. Further, spares, components like catalyst excluding noble metal content and major overhaul/inspection are also depreciated fully over their respective useful life.

2.4.3. The residual values, useful lives and methods of depreciation of PPE are reviewed at each financial year end and adjusted prospectively, if appropriate.

2.5. Derecognition

2.5.1. PPE and Intangible Assets are derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of PPE or Intangible Asset is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

3 LEASES

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

3.1. Leases as Lessee (Assets taken on lease)

The Company applies a single recognition and measurement approach for all leases, except for short- term leases and leases of low-value assets. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

3.1.1. Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term.

The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating a lease, if the lease term reflects the Company exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components, except for leases where the company has elected to use practical expedient not to separate non-lease payments from the calculation of the lease liability and ROU asset where the entire consideration is treated as lease component.

3.1.2. Right-of-use Assets

The Company recognises right-of-use (ROU) assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of use assets are subject to impairment. If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset as per 2.4 above.

3.1.3. Modifications to a lease agreement beyond the original terms and conditions are generally accounted for as a re-measurement of the lease liability with a corresponding adjustment to the ROU asset. Any gain or loss on modification is recognized in the Statement of Profit and Loss. However, the modifications that increase the scope of the lease by adding the right to use one or more underlying assets at a price commensurate with the stand-alone selling price are accounted for as a separate new lease. In case of lease modifications, discounting rates used for measurement of lease liability and ROU assets is also suitably adjusted.

3.1.4. Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of Property, Plant and Equipment (i.e., those leases that have a lease term

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of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term or another systematic basis if that basis is more representative of the pattern of the lessee's benefit.

3.2. Leases as Lessor (assets given on lease)

3.2.1. When the company acts as lessor, it determines at the commencement of the lease whether it is a finance lease or an operating lease.

3.2.2. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease except where another systematic basis is more representative of the time pattern of the benefit derived from the asset given on lease.

3.2.3. All assets given on finance lease are shown as receivables at an amount equal to net investment in the lease. Principal component of the lease receipts is adjusted against outstanding receivables and interest income is accounted by applying the interest rate implicit in the lease to the net investment. If an arrangement contains lease and non-lease components, the Company applies principles enunciated in Ind AS 115 "Revenue from Contracts with Customers ", to allocate the consideration in the contract.

3.2.4. When the Company is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the ROU asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short term lease to which the Company applies the short term lease exemption described above, then it classifies the sub-lease as an operating lease.

4 IMPAIRMENT OF NON-FINANCIAL ASSETS

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less cost of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

Impairment loss is recognized when the carrying amount of an asset exceeds recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

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The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of 15 years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifteenth year. To estimate cash flow projections beyond periods covered by the most recent budgets / forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified.

An assessment is made at each reporting date to determine whether there is anindication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years.

5 BORROWING COSTS

Borrowing cost consists of interest and other cost incurred in connection with the borrowing of funds. Borrowing costs that are attributable to the acquisition or construction of the qualifying asset are capitalized as part of the cost of such asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. Capitalisation of borrowing costs is suspended when active development activity on the qualifying assets is interrupted other than on temporary basis and charged to the Statement of Profit and Loss during such extended periods. All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which the same are incurred.

6 FOREIGN CURRENCY TRANSACTIONS

6.1. The Company's financial statements are presented in Indian Rupee (`), which is also it's functional currency.

6.2. Transactions in foreign currency are initially recorded at spot exchange rates prevailing on the date of transactions.

6.3. Monetary items denominated in foreign currencies (such as cash, receivables, payables etc.) outstanding at the end of reporting period, are translated at exchange rates prevailing on that date.

6.4. Non-monetary items denominated in foreign currency, (such as PPE, intangible assets, investments, capital / revenue advances other than expected to be settled in cash etc.) are recorded at the exchange rate prevailing on the date of the transaction, other than those measured at fair value.

6.5. Any gains or losses arising due to differences in exchange rates at the time of translation or settlement are accounted for in the Statement of Profit and Loss either under the head foreign exchange fluctuation or interest cost, as the case may be.

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7 INVENTORIES

7.1. Raw Materials & Stock-in-Process

7.1.1. Raw materials including crude oil are valued at cost determined on weighted average basis and net realizable value, whichever is lower.

7.1.2. Stock in Process is valued at raw materials cost plus fifty percent conversion costs as applicable and net realizable value, whichever is lower.

7.1.3. Crude oil in Transit is valued at cost and net realizable value, whichever is lower.

7.1.4. Initial cost of inventories includes the transfer of gains and losses on qualifying cash flow hedges, recognised in OCI, in respect of the purchases of raw materials.

7.2. Finished Products and Stock-in-Trade

7.2.1. Finished Products and Stock in Trade are valued at cost determined on 'First in First Out' basis or net realizable value, whichever is lower. Cost of Finished Products produced is determined based on raw materials cost and processing cost.

7.2.2. Imported products in transit are valued at cost or net realisable value whichever is lower.

7.3. Stores and Spares

7.3.1. Stores and Spares are valued at weighted average cost.

7.3.2. In case of declared surplus/obsolete stores and spares, provision is made for likely loss on sale/disposal and charged to revenue. Further, provision is made to the extent of 97 per cent of the value of non-moving inventory of stores and spares (excluding maintenance, repair & operation items, pumps and compressors) which have not moved for six years and above. Stores and spares in transit are valued at cost.

7.3.3. Spent catalysts (including noble metal content thereof) are valued at lower of the weighted average cost and net realizable value.

8 PROVISIONS, CONTINGENT LIABILITIES & CONTINGENT ASSETS

8.1. Provisions

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

8.1.2. When the Company expects some or all of a provision to be recovered from a third party, a receivable is recognised as a separate asset, but only when it is virtually certain and amount of the receivable can be measured reliably. The expense relating to a provision is presented in the Statement of Profit and Loss net of reimbursement, if any.

8.1.3. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects current market assessments of the time value of

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money and, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

8.2. Contingent Liabilities and Contingent Assets

8.2.1. Show-cause notices issued by various Government Authorities are generally not considered as obligations.

8.2.2. When the demand notices are raised against such show cause notices and are disputed by the Company, these are classified as disputed obligations.

8.2.3. The treatment in respect of disputed obligations are as under:

a) provision is recognized in respect of present obligations where the outflow of resources is probable as per 8.1.1 above;

b) all other cases are disclosed as contingent liabilities unless the possibility of outflow of resources is remote.

8.2.4. Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability. Contingent liabilities are disclosed on the basis of judgment of the management/independent experts and reviewed at each Balance Sheet date to reflect the current management estimate.

8.2.5. Estimated amount of contracts remaining to be executed towards capital expenditure are considered for disclosure.

8.2.6. A contingent asset is disclosed where an inflow of economic benefits is probable.

9 REVENUE

REVENUE FROM CONTRACTS WITH CUSTOMERS

9.1. The Company is in the business of Refining crude oil to produce and supply various petroleum products and it earns revenue primarily from sale of petroleum products.

Revenue is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties.

The Company has generally concluded that it is the principal in its revenue arrangements, except a few agency services, because it typically controls the goods or services before transferring them to the customer.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of products, the Company considers the effects of variable consideration, the existence of significant financing components, non-cash consideration and consideration payable to the customer (if any).

9.2. Revenue from the sale of petroleum products, petrochemical products, Crude and gas are recognised at a point in time, generally upon delivery of the products.

9.3. The company has assumed that recovery of excise duty flows to the Company on its own account. This is for the reason that it is a liability of the manufacturer which forms part of the cost of production, irrespective of whether the goods are sold or not. Since the recovery of excise duty flows to the Company on its own account, revenue includes excise duty.

However, Sales Tax/ Goods and Services Tax (GST) and Value Added Tax (VAT) is not received by the company on its own account. Rather, it is tax collected on value added to the product by the seller on behalf of the government. Accordingly, it is excluded from revenue.

9.4. **Variable consideration**

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

The Company provides volume rebates to certain customers once the quantity of products purchased during the period exceeds a threshold specified in the contract. Rebates are offset against amounts payable by the customer. The volume rebates give rise to variable consideration

9.5. Interest income from financial assets is recognised using effective interest rate (EIR) method.

9.6. Dividend income is recognized when the Company's right to receive dividend is established.

9.7. Claims (including interest on outstanding claims) are recognized at cost when there is reasonable certainty regarding its ultimate collection. Insurance claims are recognised based on acceptance.

9.8. Claims on Petroleum Planning and Analysis Cell (Formerly known as Oil Coordination Committee) / Government arising on account of erstwhile Administered Pricing Mechanism / notified schemes are booked on acceptance in principle thereof. Such claims and provisions are booked on the basis of available instructions /clarifications subject to final adjustment as per separate audit.

10 **EXCISE DUTY**

Excise duty is accounted on the basis of both, payments made in respect of goods cleared as also provision made for goods lying in stock. Value of stock includes excise duty payable / paid on finished goods wherever applicable.

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11 TAXES ON INCOME

11.1. Current Income Tax

Provision for current tax is made as per the provisions of the Income Tax Act, 1961.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

11.2. Deferred Tax

11.2.1. Deferred tax is provided using the Balance Sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available in future against which the deductible temporary differences and unused tax losses can be utilised.

Deferred tax assets and liabilities are measured based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

11.2.2. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available in future to allow all or part of the deferred tax assets to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax assets to be recovered.

11.2.3. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

11.2.4. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

12 EMPLOYEE BENEFITS

12.1. Short Term Benefits

Short Term Employee Benefits are accounted for in the period during which the services have been rendered.

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12.2. Post-Employment Benefits and Other Long Term Employee Benefits

a) The Company's contribution to the Provident Fund is remitted to separate trusts established for this purpose based on a fixed percentage of the eligible employee's salary and charged to the Statement of Profit and Loss/CWIP. Shortfall, if any, in the fund assets, based on the Government specified minimum rate of return, is made good by the Company and charged to the Statement of Profit and Loss/CWIP.

b) The Company operates defined benefit plans for Gratuity and Post Retirement Medical Benefits. The cost of providing such defined benefits is determined using the projected unit credit method of actuarial valuation made at the end of the year. Out of these plans, Gratuity and Post-Retirement Medical Benefits (PRMB) are administered through respective trusts.

c) Obligations on other long term employee benefits viz. leave encashment and Long Service Awards are provided using the projected unit credit method of actuarial valuation made at the end of the year. Out of these obligations, leave encashment obligations are funded through qualifying insurance policies made with insurance companies / corporation.

d) The Company also operates a defined contribution scheme for Pension benefits for its employees and the contribution is remitted to a separate Trust / corporate NPS.

12.3. Termination Benefits

Payments made under Voluntary Retirement Scheme are charged to the Statement of Profit and Loss on incurrence.

12.4. Remeasurements

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, (excluding amounts included in net interest on the net defined benefit liability) and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income (OCI) in the period in which it occurs. Remeasurements are not reclassified to profit or loss in subsequent periods. Remeasurements in respect of other long-term benefits are recognised in the Statement of Profit and Loss.

Past service cost is recognised in profit or loss on the earlier of:

The date of the plan amendment or curtailment, and

- The date that the Company recognises related restructuring cost

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the Statement of Profit and Loss:

Service cost comprising current service cost, past-service cost, gains and losses on curtailments and non-routine settlements; and

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- Net interest expense or income

13 GRANTS

13.1. Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

13.2. Grant relating to Assets (Capital Grants)

In case of grants relating to depreciable assets, the cost of the asset is shown at gross value and grant thereon is treated as Deferred income which are recognized as "Other Operating Revenues" usually in the Statement of Profit and Loss over the period and in the proportion in which depreciation is charged.

13.3. Grant related to Income (Revenue Grants)

Revenue grants are recognised in the Statement of Profit and Loss on a systematic basis over the periods in which the entity recognises as expenses the related cost for which the grants are intended to compensate.

The Company has treated waiver of duty under EPCG Scheme as revenue grant as the condition of meeting the export obligations is a primary condition of availing the grant as per the EPCG Scheme. The above grant is set up by recording the assets at gross value and corresponding grant amount as deferred income. Such grant is recognized recognized in "Other Operating Revenues" in proportion of export obligations actually fulfilled during the accounting period.

Revenue grants are generally recorded under "Other Operating Revenues" except some grants, which are netted off with the related expense.

13.4. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate or NIL interest rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities. Classification of the grant is made considering the terms and condition of the grant i.e. whether grants relates to assets or otherwise.

14 CURRENT VERSUS NON-CURRENT CLASSIFICATION

14.1. The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification.

14.2. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or

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- Cash or Cash Equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

14.3. A liability is treated as current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

15 NON-CURRENT ASSETS HELD FOR SALE

15.1. The Company classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

15.2. For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale classification is regarded met only when the assets or disposal group is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales (or disposal groups), its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset or disposal group to be highly probable when:

The appropriate level of management is committed to a plan to sell the asset (or disposal group),

An active programme to locate a buyer and complete the plan has been initiated (if applicable),

The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,

The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and

Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

15.3. Non-Current Assets held for sale and disposal groups are measured at the lower of their carrying amount and the fair value less cost to sell. Assets and liabilities classified as held for sale are presented separately in the Balance Sheet.

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PPE and Intangible Assets once classified as held for sale are not depreciated or amortised.

16 FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.

16.1. Financial Assets

Initial recognition and measurement

All Financial Assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction cost that are attributable to the acquisition of the Financial Asset. However, trade receivables that do not contain a significant financing component are measured at transaction price Transaction costs directly attributable to the acquisition of financial assets measured at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

Subsequent measurement

For the purpose of subsequent measurement, Financial Assets are classified in four categories:

- Financial Assets at amortised cost
- Debt Instruments at fair value through Other Comprehensive Income (FVTOCI)
- Equity Instruments at fair value through Other Comprehensive Income (FVTOCI)

Financial Assets and derivatives at fair value through profit or loss (FVTPL)

16.1.1. Financial Assets at amortised cost

A Financial Asset is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows,

and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such Financial Assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or cost that are an integral part of the EIR. The EIR amortisation is included in

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finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. Apart from the same, any income or expense arising from remeasurement of financial assets measured at amortised cost, in accordance with Ind AS 109, is recognized in the Statement of Profit and Loss. This category generally applies to trade and other receivables

16.1.2. Debt Instrument at FVTOCI

A 'Debt Instrument' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent solely payments of principal and interest (SPPI).

Debt Instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair Value movements are recognized in the Other Comprehensive Income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the Equity to the Statement of Profit and Loss. Interest earned whilst holding FVTOCI Debt Instrument is reported as interest income using the EIR method.

16.1.3. Equity Instrument

A. Equity Investments at FVTOCI (Other than Subsidiaries, Joint Ventures and Associates)

All equity investments in scope of Ind AS 109 are measured at fair value. The Company has made an irrevocable election to present subsequent changes in the fair value in Other Comprehensive Income. The classification is made on initial recognition/transition and is irrevocable.

There is no recycling of the amounts from OCI to the Statement of Profit and Loss, even on sale of investments.

B. Equity Investments in Subsidiaries, Joint Ventures and Associates

Investments in Subsidiaries, Joint Ventures and Associates are accounted for at cost in the financial statements and the same are tested for impairment in case of any indication of impairment.

Dividend income is recognized in the Statement of Profit and Loss when the Company's right to receive dividend is established.

16.1.4. Debt Instruments and Derivatives at FVTPL

FVTPL is a residual category for Debt Instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

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This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Debt Instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss. Interest income on such instruments has been presented under interest income

16.1.5. Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Balance Sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

16.1.6. Impairment of Financial Assets

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial Assets that are Debt Instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

b) Financial guarantee contracts which are not subsequently measured as at FVTPL

c) Lease Receivables under Ind AS 116

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Simplified Approach

The Company follows 'simplified approach' for recognition of impairment loss allowance, if any, on Trade Receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. On that basis, the Company estimates provision on trade receivables at the reporting date.

General Approach

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-months ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-months ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-months ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as expense /income/ in the Statement of Profit and Loss. The Balance Sheet presentation for various financial instruments is described below:

- **Financial Assets measured as at amortised cost:** ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the Balance Sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
- **Debt instruments measured at FVTOCI:** Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

16.2. Financial Liabilities

16.2.1. Initial recognition and measurement

Financial Liabilities are classified, at initial recognition, as financial Liabilities at fair value through profit or loss and financial liabilities at amortised cost, as appropriate.

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All financial liabilities are recognised initially at fair value and, in the case of liabilities subsequently measured at amortised cost, they are measured net of directly attributable transaction cost. In case of Financial Liabilities measured at fair value through profit or loss, transaction costs directly attributable to the acquisition of financial liabilities are recognised immediately in the Statement of Profit and Loss.

The Company's financial liabilities include trade and other payables and loans and borrowings including derivative financial instruments.

16.2.2. Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

A. Financial Liabilities at fair value through profit or loss

Financial Liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through the Statement of Profit and Loss. Financial Liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss

B. Financial Liabilities at amortized cost

Financial Liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Gains and losses are recognised in the Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or cost that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

16.2.3. Derecognition

A Financial Liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

16.3. Embedded Derivatives

If the hybrid contract contains a host that is a Financial Asset within the scope of Ind AS 109, the Company does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid

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contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss, unless designated as effective hedging instruments. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

16.4. Offsetting of Financial Instruments

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

16.5. Derivative Instrument Initial recognition / subsequent measurement

16.5.1. The Company uses derivative financial instruments, such as forward currency contracts, to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. The accounting for subsequent changes in fair value of derivatives depends on the designation or non-designation of derivative as hedging instruments. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

16.5.2. Derivative that are designated as hedge instrument

The Company undertakes foreign exchange forward contracts for hedging foreign currency risk of recognized foreign currency loans and liabilities. The Company generally designates the whole forward contract as hedging instrument. These hedges are accounted for as cash flow hedges. These hedging instruments are as per the policies approved by the Board of Directors.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging / economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk.

Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that the hedge is actually have been highly effective throughout the financial reporting periods for which it was designated.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in Other Comprehensive Income and accumulated under the heading Cash Flow Hedge Reserve within Equity. The gain

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or loss relating to the ineffective potion is recognized immediately in the Statement of Profit and Loss and included in the Other Income or Other Expenses as Gain on Derivatives or Loss on Derivatives respectively.

Amounts previously recognized in OCI and accumulated in equity relating to effective portion are reclassified to Statement of Profit and Loss in the periods when the hedged item affects profit or loss, in the same line item as the recognized hedged item or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability. When a forecasted transaction is no longer expected to occur, the cumulative gain or loss accumulated in equity is transferred to the Statement of Profit and Loss.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or no longer qualifies for hedge accounting.

16.5.3. Derivatives that are not designated as hedge instrument

The Company enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through the Statement of Profit and Loss and are included in the Other Income or Other Expenses as Gain on Derivatives or Loss on Derivatives respectively.

16.6. Commodity contracts

Commodity contracts that, are entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the Company's expected purchase, sale or usage requirements are held at cost.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit and loss.

17 FAIR VALUE MEASUREMENT

17.1. The Company measures financial instruments, such as, derivatives at fair value at each Balance Sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

17.2. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company.

17.3. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

17.4. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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17.5. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

17.6. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

In case of Level 3 valuations, external valuers are also involved in some cases for valuation of assets and liabilities, such as unquoted financial assets, loans to related parties etc.,

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

18 EARNINGS PER SHARE

The basic Earnings Per Share ("EPS") is computed by dividing the net profit / (loss) after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. The Company did not have any potentially dilutive securities in the years presented.

19 CASH AND CASH EQUIVALENTS

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

20 CASH FLOW STATEMENT

Cash flow statement are reported using the Indirect method, whereby net profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and items of income or expense associated with investing or financing cash flows.

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III. New Standards / amendments and other changes effective April 1, 2022

Ministry of Corporate Affairs notified amendments to the existing standards vide Notification G.S.R. 255(E) dated 23rd March 2022. These amendments do not have a material impact on the company.

IV. STANDARDS ISSUED BUT NOT YET EFFECTIVE

Ministry of Corporate Affairs notifies new standard or amendments to the existing standards. During the year, vide Notification G.S.R. 242(E) dated 31st March 2023, few modifications in existing standards has been notified which will be applicable from April 1, 2023.

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Note – 1B : SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, the accompanying disclosures, and the disclosure of contingent liabilities. These include recognition and measurement of financial instruments, estimates of useful lives and residual value of Property, Plant and Equipment and intangible assets, valuation of inventories, measurement of recoverable amounts of cash-generating units, estimated quantities of noble metals, measurement of employee benefits, actuarial assumptions, provisions etc.

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The Company continually evaluates these estimates and assumptions based on the most recently available information. Revisions to accounting estimates are recognized prospectively in the Statement of Profit and Loss in the period in which the estimates are revised and in any future periods affected.

JUDGEMENTS

In the process of applying the company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

Materiality

Ind AS requires assessment of materiality by the Company for accounting and disclosure of various transactions in the financial statements. Accordingly, the Company assesses materiality limits for various items for accounting and disclosures and follows on a consistent basis. Overall materiality is also assessed based on various financial parameters such as Gross Block of assets, Net Block of Assets, Total Assets, Revenue and Profit Before Tax.

Contingencies

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal, contractual, land access and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events.

ESTIMATES AND ASSUMPTIONS

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the company. Such changes are reflected in the assumptions when they occur.

Defined benefit plans / Other Long term employee benefits

The cost of the defined benefit plans and other long term employee benefit plans are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. The management considers the interest rates of government securities based on expected settlement period of various plans.

Further details about various employee benefit obligations are given in Note 32.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow (DCF) model based on level-2 and level-3 inputs. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as price estimates, volume estimates, rate estimates etc. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Also refer Note-35 for further disclosures of estimates and assumptions.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less cost of disposal used to determine the recoverable amounts of the impaired assets are not based on observable market data, rather, management's best estimates.

The value in use calculation is based on a DCF model. The cash flows do not include impact of significant future investments that may enhance the asset's performance of the CGU being tested. The results of impairment test are sensitive to changes in key judgements, such as changes in commodity prices, future changes in alternate use of assets etc, which could result in increase or decrease of the recoverable amounts and result in additional impairment charges or recovery of impairment charged.

Refer Note 44.2

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CHENNAI PETROLEUM CORPORATION LIMITED
STANDALONE FINANCIAL STATEMENTS
Note – 2 : PROPERTY, PLANT AND EQUIPMENT

Current Year: ₹ in Crore

	Particulars	Land - Freehold	Land - Leasehold	Buildings, Roads etc.	Plant and Equipment	Office Equipments	Transport Equipments	Furniture and Fixtures	Railway Sidings	Drainage, Sewage and Water Supply System	ROU assets	Total
GROSS BLOCK		Note: A							Note: C			Note: B
	Gross Block as at 1st April 2022	49.08	5.92	201.30	9265.36	45.82	10.56	6.99	-	20.31	29.24	**9634.58**
	Additions during the Year (Note: E)	0.17	-	5.22	1208.43	16.99	1.56	2.16	-	-	15.29	**1249.82**
	Disposals/ Deductions/ Transfers to Held for Sale/ Reclassifications/Revaluation	-	-	(6.38)	(55.95)	(4.12)	(0.78)	(0.44)	-	(0.01)	-	**(67.68)**
	Gross Block as at 31st March 2023	**49.25**	**5.92**	**200.14**	**10417.84**	**58.69**	**11.34**	**8.71**	-	**20.30**	**44.53**	**10816.72**
DEPRECIATION, AMORTISATION AND IMPAIRMENT	Depreciation and Amortisation as at 1st April 2022	-	0.49	42.71	2,508.36	28.27	4.53	3.47	-	7.08	15.75	**2610.66**
	Depreciation and Amortisation during the Year:	-	0.07	6.02	544.88	9.77	1.02	0.64	-	0.90	7.63	**570.93**
	Disposals/ Deductions/ Transfers to Held for Sale/ Reclassifications/Revaluation	-	-	(1.02)	(49.30)	(3.40)	(0.67)	(0.22)	-	-	-	**(54.61)**
	Total Depreciation and Amortisation upto 31st March 2023	-	**0.56**	**47.71**	**3003.94**	**34.64**	**4.88**	**3.89**	-	**7.98**	**23.38**	**3126.98**
	Total Impairment Loss as at 1st April 2022	-	-	16.16	83.32	-	-	-	-	0.27	-	**99.75**
	Impairment Loss during the Year (Note: D)	-	-	(5.34)	(0.75)	-	-	-	-	-	-	**(6.09)**
	Impairment loss reversed during the Year	-	-	-	-	-	-	-	-	-	-	**-**
	Total Impairment Loss upto 31st March 2023	-	-	**10.82**	**82.57**	-	-	-	-	**0.27**	-	**93.66**
NET BLOCK	**AS AT 31st March 2023**	**49.25**	**5.36**	**141.61**	**7331.33**	**24.05**	**6.46**	**4.82**	-	**12.05**	**21.15**	**7596.08**
	AS AT 31st March 2022	49.08	5.43	142.43	6673.68	17.55	6.03	3.52	-	12.96	13.49	6924.17

Previous Year: ₹ in Crore

	Particulars	Land - Freehold	Land - Leasehold	Buildings, Roads etc.	Plant and Equipment	Office Equipments	Transport Equipments	Furniture and Fixtures	Railway Sidings	Drainage, Sewage and Water Supply System	ROU assets	Total
GROSS BLOCK	Gross Block as at 1st April 2021	49.08	5.92	204.52	9040.55	43.30	10.43	7.11	-	20.31	26.63	**9407.85**
	Additions during the Year (Note : E)	-	-	0.14	349.21	7.16	0.13	0.84	-	-	2.61	**360.09**
	Disposals/ Deductions/ Transfers to Held for Sale/ Reclassifications/Revaluation	-	-	(3.36)	(124.40)	(4.64)	-	(0.96)	-	-	-	**(133.36)**
	Gross Block as at 31st March 2022	**49.08**	**5.92**	**201.30**	**9265.36**	**45.82**	**10.56**	**6.99**	-	**20.31**	**29.24**	**9634.58**
DEPRECIATION, AMORTISATION AND IMPAIRMENT	Depreciation and Amortisation as at 1st April 2021	-	0.42	37.19	2,103.89	24.73	3.58	3.28	-	6.17	9.48	**2188.74**
	Depreciation and Amortisation during the Year:	-	0.07	6.03	478.99	6.91	0.95	0.62	-	0.91	6.27	**500.75**
	Disposals/ Deductions/ Transfers to Held for Sale/ Reclassifications/Revaluation	-	-	(0.51)	(74.52)	(3.37)	-	(0.43)	-	-	-	**(78.83)**
	Total Depreciation and Amortisation upto 31st March 2022	-	**0.49**	**42.71**	**2508.36**	**28.27**	**4.53**	**3.47**	-	**7.08**	**15.75**	**2610.66**
	Total Impairment Loss as at 1st April 2021	-	-	19.01	103.27	-	-	-	-	0.27	-	**122.55**
	Impairment Loss during the Year (Note: D)	-	-	(2.85)	(19.95)	-	-	-	-	-	-	**(22.80)**
	Impairment loss reversed during the Year	-	-	-	-	-	-	-	-	-	-	**-**
	Total Impairment Loss upto 31st March 2022	-	-	**16.16**	**83.32**	-	-	-	-	**0.27**	-	**99.75**
NET BLOCK	**AS AT 31st March 2022**	**49.08**	**5.43**	**142.43**	**6673.68**	**17.55**	**6.03**	**3.52**	-	**12.96**	**13.49**	**6924.17**
	AS AT 31st March 2021	49.08	5.50	148.32	6833.39	18.57	6.85	3.83	-	13.87	17.15	7096.56

Notes :

A. Gross block of Land includes ₹ 0.18 Crore deposited towards 50.93 acres of Land for which assignment deed is yet to be received from Govt. of TamilNadu.

B. The cost of assets includes EPCG benefit (net of GST ITC), net of VAT CREDIT/CENVAT/GST ITC wherever applicable

C. Represents 5/24 share of total cost of the Railway Siding jointly owned by the Company along with Madras Fertilizers Limited, Madras Petrochem Limited, Steel Authority of India Limited and Rashtriya Ispat Nigam Limited. Net block of Railway Sidings - ₹ 0.003 Crore (2022 : ₹ 0.003 Crore)

D. Pertains to Cauvery Basin Refinery (refer Note 44.2)

E. Additions to Gross Block includes : ₹ in Crore

Asset Particulars	Borrowing Cost	
	31-Mar-23	31-Mar-22
Plant and Equipment	75.92	1.04
Total	**75.92**	**1.04**

Details of assets given on lease included in the above: ₹ in Crore

Asset Particulars	Gross Block as at 1st April 2022	Accumulated Depreciation & Amortisation	Accumulated Impairment loss	W.D.V as at March 31,2023	W.D.V as at March 31,2022
Land	5.32	-	-	**5.32**	5.32
Buildings	0.40	0.06	0.17	**0.17**	0.18
Plant and Equipment	9.36	2.81	-	**6.55**	2.91
Total	15.08	2.87	0.17	**12.04**	8.41

CHENNAI PETROLEUM CORPORATION LIMITED
STANDALONE FINANCIAL STATEMENTS
Note – 2.1 : CAPITAL WORK-IN-PROGRESS

₹ in Crore

Sl. No	Particulars	Note		31-Mar-23	31-Mar-22
1	Construction Work in Progress - Property, Plant & Equipment (Including unallocated capital expenditure, materials at site)				
	Balance as at beginning of the year		1052.61		1082.75
	Add: Additions during the year		362.91		363.25
	Less: Allocated / Adjusted during the year		1006.82		139.57
	Less: Transfer to disposal group held for transfer	A	130.48		253.82
			278.22		1052.61
	Less: Provision for Capital Losses		-		1.51
				278.22	1051.10
2	Capital stores balance as at beginning of the year		12.67		33.12
	Add: Additions during the year		35.62		18.73
	Less: Allocated / Adjusted during the year		34.10		39.18
			14.19		12.67
	Less: Provision for Capital Losses		-		3.30
	Capital stores			**14.19**	9.37
3	Capital Goods in Transit			**0.01**	0.21
4	Construction Period Expenses pending allocation:				
	Balance as at beginning of the year		148.87		161.07
	Net expenditure during the year (Note -"2.2")		98.62		107.39
			247.49		268.46
	Less: Allocated / Adjusted during the year		132.86		14.56
			114.63		253.90
	Less: Transfer to disposal group held for transfer	A	75.62		105.03
				39.01	148.87
	TOTAL	**B**		**331.43**	1209.55

Notes :

A Refer Note - 44.1

B The cost of assets includes EPCG benefit (net of GST ITC), net of VAT CREDIT/CENVAT/GST ITC wherever applicable

Note – 2.2 : CONSTRUCTION PERIOD EXPENSES(NET) DURING THE YEAR

₹ in Crore

	Particulars	31-Mar-23	31-Mar-22
1	Employee Benefit expenses	**36.27**	38.84
2	Power & Fuel	**0.67**	1.10
3	Finance Cost	**48.01**	51.40
4	Others (incl. CER expenses)	**13.67**	16.05
	Net Expenditure during the year	**98.62**	107.39
	Specific borrowings eligible for capitalisation (Rate in %)	5.78% to 6.43%	5.44% to 6.43%

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STANDALONE FINANCIAL STATEMENTS

Current Year : **₹ in Crore**

Capital Work-In-Progress	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	98.92	25.57	37.42	169.52	331.43

Previous Year : **₹ in Crore**

Capital Work-In-Progress	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	161.45	291.62	506.28	250.20	1209.55

Note: No Project activity is under suspension

Capital-work-in progress, whose completion is overdue compared to its original plan

Current Year :

CWIP	To be completed in			
	Less than1 year	1-2 years	2-3 years	More than 3 years
RESID - COKE HANDLING SYSTEM	274.82	-	-	-
Others	20.63	-	-	-
Total	295.45	-	-	-

Previous Year :

CWIP	To be completed in			
	Less than1 year	1-2 years	2-3 years	More than 3 years
BS VI PROJECTS	921.45	-	-	-
RESID - COKE HANDLING SYSTEM	223.41	-	-	-
COOLING TOWER	42.90	-	-	-
Others	10.58	-	-	-
Total	1198.34	-	-	-

Note: No cost overdue in above projects

CHENNAI PETROLEUM CORPORATION LIMITED
STANDALONE FINANCIAL STATEMENTS
Note – 3 : INTANGIBLE ASSETS
(1) Intangible assets with definite useful life

Current Year: ₹ in Crore

	Particulars	Computer Software	Technical Know-How, Royalty and Licenses	Total
GROSS BLOCK	Gross Block as at 1st April 2022	2.55	52.87	55.42
	Additions during the Year	1.45	-	1.45
	Disposals/ Deductions/ Transfers to Held for Sale/ Reclassifications	-	-	-
	Gross Block as at 31st March 2023	**4.00**	**52.87**	**56.87**
AMORTISATION AND IMPAIRMENT (A)	Amortisation as at 1st April 2022	2.04	10.92	12.96
	Amortisation during the Year	0.37	3.07	3.44
	Disposals/ Deductions/ Transfers to Held for Sale/ Reclassifications	-	-	-
	Total and Amortisation upto 31st March 2023	**2.41**	**13.99**	**16.40**
	Total Impairment Loss as at 1st April 2022	-	-	-
	Impairment Loss during the Year	-	-	-
	Impairment loss reversed during the Year	-	-	-
	Total Impairment Loss upto 31st March 2023	**-**	-	**-**
NET BLOCK	**AS AT 31st March 2023**	**1.59**	**38.88**	**40.47**
	AS AT 31st March 2022	0.51	41.95	42.46

Previous Year: ₹ in Crore

	Particulars	Computer Software	Technical Know-How, Royalty and Licenses	Total
GROSS BLOCK	Gross Block as at 1st April 2021	2.27	52.87	55.14
	Additions during the Year	0.31	-	0.31
	Disposals/ Deductions/ Transfers to Held for Sale/ Reclassifications	(0.03)	-	(0.03)
	Gross Block as at 31st March 2022	**2.55**	**52.87**	**55.42**
AMORTISATION AND IMPAIRMENT (A)	Amortisation as at 1st April 2021	1.66	7.85	9.51
	Amortisation during the Year	0.39	3.07	3.46
	Disposals/ Deductions/ Transfers to Held for Sale/ Reclassifications	(0.01)	-	(0.01)
	Total and Amortisation upto 31st March 2022	**2.04**	**10.92**	**12.96**
	Total Impairment Loss as at 1st April 2021	0.02	-	0.02
	Impairment Loss during the Year	-	-	**-**
	Impairment loss reversed during the Year	(0.02)	-	(0.02)
	Total Impairment Loss upto 31st March 2022	**-**	**-**	**-**
NET BLOCK	**AS AT 31st March 2022**	**0.51**	**41.95**	**42.46**
	AS AT 31st March 2021	0.59	45.02	45.61

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(2) Intangible assets with indefinite useful life

Current year: ₹ in Crore

		Right of Way
GROSS BLOCK	Gross Block as at 1st April 2022	0.27
	Additions during the Year	-
	Disposals/ Deductions/ Transfers to Held for Sale/ Reclassifications	-
	Gross Block as at 31st March 2023	**0.27**
AMORTISATION AND IMPAIRMENT (A)	Total Impairment Loss as at 1st April 2022	0.27
	Impairment Loss during the Year	-
	Impairment loss reversed during the Year	-
	Total Impairment Loss upto 31st March 2023	**0.27**
NET BLOCK	**AS AT 31st March 2023**	-
	AS AT 31st March 2022	-

Previous year: ₹ in Crore

	Particulars	Right of Way
GROSS BLOCK	Gross Block as at 1st April 2021	0.27
	Additions during the Year	-
	Disposals/ Deductions/ Transfers to Held for Sale/ Reclassifications	-
	Gross Block as at 31st March 2022	**0.27**
AMORTISATION AND IMPAIRMENT (A)	Total Impairment Loss as at 1st April 2021	0.27
	Impairment Loss during the Year	-
	Impairment loss reversed during the Year	-
	Total Impairment Loss upto 31st March 2022	**0.27**
NET BLOCK	**AS AT 31st March 2022**	-
	AS AT 31st March 2021	-

Note :
(A) Pertains to Cauvery.Basin Refinery (refer Note 44.2)

Range of remaining period of Amortisation as on March 31, 2023 is as below:

Particulars	0 to 2 years	3 to 5 years	Above 5 years	Total
Computer Software	0.20	1.37	-	1.57
Techncial know-how, Royalty and Licenses	0.01	-	38.89	38.90
Total	**0.21**	**1.37**	**38.89**	**40.47**

Range of remaining period of Amortisation as on March 31, 2022 is as below:

Particulars	0 to 2 years	3 to 5 years	Above 5 years	Total
Computer Software	0.22	0.28	-	0.50
Techncial know-how, Royalty and Licenses	0.49	-	41.47	41.96
Total	**0.71**	**0.28**	**41.47**	**42.46**

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CHENNAI PETROLEUM CORPORATION LIMITED
STANDALONE FINANCIAL STATEMENTS
Note – 3.1 : INTANGIBLE ASSETS UNDER DEVELOPMENT

₹ in Crore

Particulars			**31-Mar-23**	31-Mar-22
Work in Progress - Intangible Asset:				
Balance as at beginning of the year		-		241.80
Add: Net expenditure during the year		23.47		17.56
Less: Transfer to Asset held for transfer	**A**	23.47		259.36
			-	-
TOTAL			-	-

Note :
A. Refer Note 44.1

Current Year : **₹ in Crore**

Intangible Assets Under Development	**Amount in CWIP for a period of**				
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
NIL					

Previous Year : **₹ in Crore**

Intangible Assets Under Development	**Amount in CWIP for a period of**				
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
NIL					

Note:
No Project activity is under suspension
There has been no cost / Time over run in respect of the above

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STANDALONE FINANCIAL STATEMENTS
Note – 4 : EQUITY INVESTMENT IN JOINT VENTURES

₹ in Crore

Sl. No	Particulars	Face Value per share (₹)	Non-current 31-Mar-23	Non-current 31-Mar-22
I	**Investments in equity shares**			
1 a)	**Unquoted:** **Investment in Joint Venture Companies:** i) Indian Additives Ltd. 1183401 (2022: 1183401) Equity Shares fully paid	100	**11.83**	11.83
	Add: Share of Other Equity (inclusive of OCI)		**0.00**	0.00
	ii) National Aromatics and Petrochemical Corporation Limited	10	**0.03**	0.03
	25000 (2022: 25000) Equity Shares fully paid			
	Less: Impairment in value of investment	A	**0.03**	0.03
			-	-
	iii) Cauvery Basin Refinery and Petrochemicals Ltd (CBRPL) 12500 (2022: Nil) Equity Share application money pending allotment	10 B	**0.01**	-
	TOTAL		**11.84**	11.83
	Aggregate value of unquoted investments		**11.87**	11.86
	Aggregate amount of impairment in value of investments		**0.03**	0.03

Note – 4.1 : OTHER INVESTMENTS

Sl. No	Particulars	Face Value per share (₹)	Non-current 31-Mar-23	Non-current 31-Mar-22
I	**Other Investments:** **Investments at fair value through OCI (fully paid):**			
a)	Biotech Consortium India Ltd 100000 (2022: 100000) Equity Shares fully paid	10	**0.10**	0.10
b)	MRL Industrial Cooperative Service Society Ltd 9000 (2022: 9000) Shares fully paid	10	**0.01**	0.01
	TOTAL	C	**0.11**	0.11
	Aggregate value of unquoted investments		**0.11**	0.11
	Aggregate amount of impairment in value of investments		-	-

Note :

A National Aromatics and Petrochemical Corporation Limited is not operational.

B Refer Note 44.1

C Fair Value approximates carrying value

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CHENNAI PETROLEUM CORPORATION LIMITED
STANDALONE FINANCIAL STATEMENTS
Note – 5 : LOANS

₹ in Crore

Sl. No	Particulars	Note	Non-current			Current		
				31-Mar-23	31-Mar-22		31-Mar-23	31-Mar-22
1	**Loans Receivables:**							
	To Related Parties							
	i) Considered Good -Secured	A.1	0.25		0.29	0.04		0.04
	ii) Considered Good -Unsecured	A.2	0.14		0.08	0.11		0.03
			0.39		0.37	**0.15**		0.07
	To Others							
	i) Considered Good -Secured		81.88		54.18	6.66		5.49
	ii) Considered Good -Unsecured		9.28		6.03	6.05		5.41
			91.16		60.21	**12.71**		10.90
	Sub Total			**91.55**	60.58		**12.86**	10.97
	TOTAL			**91.55**	60.58		**12.86**	10.97

Notes :

		Non-current 31-Mar-23	Non-current 31-Mar-22	Current 31-Mar-23	Current 31-Mar-22
A.1	**Includes:**				
1	Due from Directors	**0.25**	0.29	**0.04**	0.03
2	Due from Officers	**-**	-	**-**	0.01
A.2	**Includes:**				
1	Due from Directors	**0.13**	0.05	**0.09**	0.01
2	Due from Officers	**0.01**	0.03	**0.02**	0.02

In compliance of Regulation 34(3) of SEBI(LODR) Regulations 2015, the required information is given as under:

₹ in Crore

		Amount as on		Maximum Amount outstanding during the year ended	
		31-Mar-23	31-Mar-22	**31-Mar-23**	31-Mar-22
I.	Loans and Advances in the nature of loans:				
A)	To Parent Company	-	-	-	-
B)	To Associates /Joint Venture	-	-	-	-
C)	To Firms/Companies in which directors are are interested	-	-	-	-

Current Year :

Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoter	-	-
Directors	0.51	0.5%
KMPs	0.03	0.0%
Related Parties	-	-

Previous Year :

Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoter	-	-
Directors	0.38	0.5%
KMPs	0.06	0.1%
Related Parties	-	-

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Note – 6 : OTHER FINANCIAL ASSETS

₹ in Crore

Sl. No	Particulars	Note	Non-current 31-Mar-23	Non-current 31-Mar-22	Current 31-Mar-23		Current 31-Mar-22
1	**Security Deposits**						
	To Others						
	i) Unsecured, Considered Good		**1.00**	1.45		**16.79**	12.46
2	**Claims Recoverable :**						
	a) From Related Parties						
	i) Unsecured, Considered Good	A	-	-	0.29		-
	ii) Unsecured, Considered Doubtful		-	-	22.66		22.66
			-	-	22.95		22.66
	Less : Provision for Doubtful Claims				22.66		22.66
	Sub Total		-	-		**0.29**	-
	b) Others						
	i) Unsecured, Considered Good		-	-	16.87		17.30
	ii) Unsecured, Considered Doubtful		-	-	6.03		5.89
			-	-	22.90		23.19
	Less : Provision for Doubtful Claims		-	-	6.03		5.89
	Sub Total		-	-		**16.87**	17.30
3	**Other Financial Assets**	B	-	-		**51.21**	46.34
	TOTAL		**1.00**	1.45		**85.16**	76.10

A Pertains to Indian Oil Corporation Ltd., the holding company

B Includes ₹ 9.59 Cr (2022: ₹ 7.58 Crore) towards net plan assets in respect of Leave enchashment. The Liability of ₹ 127.20 cr is netted off against associated plan assets of ₹ 136.79 cr, which was hitherto accounted on gross basis as Provision for employee benefits (2022: ₹ 120.48 Cr) and Deposit for Leave Encashment Funds (₹ 128.06 crore).
Previous year figures have been grossed up to the extent of ₹ 5.38 Cr which has now been shown under Note 16 - Liability to Trusts and Other funds.

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Note – 7 : INCOME TAX ASSETS/ LIABILITIES (NET)

₹ in Crore

Particulars	Non - Current 31-Mar-23		Non - Current 31-Mar-22	Current 31-Mar-23		Current 31-Mar-22
Income Tax Asset / (Liability) - Net						
Advance payments for Income Tax	1105.97		412.22	-		-
Less: Provision for Income Tax	1095.71		340.77	-		-
Income Tax Asset / (Liability) - Net		**10.26**	71.45		-	-
TOTAL		**10.26**	71.45		-	-

(I) Reconciliation between the average effective tax rate and the applicable tax rate is as below:

	Note	31-Mar-23	31-Mar-22
Accounting profit			
Tax at the applicable tax rate of 25.17% (31.3.2022: 25.17%)		**25.17%**	**25.17%**
Tax effect of income that are not taxable in determining taxable profit:		0.06%	0.08%
Tax effect of expenses that are not deductible in determining taxable profit:		0.17%	0.46%
Tax expense /income related to prior years :		(0.31%)	2.03%
Tax effect on recognition of previously unrecognised allowances / disallowances :		1.42%	(1.03%)
Tax expense		**26.51%**	**26.71%**

(II) In compliance of Ind As 12 on "Income Taxes", the item wise details of deferred tax liability (net) are as under:

	As at 31-Mar-21	Provided during the Year 2021-22	Provided during the Year in OCI 2021-22	As at 31-Mar-22	Provided during the Year 2022-23	Provided during the Year in OCI 2022-23	As at 31-Mar-23
Deferred tax liability:							
Related to Property,Plant & Equipment (Depreciation)	759.37	35.05	-	794.42	44.52	-	838.94
43B Disallowances , Gratuity etc.	(11.71)	10.39	7.61	6.29	3.43	-	9.72
Total deferred tax liability (A)	**747.66**	**45.44**	**7.61**	**800.71**	**47.95**	**-**	**848.66**
Deferred tax assets:							
Carry forward Business Loss/Unabsorbed Depreciation	634.06	(475.20)	-	158.86	(158.86)	-	-
Provision on Inventories, Trade Receivables, Loans and advances, CWIP , Investments etc.	10.08	68.68	-	78.76	0.51	-	79.27
43B Disallowances , Gratuity etc.	-	-	-	-		4.82	4.82
Total deferred tax assets (B)	**644.14**	**(406.52)**	**-**	**237.62**	**(158.35)**	**4.82**	**84.09**
Deferred Tax Liability (Net) (A - B)	**103.52**	**451.96**	**7.61**	**563.09**	**206.31**	**(4.82)**	**764.58**

The recognition of deferred tax assets / liability is based on the "Asset and liability method", determined on the basis of difference between the financial statement and tax bases of the assets and liabilities, by using the enacted tax rates applicable to the company.

The deferred taxes are recognised to the extent, they are more likely than not to be realised, based on the best estimates as at the balance sheet date. In making such estimates all available positive and negative evidence, including future reversals of existing taxable temporary differences, projected future taxable income and pricing assumptions based on the past trend are considered. Such estimates are subject to significant fluctuations in earnings and timing of such earnings.

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Note – 8 : OTHER ASSETS

₹ in Crore

Sl. No	Particulars	Note	Non-current 31-Mar-23	Non-current 31-Mar-22	Current 31-Mar-23	Current 31-Mar-22
1	**Advance for Capital Expenditure**					
	a) To Related Parties					
	i) Unsecured, Considered Good		-	-	-	-
	b) To Others					
	i) Secured, Considered Good		-	-		
	i) Unsecured, Considered Good		**22.21**	0.75	-	-
	Less: Transfer to Asset held for transfer	A	**20.08**	0.24		-
			2.13	0.51	-	-
2	**Advances**					
	a) To Others					
	i) Unsecured, Considered Good		-	-	**62.14**	44.78
3	**Claims Recoverable :**					
	From Custom, Excise, Sales tax, Income Tax dept & Others					
	i) Unsecured, Considered Good		-	-	**315.06**	279.52
4	**GST-ITC recoverable**		-	-	**21.44**	11.93
5	**Balance with Customs, Port Trust and Excise Authorities:**					
	i) Unsecured, Considered Good		-	-	**0.01**	0.53
6	**Gold / Other Precious Metals**		-	-	**19.67**	19.67
7	**Deferred Expenses**		**31.20**	37.85	**3.01**	3.29
8	**Other Assets**	B	**57.80**	44.37	-	17.46
	TOTAL		**91.13**	82.73	**421.33**	377.18

Note :

A Refer Note 44.1

B Non current asset pertains to land given on lease related to Indian Oil Corporation Ltd., the holding company

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STANDALONE FINANCIAL STATEMENTS
Note – 9 : INVENTORIES

₹ in Crore

Sl. No	Particulars		31-Mar-23	31-Mar-22
1	**In Hand :**			
a.	Stores, Spares etc.	346.79		324.43
	Less : Provision for Losses	43.10		42.83
			303.69	281.60
b.	Raw Materials		**2499.24**	3373.29
c.	Finished Products		**1681.69**	2456.30
d.	Stock in Process		**802.24**	1006.28
			5286.86	7117.47
2	**In Transit :**			
a.	Stores & Spares etc.		**1.45**	8.54
b.	Raw Materials		**685.28**	406.61
			686.73	415.15
	TOTAL		**5973.59**	7532.62

Amount of write down of inventories to NRV and recognised as expense	**17.15**	-

Valuation of Inventories are done as per sl. no.7 of Significant accounting policies (Note-1A).

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CHENNAI PETROLEUM CORPORATION LIMITED
STANDALONE FINANCIAL STATEMENTS
Note – 10 : TRADE RECEIVABLES

₹ in Crore

Particulars	Note	31-Mar-23		31-Mar-22
a) From Related Parties				
i) Considered Good - Unsecured	A	150.05		179.08
b) From Others				
i) Considered Good -Unsecured		148.62		73.24
			298.67	252.32
TOTAL	B		**298.67**	252.32

Notes :

A Includes receivables from Indian Oil Corporation Ltd., the holding company ₹ 150.05 Crore (2022: ₹ 178.72 Crore) and receivables from Indian Additives Limited, Joint Venture Company ₹ Nil Crore (2022: ₹ 0.36 Crore).

B **Offsetting Financial Assets and Financial Liabilties:**

The following table presents the recognised financial instruments that are offset as at 31st March 2023 and 31st March 2022

Particulars	Effects of offsetting on the balance sheet		
	Gross Amount	**Gross Amounts set off in the balance sheet**	**Net Amounts presented in the balance sheet**
31-03-2023			
Financial Assets			
Trade receivables	2713.56	2414.89	298.67
Financial Liabilities			
Trade Payables	5422.00	2414.89	3007.11
31-03-2022			
Financial Assets			
Trade receivables	3242.96	2990.64	252.32
Financial Liabilities			
Trade Payables	6230.70	2990.64	3240.06

Offsetting Arrangements

The Trade receivables and payables to the extent being settled on net basis with Indian Oil Corporation Limited have been offset.

Trade receivables - Ageing

Current Year :

Particulars	Less than 6 months	6 months -1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	263.13	35.54	-	-	-	298.67

Previous Year :

Particulars	Less than 6 months	6 months -1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	249.60	-	2.72	-	-	252.32

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CHENNAI PETROLEUM CORPORATION LIMITED
STANDALONE FINANCIAL STATEMENTS
Note – 11 : CASH AND CASH EQUIVALENTS

₹ in Crore

Sl. No	Particulars	31-Mar-23	31-Mar-22
1	**Bank Balances with Scheduled Banks :**		
	Current Account	**1.23**	8.33
	TOTAL	**1.23**	8.33

Note – 12 : OTHER BANK BALANCES

₹ in Crore

	Particulars	Note	31-Mar-23	31-Mar-22
1	Earmarked Balances	A	**7.41**	3.67
	TOTAL		**7.41**	3.67

Note :
A) Pertains to Unpaid dividend (Refer note 16 - Sl.No.5)

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CHENNAI PETROLEUM CORPORATION LIMITED
STANDALONE FINANCIAL STATEMENTS
Note – 13 : EQUITY SHARE CAPITAL

₹ in Crore

Particulars	Note	31-Mar-23	31-Mar-22
Authorized:			
Equity:			
40,00,00,000 (2022: 40,00,00,000) Equity Shares of ₹ 10 each		400.00	400.00
Preference:			
100,00,00,000 (2022:100,00,00,000) Non-Convertible Cumulative Redeemable Preference Shares of ₹ 10 each		1000.00	1000.00
		1400.00	1400.00
Issued :			
Equity:			
14,89,11,400 (2022: 14,89,11,400) Equity Shares of ₹ 10 each	(i)	148.91	148.91
Preference:			
50,00,00,000 (2022: 50,00,00,000;) Non-Convertible Cumulative Redeemable Preference Shares of ₹ 10 each	(ii)	500.00	500.00
		648.91	648.91
Subscribed, Called-up and fully Paid-up :			
14,89,11,400 (2022: 14,89,11,400) Equity shares of ₹10 each	(i)	**148.91**	148.91
Total Paid up Equity share Capital		**148.91**	148.91
TOTAL		**148.91**	148.91

Notes :
(i)(A) As per the Formation Agreement entered into between the promoters, an offer is to be made to the Naftiran Intertrade Company Limited (NICO), an affiliate of National Iranian Oil Company (NIOC) in any issue of the Capital in proportion to the shares held by them at the time of such issue to enable them to maintain their shareholding at the existing percentage.

(B) The Shareholders of the Company at the General meeting held on 24th August 2018 has accorded approval for
a) Cancellation of unsubscribed equity share capital of ₹ 20.87 Crore consisting of 2,08,68,900 equity shares of ₹ 10/- each, comprising of partial subscription to Rights Issue made by the company in 1984, by the Government of India and non-subscription by Amoco India Inc., to the Rights Issue made by the company in 1984;

b) Cancellation of 2,19,700 forfeited equity shares of ₹ 10/- each totaling ₹ 0.22 Crore (1,87,900 equity shares forfeited on 26.09.2003 and 31,800 equity shares forfeited on 26.10.2006)

(ii) Based on special resolution passed by the shareholders through postal ballot on 16.07.2015, the company has allotted 100 Crore Non Convertible Cumulative Redeemable Preference Shares of ₹ 10 each for cash at par amounting to ₹ 1000 Crore to Indian Oil Corporation Ltd, the holding company on private placement preferential allotment basis on 24.09.2015 after receipt of full subscription amount.

Preference shares to the extent of ₹ 500 crore, out of the total outstanding amount of ₹ 1000 crore were redeemed on 06.06.2018. Accordingly the outstanding amount as at 31.03.2023 is ₹ 500 crore.

Preference Shares classified as financial liability (long term borrowing) as per Ind AS 32 - Refer note - 15(D)

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CHENNAI PETROLEUM CORPORATION LIMITED
STANDALONE FINANCIAL STATEMENTS
Note – 13 : EQUITY SHARE CAPITAL

A. Reconciliation of No. of Shares	31-Mar-23		31-Mar-22	
	Equity Shares	Preference Shares	Equity Shares	Preference Shares
Opening Balance	14,89,11,400	50,00,00,000	14,89,11,400	50,00,00,000
Shares Issued	-	-	-	-
Shares bought back / Redeemed	-	-	-	-
Closing Balance	**14,89,11,400**	**50,00,00,000**	14,89,11,400	50,00,00,000

B. Rights, preferences and restrictions attached to Equity shares

Equity Shares: The company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company in proportion to their shareholding.

C. Shares held by Holding Company ₹ in Crore

		31-Mar-23	31-Mar-22
7,72,65,200 Equity Shares of ₹10 each (51.89%) fully paid-up, held by Indian Oil Corporation Limited, the Holding Company.		77.27	77.27

D. Details of shareholders holdings more than 5% shares
Equity Shares

Name of Shareholder		31-Mar-23		31-Mar-22		% change during the year
		Number of shares held	Percentage of Holding	Number of shares held	Percentage of Holding	
Indian Oil Corporation Limited		**77265200**	**51.89**	77265200	51.89	NIL
Naftiran Intertrade Company Limited		**22932900**	**15.40**	22932900	15.40	

E. Details of shares held by promotors
Equity Shares

Name of Shareholder		31-Mar-23		31-Mar-22		% change during the year
		Number of shares held	Percentage of Holding	Number of shares held	Percentage of Holding	
Indian Oil Corporation Limited		**77265200**	**51.89**	77265200	51.89	NIL
Naftiran Intertrade Company Limited		**22932900**	**15.40**	22932900	15.40	

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CHENNAI PETROLEUM CORPORATION LIMITED
STANDALONE FINANCIAL STATEMENTS
Note – 14 : OTHER EQUITY

₹ in Crore

Sl. No	Particulars	Note		31-Mar-23	31-Mar-22
1	**Retained Earnings**				
a)	**General Reserve :**				
	As per last Account		3557.47		3534.23
	Add: Remeasurement of Defined Benefit Plans		(13.30)		23.24
	Less: Dividend Paid		(29.78)		-
	Add: Transferred from Profit and Loss Account		950.47		-
			4464.86		3557.47
b)	**Surplus (Balance in Statement of Profit and Loss):**				
	Balance Brought Forward from Last Year's Account		(1866.28)		(3108.70)
	Add: Profit / (Loss) for the Year		3533.81		1342.42
	Less: APPROPRIATIONS:				
	Insurance Reserve Account		15.00		-
	Capital Redemption Account		300.00		100.00
	General Reserve		950.47		-
	Balance carried forward to next year's account		402.06		(1866.28)
				4866.92	1691.19
2	**Other Reserves**				
a)	**Capital Redemption Reserve :**	A			
	As per last Account		700.00		600.00
	Add: Transferred from Profit and Loss Account		300.00		100.00
				1000.00	700.00
b)	**Insurance Reserve :**	B			
	As per last Account		-		-
	Add: Transferred from Profit and Loss Account		15.00		-
				15.00	-
c)	**Securities Premium:**	C			
	As per last Account			**250.04**	250.04
d)	**Capital Reserve**	D			
	As per last Account			**0.09**	0.09
	TOTAL			**6132.05**	2641.32

Note :
Retained Earnings

The retained earnings comprises of general reserve and surplus which is used from time to time to transfer profits by appropriations. Retained earnings is free reserve of the Company and is used for the purposes like issuing bonus shares, buy back of shares and other purposes (like declaring Dividend etc.) as per the approval of Board of Directors. It includes the remeasurement of defined benefit plan as per actuarial valuations which will not be re-classified to statement of profit and loss in subsequent periods.

Other Reserves

Reserves created in compliance with the Provision of the Companies Act, the utilisation of which is restricted to the purposes mandated therein:

A Capital Redemption Reserve Account : As per Companies Act 2013, capital redemption reserve is created to redeem preference shares. Utilisation of this reserve is governed by the provisions of the Companies Act 2013.

B Insurance Reserve : Insurance Reserve is created by the company to Offset risk of loss of assets not insured with external insurance agencies. The reserve is utilised to Offset actual losses by way of net appropriation in case any uninsured loss is incurred

C Capital Reserve: Capital Reserve was created through forfeiture of shares and shall be utilised as per the provisions of the Companies Act 2013.

D Securities Premium : Premium on shares issued by the company appropriated under this reserve.

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CHENNAI PETROLEUM CORPORATION LIMITED
STANDALONE FINANCIAL STATEMENTS
Note – 15 : LONG-TERM BORROWINGS
(At Amortised Cost)

₹ in Crore

Sl. No	Particulars	Note	Non-current			Current Maturities		
				31-Mar-23	31-Mar-22		31-Mar-23	31-Mar-22
I.	**SECURED BORROWINGS**							
1	**Term Loans:**							
	From other parties							
	i) Loans from OIDB	A		**74.19**	306.55	**50.00**		137.50
	Total (Term Loans)			**74.19**	306.55		**50.00**	137.50
	Total Secured Borrowings			**74.19**	306.55		**50.00**	137.50
II.	**UNSECURED BORROWINGS**							
1	**Debentures**							
	8100 Nos. of 5.78% Unsecured Redeemable Non-Convertible Debentures of ₹ 10 Lakhs each redeemable at par - Series - I-2021 (2022: 8100)		**810.00**		810.00	**33.09**		33.09
	7750 Nos. of 5.44% Unsecured Redeemable Non-Convertible Debentures of ₹ 10 Lakhs each redeemable at par - Series - II-2022 (2022: 7750)	B	**775.00**		775.00	**32.57**		32.57
	11450 Nos. of 6.43% Unsecured Redeemable Non-Convertible Debentures of ₹ 10 Lakhs each redeemable at par - Series - I-2020 (2022: 11450)		-		-	-		1151.46
	Total (Term Loans)			**1585.00**	1585.00		**65.66**	1217.12
2	**Loans from related parties:** 50,00,00,000 (2022 :50,00,00,000) Non-Convertible Cumulative Redeemable Preference Shares of ₹ 10 each	C		**500.00**	500.00		**33.25**	139.01
	Total Unsecured Borrowings			**2085.00**	2085.00		**98.91**	1356.13
	TOTAL LONG-TERM BORROWINGS			**2159.19**	2391.55		**148.91**	1493.63

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CHENNAI PETROLEUM CORPORATION LIMITED
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A. Secured Rupee Term Loans:

Sl. No.	Particulars	Availed Date	Rate of Interest	Date of Repayment	Security Details
1	Term Loan from Oil Industry Development Board - Rs 50 Crore	18-03-2019	Floating rate based on month end (semi-annualised) interest rates for 5 year G-Sec as per FIMMDA plus 50% of margins of AAA rated Bonds over G-Sec as quoted in INCORP (quote AAA INBMK) reset on a quarterly basis.	The loan will be for a period of 5 years with 1 year moratorium and repayable in 4 equal installments. Interest payable on Quarterly basis. Fully prepaid on 13.06.2022.	First Mortgage and charge on Immovable properties, both present and future and First Charge by way of Hypothecation on Movables including movable machinery, machinery spares, tools and accessories, present and future, pertaining to RLNG project Satisfaction of charge completed upon prepayment
2	Term Loan from Oil Industry Development Board - Rs 50 Crore	17-05-2019			
3	Term Loan from Oil Industry Development Board - Rs 150 Crore	30-10-2019		The loan will be for a period of 5 years with 1 year moratorium and repayable in 4 equal installments. Interest payable on Quarterly basis. Fully prepaid on 13.06.2022.	First Mortgage and charge on Immovable properties, both present and future and First Charge by way of Hypothecation on Movables including movable machinery, machinery spares, tools and accessories, present and future, pertaining to BS-VI project to the extent of outstanding.
4	Term Loan from Oil Industry Development Board - Rs 100 Crore	31-03-2020	6.16%	The loan will be for a period of 5 years with 1 year moratorium and repayable in 4 equal installments. Interest payable on Quarterly basis	
5	Term Loan from Oil Industry Development Board - Rs 100 Crore	30-06-2020	5.68%		
6	Term Loan from Oil Industry Development Board - Rs 100 Crore	26-03-2021	Floating rate based on month end (semi-annualised) interest rates for 5 year G-Sec as per FIMMDA plus 50% of margins of AAA rated Bonds over G-Sec as quoted in INCORP (quote AAA INBMK) reset on a quarterly basis.	The loan will be for a period of 5 years with 1 year moratorium and repayable in 4 equal installments. Interest payable on Quarterly basis. Fully prepaid on 13.06.2022.	

B. Unsecured Loans:

Sl. No.	Particulars	Availed Date	Rate of Interest	Date of Redemption
1	Unsecured Redeemable Non-Convertible Debentures of ₹ 10 Lakhs each redeemable at par - Series -I-2021	17-07-2020	5.78%	Principal repayable at the end of 5 years from date of availment. Interest payable Annually
2	Unsecured Redeemable Non-Convertible Debentures of ₹ 10 Lakhs each redeemable at par - Series -II-2022	23-06-2021	5.44%	Principal repayable at the end of 3 years from date of availment. Interest payable Annually
3	Unsecured Redeemable Non-Convertible Debentures of ₹ 10 Lakhs each redeemable at par - Series -I-2020	28-02-2020	6.43%	Principal repayable at the end of 3 years from date of availment. Interest payable Annually. Fully Redeemed on 28.02.2023.

C. Non Convertible Cumulative Redeemable Preference Shares

Preference Share is treated as financial liability as per Ind AS 32, as these are redeemable on maturity for a fixed determinable amount and carry fixed rate of dividend.

(i) **Rights, preferences and restrictions attached to Preference shares:**

The Company has one class of preference shares i.e. Non-Convertible Cumulative Redeemable Preference Shares (NCCRP Shares) of ₹ 10 per share.
(a) Such shares shall confer on the holders thereof, the right to preferential dividend from the date of allotment i.e., 24.09.2015

(b) Such shares shall rank for capital and dividend (including all dividend undeclared upto the commencement of winding up) and for repayment of capital in a winding up, pari passu inter se and in priority to the Ordinary Shares of the Company, but shall not confer any further or other right to participate either in profits or assets.

(c) The holders of such shares shall have the right to receive all notices of general meetings of the Company and have a right to vote only on resolution placed before the share holders which directly affect their rights attached to preference shares like winding up of company or repayment of preference shares etc.

(d) The tenure of the NCCRP Shares would be 10 years , with put and call option. Either the preference shareholder shall have right to exercise Put option or the Issuer shall have right to exercise Call option to redeem the preference shares, in whole or in part after the 5 years of the preference issue date. However, it is also agreed that Put & Call option before the 5 year period can be exercised by mutual consent of both the parties by giving 30 days notice.

(e) Dividend rate shall be equivalent to the Post tax yield of AAA rated corporate bond i.e. prevailing (at the time of issue) 10 year G-Sec yield plus spread on AAA rated corporate bond i.e., 6.65% p.a.

(ii) Non-convertible cumulative redeemable preference shares to the extent of ₹ 500 Crore, out of ₹ 1000 crore was redeemed on 06.06.2018.

(iii) **Preference Shares held by Holding Company**

₹ in Crore

Particulars	31-Mar-23	31-Mar-22
50,00,00,000 (2022 : 50,00,00,000) Non-Convertible Cumulative Redeemable Preference Shares of ₹10/- each (100%) fully paid-up, held by Indian Oil Corporation Limited, the Holding Company.	500.00	500.00

(iv) **Details of Preference shareholders holdings more than 5% shares**

Name of Preference Shareholder	31-Mar-23		31-Mar-22	
	Number of Preference shares held	Percentage of Holding	Number of Preference shares held	Percentage of Holding
Indian Oil Corporation Limited	500000000	100	500000000	100

(v) Preference dividend has been provisionally accrued as finance cost. However, as per the Companies Act 2013, the preference shares is treated as part of share capital and the provisions of the Act relating to declaration of Preference Dividend would be applicable.The Board of Directors have recommended preference dividend of 6.65% on the outstanding preference shares amounting to Rs. 33.25 Cr for the year (2021-22 : Rs. 33.25 cr for FY 2021-22 and Rs. 105.76 Cr being the cumulative preference dividend for the previous year(s)).

(vi) Refer Note -13 & 13A - Authorised and issued Preference Share capital and the reconciliation of no. of shares of preference shares

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CHENNAI PETROLEUM CORPORATION LIMITED
STANDALONE FINANCIAL STATEMENTS
Note – 16 : OTHER FINANCIAL LIABILITIES

₹ in Crore

Sl. No	Particulars	Note	Non-current		Current	
			31-Mar-23	31-Mar-22	**31-Mar-23**	31-Mar-22
1	Liability for Capital Expenditure	A	-	-	**275.25**	348.34
	Less: Transfer to disposal group held for transfer	B	-	-	**11.06**	25.06
					264.19	323.28
2	Liability to Trusts and Other Funds	C	-	-	**12.73**	5.38
3	Employee Liabilities for Expenses		-	-	**202.34**	156.86
4	Security Deposits	D	**6.48**	6.60	**36.68**	31.99
5	Liability for Unpaid Dividend	E	-	-	**7.41**	3.67
6	Other Financial Liabilities		-	-	**3.02**	2.04
	TOTAL		**6.48**	6.60	**526.37**	523.22

Notes :

A Includes dues Payable to Indian Oil Corporation Limited ₹ Nil (2022: ₹ 4.31 Crore) and Indian Oiltanking Limited ₹ 4.76 Crore (2022: ₹ 4.76 Crore)

B Refer Note 44.1

C Previous year figures have been regrouped from Note 6- Other Financial Assets which was hitherto netted and shown has now been grossed up.

D Non-Current Liability pertains to Indian Oil Corporation Ltd., the holding company.

E There are no amounts due for payment to the Investor Education and Protection Fund as at the year end.

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Note – 17 : PROVISIONS

₹ in Crore

Sl. No	Particulars	Note	Non-current		Current	
			31-Mar-23	31-Mar-22	**31-Mar-23**	31-Mar-22
1	Provision for Employee Benefits	A	**9.04**	9.58	**1.86**	1.73
2	Contingencies for probable obligations	B	**-**	-	**522.74**	332.73
	TOTAL		**9.04**	9.58	**524.60**	334.46

A Refer Note 6 B

B In compliance of Ind AS – 37 on "Provisions, Contingent Liabilities and Contingent Assets", the required information is as under :

	Opening Balance	Addition during the year	Utilization during the year	Reversals during the year	Closing Balance
Sales Tax	246.04	217.05	-	-	463.09
Income Tax	86.69	-	-	27.04	59.65
TOTAL	**332.73**	**217.05**	**-**	**27.04**	**522.74**
Previous Year	24.50	321.67	-	13.44	332.73

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CHENNAI PETROLEUM CORPORATION LIMITED
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Note – 18 : OTHER LIABILITIES

₹ in Crore

Sl. No	Particulars	Note	Non-current		Current	
			31-Mar-23	31-Mar-22	**31-Mar-23**	31-Mar-22
1	Deferred Income	A	**7.16**	7.45	**0.29**	0.29
2	Government Grants					
	Liability towards Government Grants (Refer Note - 40)		**13.24**	11.59	**0.62**	1.69
3	Statutory Liabilities		**-**	-	**394.44**	479.90
4	Advances from Customers	B	**-**	-	**36.44**	52.43
	TOTAL		**20.40**	19.04	**431.79**	534.31

Note :

A Pertains to Indian Oil Corporation Ltd., the holding company

B Includes payables to Indian Additives Limited, Joint Venture Company ₹ 0.82 Crore (2022: Nil).

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CHENNAI PETROLEUM CORPORATION LIMITED
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Note – 19 : BORROWINGS - CURRENT
(At Amortised Cost)

₹ in Crore

Sl. No	Particulars	Note		31-Mar-23	31-Mar-22
I.	**SECURED BORROWINGS**				
1	**Loans Repayable on Demand**				
	From Banks:				
	a) In Rupees				
	i) Working Capital Demand Loan	A	-		2507.46
	Sub-Total			-	2507.46
2	**Current maturities of Long term debt**			**50.00**	137.50
	Total Secured Borrowings			**50.00**	2644.96
II.	**UNSECURED BORROWINGS**				
1	**Loans Repayable on Demand**				
	From Banks/Financial Institutions:				
	In Rupees				
	Working Capital Demand Loan		1927.36		2730.23
	Sub-Total			**1927.36**	2730.23
2	**Other Loans**				
	From Banks/Financial Institutions:				
	In Rupees				
	Commercial Paper			-	99.83
3	**Current maturities of Long term debt**			**98.91**	1356.13
	Total Unsecured Borrowings			**2026.27**	4186.19
	TOTAL BORROWINGS - CURRENT			**2076.27**	6831.15

Notes:

A Secured against hypothecation by way of first charge on Trade Receivables & Inventories to State Bank of India. The quarterly statements of current assets filed by the company with banks or financial institutions are in agreement with the books of accounts.

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CHENNAI PETROLEUM CORPORATION LIMITED
STANDALONE FINANCIAL STATEMENTS
Note – 20 : TRADE PAYABLES

₹ in Crore

Particulars	Note	31-Mar-23	31-Mar-22
Dues to Micro and Small Enterprises	A	**5.30**	6.79
Dues to Related Parties	B	**2202.38**	1887.18
Dues to Others		**799.43**	1346.09
TOTAL	C	**3007.11**	3240.06

Notes :

A Details relating to Micro and Small Enterprises is as follows:

Particulars	31-Mar-23	31-Mar-22
(a) the principal amount	5.30	6.79
(b) the interest due thereon remaining unpaid	-	-
(c)the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(d)the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(e)the amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
(f) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

B Represents dues to Indian Oil Corporation Ltd., the holding company

C Refer Note - 10(A)

D Trade Payables aging schedule

Current Year: ₹ in Crore

Particulars	Outstanding for following periods from due date of payment					
	Unbilled	Less than 1 year	1-2 years	2 - 3 years	More than 3 years	Total
(i) MSME	-	5.30	-		-	5.30
(ii) Others	109.21	2878.02	7.54	3.42	3.48	3001.66
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	0.15	-	0.15
Total						**3007.11**

Previous Year: ₹ in Crore

Particulars	Outstanding for following periods from due date of payment					
	Unbilled	Less than 1 year	1-2 years	2 - 3 years	More than 3 years	Total
(i) MSME	-	6.79	-	-	-	6.79
(ii) Others	118.38	3103.31	4.67	2.63	4.13	3233.12
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	0.15	-	-	0.15
Total						**3240.06**

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CHENNAI PETROLEUM CORPORATION LIMITED
STANDALONE FINANCIAL STATEMENTS
Note – 21 : REVENUE FROM OPERATIONS

₹ in Crore

Sl. No	Particulars	Note		31-Mar-23	31-Mar-22
1	Sale of Products and Crude (including Excise Duty)		90945.14		60504.15
	Less: Discounts		144.03		102.13
	Sales (Net of Discounts)	A	90801.11		60402.02
2	Other Operating Revenues (Note "21.1")		107.16		72.27
				90908.27	60474.29
	TOTAL	**B**		**90908.27**	60474.29

Notes :

A Breakup of Gross revenue and Excise Duty on sales

Particulars	**31-Mar-23**	31-Mar-22
Revenue (gross)	90801.11	60402.02
Less: Excise Duty	14200.56	17358.81
Net Revenue	**76600.55**	43043.21

B Refer Note-42 Revenue from contracts with customers

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STANDALONE FINANCIAL STATEMENTS
Note – 21.1 : OTHER OPERATING REVENUES

₹ in Crore

Sl. No	Particulars	Note	31-Mar-23	31-Mar-22
1	Sale of Power		**1.73**	1.98
2	Unclaimed / Unspent liabilities written back		**1.57**	2.67
3	Recoveries from Employees		**1.67**	1.57
4	Sale of Scrap		**37.32**	21.20
5	Amortisation of Government Grants related to OIDB loan		**0.86**	1.67
6	Terminalling Charges		**1.83**	1.75
7	Other Miscellaneous Income	A	**62.18**	41.43
	TOTAL		**107.16**	72.27

A Includes ₹11.74 Crore (2022 : ₹ Nil Crore) in respect of Insurance claims

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STANDALONE FINANCIAL STATEMENTS
Note – 22 : OTHER INCOME

₹ in Crore

Sl. No	Particulars	Note		31-Mar-23	31-Mar-22
1	Interest on :				
	Financial Item:				
	a) Loans and Advances		6.93		4.56
	b) Deposits		0.26		0.18
	C) Others	A	-		5.56
				7.19	10.30
2	Dividend from Related Parties	B		**7.93**	5.92
3	Other Non Operating Income			-	0.01
	TOTAL			**15.12**	16.23

Note :

A Mainly due to reversal of interest expense under Income Tax Act
B Represents Dividends received from Indian Additives Limited (Non-Current Equity Investments in Joint Ventures)

Total interest income (calculated using the effective interest method) for financial assets that are not at fair value through profit or loss:

₹ in Crore

	31-Mar-23	31-Mar-22
In relation to financial assets measured at amortised cost	**7.19**	10.30

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STANDALONE FINANCIAL STATEMENTS
Note – 23 : COST OF MATERIALS CONSUMED

₹ in Crore

Particulars	Note	31-Mar-23	31-Mar-22
Raw Material Consumed :			
Opening Balance		**3779.90**	1968.68
Add :			
Purchases		**66593.39**	41856.41
Sub Total		**70373.29**	43825.09
Less: Closing Stock		**3184.52**	3779.90
TOTAL (Net)		**67188.77**	40045.19

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STANDALONE FINANCIAL STATEMENTS
Note – 24 : CHANGES IN INVENTORY

₹ in Crore

Particulars		31-Mar-23	31-Mar-22
Closing Stock			
a) Finished Products	1681.69		2456.30
b) Stock in Process	802.24		1006.28
		2483.93	3462.58
Less:			
Opening Stock			
a) Finished Products	2456.30		1935.27
b) Stock in Process	1006.28		299.96
		3462.58	2235.23
NET INCREASE/(DECREASE)		**(978.65)**	1227.35

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STANDALONE FINANCIAL STATEMENTS
Note – 25 : EMPLOYEE BENEFIT EXPENSE

₹ in Crore

Particulars		31-Mar-23	31-Mar-22
Employee Benefit Expense:			
(a) Salaries, Wages, Bonus etc	A	**445.01**	395.47
(b) Contribution to Provident & Other Funds		**49.50**	89.07
(c) Staff Welfare Expenses		**61.79**	63.29
TOTAL	B & C	**556.30**	547.83

Notes :

A Interest on plan assets in respect of Leave enchashment which was hitherto recognised under Interest on financial items - others ₹ 7.43 Cr has now been netted against Employee benefit expenses in respect of previous year figures.

B Disclosure in compliance with Ind AS - 19 on "Employee Benefits" is given in Note - 32

C Above excludes ₹ 14.42 Crore (2022: ₹ 19.2 Crore) transferred to capital work in progress (Note - 2.2) and ₹ 21.85 Crore (2022: ₹ 19.64 Crore) transferred to disposal group held for transfer (Note - 2.2)

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STANDALONE FINANCIAL STATEMENTS
Note – 26 : FINANCE COSTS

₹ in Crore

Sl. No	Particulars	Note		31-Mar-23	31-Mar-22
1	**Interest Payments on Financial items:**	(i)			
I	**Working Capital Loans**				
	Short term Borrowings		169.67		227.70
II	**Other Loans**				
	Debentures/Long Term Loan	A	122.14		140.61
				291.81	368.31
III	Unwinding of Finance cost on Lease obligations			**2.48**	1.80
IV	Interest expense for Preference Shares treated as financial liabilities	B		**33.25**	33.25
2	**Interest Payments on Non Financial items**	C		**2.21**	0.36
3	**Other Borrowing Cost**	D		**0.43**	1.15
4	**Exchange differences regarded as adjustment to borrowing cost**			**-**	7.57
	TOTAL			**330.18**	412.44

Notes :

		31-Mar-23	31-Mar-22
A	Net of interest capitalised as part of CWIP Rs.8.69 Cr (2022: Rs.24.32 Cr) & transferred to disposal group held for transfer Rs.39.32 Cr (2022: Rs.27.08 Cr)	**48.01**	**51.40**

B Refer Note-15 C (v)

C Mainly includes interest expense on account of Income Tax / GST

(i) Total interest expense (calculated using the effective interest method) for financial liabilities that are not measured at fair value through profit or loss:

₹ in Crore

	31-Mar-23	31-Mar-22
In relation to financial liabilities measured at amortised cost	**327.54**	403.36

D Mainly pertains to Stamp duty & other indirect expenses on borrowings.

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STANDALONE FINANCIAL STATEMENTS
Note – 27 : OTHER EXPENSES

₹ in Crore

Sl. No	Particulars		31-Mar-23	31-Mar-22
1	Consumption:			
	a) Stores, Spares and Consumables	133.77		94.41
	b) Packages & Drum Sheets	1.79		1.26
			135.56	95.67
2	Power & Fuel	3320.22		2485.20
	Less : Fuel from own production	3242.45		2419.28
			77.77	65.92
3	Irrecoverable taxes - Central Sales Tax		**463.35**	307.09
4	Repairs and Maintenance			
	i) Plant & Machinery	251.35		186.15
	ii) Buildings	1.14		1.09
	iii) Others	43.08		66.97
			295.57	254.21
5	Freight, Transportation Charges and Demurrage		**77.13**	27.37
6	Office Administration, Selling and Other Expenses (Refer Note "27.1")		**889.16**	481.46
	TOTAL		**1938.54**	1231.72
	Less: Company's use of own Products		**0.67**	1.10
	TOTAL (Net)		**1937.87**	1230.62

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CHENNAI PETROLEUM CORPORATION LIMITED
STANDALONE FINANCIAL STATEMENTS
Note – 27.1 : OFFICE ADMINISTRATION, SELLING AND OTHER EXPENSES

₹ in Crore

Sl. No	Particulars	Note		31-Mar-23	31-Mar-22
1	Rent			**4.57**	11.60
2	Insurance			**30.80**	27.83
3	Rates & Taxes			**3.44**	2.14
4	Payment to auditors :				
	a) For Statutory Audit		0.24		0.24
	b) For Limited Review		0.11		0.12
	c) For Taxation Matters		0.05		0.04
	d) Other Services(for issuing other certificates etc.)		0.03		0.03
				0.43	0.43
5	Travelling & Conveyance			**20.03**	18.58
6	Communication Expenses			**2.05**	1.63
7	Printing & Stationery			**1.20**	0.93
8	Electricity & Water			**0.75**	0.46
9	Bank Charges			**0.51**	0.77
10	Provision / Loss on Assets sold or written off (Net)			**9.64**	12.10
11	Technical Assistance Fees			**6.96**	8.65
12	Exchange Fluctuation (Net)			**523.43**	98.65
13	Provision for Doubtful Debts, Advances, Claims and Obsolescence of Stores			**0.41**	2.78
14	Security Force Expenses			**34.30**	30.16
15	Terminalling Charges			**11.14**	9.90
16	Provision for Probable Contingencies			**217.06**	234.86
17	Expenses on CSR Activities	Refer Note:39		**-**	-
18	Miscellaneous Expenses	A		**22.44**	19.99
	TOTAL			**889.16**	481.46

Note :

A Miscellaneous Expenses Includes:

i) Expenditure on Advertisement, Public Relations and Publicity amounting to ₹ 0.61 Crore (2022: ₹ 0.49 Crore). The ratio of annual expenditure on Advertisement,Public Relations and Publicity to the annual turnover (inclusive of excise duty) is 0.00001:1 (2022: 0.00001:1)

ii) Entertainment Expenses ₹ 0.18 Crore (2022: ₹ 0.16 Crore)

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STANDALONE FINANCIAL STATEMENTS
Note – 28 : OTHER COMPREHENSIVE INCOME

₹ in Crore

Sl. No	Particulars		31-Mar-23	31-Mar-22
A.	**Items that will not be reclassified to profit or loss:**			
1	Remeasurement of Defined Benefit Plans	(18.12)		30.85
			(18.12)	30.85
B.	**Income Tax relating to items that will not be reclassified to profit or loss:**			
1	Remeasurement of Defined Benefit Plans	4.82		(7.61)
			4.82	(7.61)
	TOTAL		**(13.30)**	23.24

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CHENNAI PETROLEUM CORPORATION LIMITED
STANDALONE FINANCIAL STATEMENTS
Note – 29 : DISTRIBUTIONS MADE AND PROPOSED

₹ in Crore

Particulars	31-Mar-23	31-Mar-22
Cash dividends on Equity shares	-	-
Final dividend for FY 2021-22 declared and paid during the year ended 31 March 2023: ₹ 2 per share; (for FY 2020-2021 declared and paid during the year ended 31 March 2022 : ₹ NIL Per Share)	29.78	-
	29.78	**-**
Proposed dividends on Equity shares:		
Final dividend for year ended 31 March 2023: ₹ 27 per share (31 March 2022: ₹ 2 per share)	402.06	29.78
	402.06	29.78

Proposed dividend on equity shares are subject to approval at the Annual General Meeting and are not recognised as a liability as at 31 March 2023

Note : Refer Note-15 C (v) for Preference dividend

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STANDALONE FINANCIAL STATEMENTS
Note – 30 : EARNINGS PER SHARE (EPS)

Basic and Diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	**31-Mar-23**	**31-Mar-22**
Profit / (Loss) attributable to equity holders (₹ in Crore)	**3533.81**	1342.42
Weighted Average number of equity shares used for computing Earning Per Share (Basic & Diluted)	**148911400**	148911400
Earning Per Share (Basic and Diluted) (₹)	**237.31**	90.15
Face value per share (₹)	**10.00**	10.00

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CHENNAI PETROLEUM CORPORATION LIMITED
STANDALONE FINANCIAL STATEMENTS
Note – 31 : DISCLOSURE OF INTEREST IN JOINT VENTURES AND ASSOCIATES

(₹ in Crore)

Name of entity	Place of business	% of ownership interest	Relationship	Accounting method	Carrying Amount	
					As at 31.03.2023	As at 31.03.2022
Indian Additives Limited	India	50%	Joint Venture	Equity Accounting	11.83	11.83
National Aromatics and Petrochemical Corporation Limited	India	50%	Joint Venture	Equity Accounting	Nil	Nil

Note: CPCL has paid Rs. 0.0125 Cr during the year towards share application money pending allotment in CBRPL (Refer Note 6 - Other Finanical Assets 2 (A))

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CHENNAI PETROLEUM CORPORATION LIMITED
STANDALONE FINANCIAL STATEMENTS
Note – 32 : EMPLOYEE BENEFITS

Disclosures in compliance with Ind AS 19 on "Employee Benefits" is as under:

A. Defined Contribution Plans- General Description

Pension Scheme:

During the year, the company has recognised ₹ 25.03 Crore (2022: ₹ 24.62 Crore) towards contribution to Defined Employees Pension Scheme in the Statement of Profit and Loss / CWIP (included in Contribution to Provident & Other Funds in Note - 25 / Construction period expenses in Note-2.1)

During the year, the company has recognised ₹ 1.71 Crore (2022: ₹ 1.81 Crore) as contribution to EPS-95 in the Statment of Profit and Loss / CWIP (included in Contribution to Provident and Other Funds in Note - 26 / Construction period expenses in Note-2.1)

B. Defined Benefit Plans- General Description

1 Provident Fund:

The Company's contribution to the Provident Fund is remitted to separate provident fund trust established for this purpose based on a fixed percentage of the eligible employee's salary and charged to Statement of Profit and Loss. Shortfall, if any, in the fund assets, based on the Government specified minimum rate of return, will be made good by the Company. The Provident Fund maintained by the PF Trust in respect of which actuarial valuation is carried out and ₹ 6.9 Crore (2022 : ₹ 4.91 Crore) has been provided by the company towards the current and future interest shortfall/losses beyond available surplus.

2 Gratuity:

Each employee rendering continuous service of 5 years or more is entitled to receive gratuity amount equal to 15/26 of the eligible salary for every completed year of service subject to a maximum of ₹ 0.20 Crore at the time of separation from the company. Besides, the ceiling of gratuity increases by 25% whenever IDA rises by 50%. The company has funded the liability through insurance company.

3 Post Retirement Medical Scheme (PRMS):

PRMS provides medical benefit to retired employees and eligible dependant family members.The company has funded the liability through insurer managed funds.

4 Workman Compensation:

The company pays an equivalent amount of 100 months salary to the family member of employee, if employee dies due to accidental death while he is on duty. This scheme is not funded by the company. The liability originates out of the workman compensation Act and Factory Act.

C. Other Long-Term Employee Benefits - General Description

1 Leave Encashment:

(i) Each employee is entitled to get 8 days of earned leave for each completed quarter of service. Encashment of earned leave is allowed during service leaving a minimum balance of 15 days subject to maximum accumulation up to 300 days. In addition each employee is entitled to get 5 days of sick leave at the end of every six months. The Company has been adopting a practice of permitting encashment of the entire accumulation of sick leave only at the time of retirement.

(ii) DPE Guidelines in this regard states that sick leave cannot be encashed. The company continues this practice keeping in view operational complications and service agreements. Our Holding company has represented to the concerned authorities in earlier years to reconsider the matter. The matter has been dealt in 3rd PRC recommendations, which is effective January 1,2017 and CPSEs have been allowed to frame their own rules considering operational necessities and subject to conditions set therein. The net expenditure accounted towards encashment of sick leave for the year is ₹ 6.07 Crore (2022: ₹ 1.96 crore). The accumulated provision for towards encashment of sick leave is ₹ 32.16 Crore (2022: ₹ 29.86 Crore).

2 Long Service Award:

On completion of specified period of service with the Company and also at the time of retirement, employees are rewarded with Prepaid Card as per eligibility, based on the duration of service completed based on the Board approved policy. This award based on length of meritorious and faithful service of employees (Long Service Award) was specifically allowed by DPE (formerly BPE) thru its letter dated 14.02.1983. MOP&NG has advised the Company that the Scheme is in contravention to the present DPE guidelines issued vide DPE OM No. 2(22)/97-DPE(WC) dated 20th November, 1997. The matter is being pursued with MOP&NG for resolution. Pending resolution of the matter, the company is of the view that the provision is in line with Board approved policy. The net expenditure accounted on this account is ₹ 1.01 Crore (2022: ₹ 0.96 Crore). The accumulated provision in this regard is ₹ 10.54 Crore (2022: ₹ 10.95 Crore). The Company continues this practice keeping in view operational complications and service agreements. Our Holding company has represented to the concerned authorities in earlier years to reconsider the matter.

D. The summarised position of various defined benefits / Long Term Employee Benefits recognised in the Statement of Profit & Loss, Balance Sheet are as under:

(Figures presented in *Italic Font* in the table are for previous year)

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(i) Reconciliation of balance of Defined Benefit / Long Term Employee Benefit Obligations

₹ in Crore

	Provident Fund	Gratuity	PRMS
	Funded	Funded	Funded
Defined Obligation at the beginning	**629.90** *617.28*	**153.46** *163.96*	**254.59** *258.00*
Current Service Cost	**23.62** *23.58*	**3.19** *3.35*	**3.91** *3.93*
Interest Cost	**47.38** *61.21*	**11.10** *11.23*	**18.84** *17.83*
Past Service Cost	 -	- -	- -
Benefits paid	**(90.83)** *(112.73)*	**(16.00)** *(19.53)*	**(7.74)** *(6.01)*
Employee Contribution	**37.61** *40.41*	- -	- -
Amounts Transferred in /out	**(19.42)** *(0.12)*	- -	- -
Actuarial (gain)/ loss on obligations	**1.71** *0.27*	**1.89** *(5.55)*	**13.64** *(19.16)*
Defined Benefit Obligation at the end of the year	**629.97** *629.90*	**153.64** *153.46*	**283.24** *254.59*

(ii) Reconciliation of balance of Fair Value of Plan Assets

(₹ in Crore)

	Provident Fund	Gratuity	PRMS
	Funded	Funded	Funded
Fair Value of Plan Assets at the beginning of the year	**625.00** *612.93*	**170.89** *137.53*	**275.88** *246.45*
Expected return on plan assets (Interest Income)	**47.02** *60.93*	**12.36** *9.42*	**20.41** *17.03*
Contribution by employer	**23.62** *23.58*	- *23.59*	- *8.29*
Contribution by employees	**37.61** *40.41*	- -	- -
Benefit paid	**(90.83)** *(112.73)*	**(0.16)** *(1.94)*	- -
Amounts Transferred in /out	**(19.35)** *(0.12)*	- -	- -
Actuarial gain / (losses)(Return on Plan Assets excl interest income)	- -	**(0.41)** *2.29*	**(0.47)** *4.11*
Fair Value of plan assets at the end of the year	**623.07** *625.00*	**182.68** *170.89*	**295.82** *275.88*

(iii) Reconciliation of Fair Value of Plan Assets and Defined Benefit Obligation

(₹ in Crore)

	Provident Fund	Gratuity	PRMS
	Funded	Funded	Funded
Fair Value of plan assets at the end of the year	**623.07** *625.00*	**182.68** *170.89*	**295.82** *275.88*
Defined Benefit Obligation at the end of the year	**629.97** *629.90*	**153.64** *153.46*	**283.24** *254.59*
Net Interest shortfall / Liability / (Asset)recognise	**6.90** *4.90*	**(29.04)** *(17.43)*	**(12.58)** *(21.29)*
Amount not recognised in the Balance Sheet	- -	- -	- -

(iv) Amount recognised in Statement of Profit and Loss / CWIP

(₹ in Crore)

	Provident Fund	Gratuity	PRMS
	Funded	Funded	Funded
Current Service Cost	**23.62** *23.58*	**3.19** *3.35*	**3.91** *3.93*
Interest Cost	**47.38** *61.21*	**11.10** *11.23*	**18.84** *17.83*
Expected (return) / loss on plan asset	**(47.02)** *(60.93)*	**(12.36)** *(9.42)*	**(20.41)** *(17.03)*
Contribution by Employees	- -	- -	- *(0.12)*
Past Service Cost	- -	- -	- -
Expenses for the year	**23.98** *23.86*	**1.93** *5.16*	**2.34** *4.61*

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(v) Amount recognised in Other Comprehensive Income (OCI)

(₹ in Crore)

	Provident Fund	Gratuity	PRMS
	Funded	Funded	Funded
Actuarial (gain)/ loss on Obligations	**1.71**	**1.89**	**13.64**
	0.27	*(5.55)*	*(19.16)*
Remeasurement (Return on Plan Assets excl interest income)	**-**	**0.41**	**0.47**
	-	*(2.29)*	*(4.11)*
Net Loss / (Gain) recognized in OCI	**1.71**	**2.30**	**14.11**
	0.27	*(7.84)*	*(23.27)*
Net Loss / (Gain) not recognized in P&L / OCI	**-**	-	-
	-	-	-

(vi) Major Actuarial Assumptions

	Provident Fund	Gratuity	PRMS
	Funded	Funded	Funded
Discount rate	**7.52%**	**7.52%**	**7.53%**
	7.23%	*7.23%*	*7.40%*
Guaranteed return on plan assets	**8.15%**	-	-
	8.10%	-	-
Salary escalation	-	**8.00%**	-
	-	*8.00%*	-
Inflation	-	-	**7.00%**
	-	-	*7.00%*

The estimate of future salary increases considered in actuarial valuation takes into account of inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. The expected return on plan assets is determined considering several applicable factors mainly the composition of the plan assets held, assessed risks of asset management and historical results of the return on plan assets.

(vii) Sensitivity on Actuarial Assumptions:

(₹ in Crore)

Loss / (Gain) for:	Gratuity	PRMS
	Funded	Funded
Change in Discounting Rate		
Increase by 0.5%	**(4.77)**	**(21.72)**
	(4.76)	*(19.22)*
Decrease by 0.5%	**5.12**	**24.74**
	5.11	*21.88*
Change in Employee Turnover		
Increase by 0.5%	**0.46**	**0.60**
	0.42	*0.50*
Decrease by 0.5%	**(0.48)**	**(0.64)**
	(0.44)	*(0.54)*
Change in Salary Escalation/ Inflation rate		
Increase by 0.5%	**2.17**	**24.89**
	4.13	*21.99*
Decrease by 0.5%	**(2.12)**	**(22.04)**
	(3.78)	*(19.48)*

(viii) Investment details:

	Provident Fund	Gratuity	PRMS
	Funded	Funded	Funded
Investment with Insurer	**-**	**100.00%**	**100.00%**
	-	*100.00%*	*100.00%*
Self managed investments	**100.00%**	-	-
	100.00%	-	-

Details of the investment pattern for the above mentioned funded obligations is as under:

	Provident Fund	Gratuity	PRMS
	Funded	Funded	Funded
Government securities (Central & State)	**51.66%**	**65.43%**	**80.37%**
	48.46%	*29.80%*	*81.85%*
Investment in Equity / Mutual Funds	**12.73%**	**12.27%**	**10.87%**
	10.24%	*14.51%*	*8.39%*
Investment in Debentures / Securities	**30.19%**	**20.53%**	**8.36%**
	36.37%	*50.98%*	*9.23%*
Other approved investments (incl. Cash)	**5.42%**	**1.77%**	**0.40%**
	4.92%	*4.71%*	*0.53%*

(ix) The following payments are expected projections to the defined benefit plan in future years:

(₹ in Crore)

Cash Flow Projection from the Fund/Employer	Gratuity Funded	PRMS Funded	Total
Within next 12 Months	**18.91**	**8.19**	**27.10**
	20.49	*7.53*	*28.02*
Between 2 to 5 Years	**69.60**	**42.32**	**111.92**
	62.69	*38.82*	*101.50*
Between 6 to 10 Years	**68.51**	**76.74**	**145.25**
	70.38	*70.10*	*140.48*

	Gratuity Funded	PRMS Funded
Weighted Average Duration of Defined Benefit Obligation	**8 Years**	**15 Years**
	8 Years	*14 Years*

CHENNAI PETROLEUM CORPORATION LIMITED
STANDALONE FINANCIAL STATEMENTS
Note – 33 : COMMITMENTS AND CONTINGENCIES

A Leases

(a) As lessee

The Company has entered into various material lease arrangements (including in substance lease arrangements) such as lands and buildings for purpose of its plants, facilities, offices, etc..,

The Employees Township at Cauvery Basin Refinery has been constructed on land area of thirty four acres and forty nine cents of land leased from a trust on five-year renewable basis.

Amount Recognized in Statement of Profit and Loss Account or Carrying Amount of Another Asset

(₹ in Crore)

Particulars	**31-03-2023**	**31-03-2022**
Depreciation recognized	7.63	6.27
Interest on lease liabilities	2.08	1.39
Expenses relating to short-term leases (leases more than 30 days but less than 12 months)	3.12	2.46
Variable lease payments not included in the measurement of lease liabilities	1.32	2.19
Total cash outflow for leases	12.87	12.02
Additions to ROU during the year	15.29	2.61
Net Carrying Amount of ROU at the end the year	21.15	13.49

The details of ROU Asset other than leasehold land included in PPE (Note 2) held as lessee by class of underlying asset is presented below :-

Current Year : **(₹ in Crore)**

Asset Class	Items Added to RoU Asset as on 01.04.2022	Additions to RoU Asset during the Year	Depreciation Recognized During the Year	Net Carrying value as on 31.03.2023
Leasehold Land	7.86	4.28	4.50	7.63
Buildings Roads etc.	0.31	-	0.02	0.30
Plant & Equipment	0.00	-	0.00	-
Transport Equipments	5.32	11.01	3:11	13.22
Total	**13.49**	**15.29**	**7.63**	**21.15**

Previous Year : **(₹ in Crore)**

Asset Class	Items Added to RoU Asset as on 01.04.2021	Additions to RoU Asset during the Year	Depreciation Recognized During the Year	Net Carrying value as on 31.03.2022
Leasehold Land	8.42	0.94	1.50	7.86
Buildings Roads etc.	0.33	-	0.02	0.31
Plant & Equipment	1.11	-	1.11	-
Transport Equipments	7.29	1.67	3.64	5.32
Total	**17.15**	**2.61**	**6.27**	**13.49**

As per requirement of the standard, maturity analysis of Lease Liabilities have been shown as part of borrowings under Liquidity Risk of Note 36: Financial Instruments & Risk Factors.

Details of items of future cash outflows which the Company is exposed as lessee but are not reflected in the measurement of lease liabilities are as under;

(i) Variable Lease Payments

As per general industry practice, the Company incurs various variable lease payments which are based on rate, kms covered etc. and are recognized in profit or loss and not included in the measurement of lease liability.

(b) As lessor

(i) Operating Lease

The lease rentals recognized as income in these statements as per the rentals stated in the respective agreements: **(₹ in Crore)**

Particulars	**31-03-2023**	**31-03-2022**
A. Lease rentals recognized during the period	31.03	30.62
B. Value of assets given on lease included in tangible assets		
- Gross Carrying Amount	15.08	9.99
- Accumulated Depreciation	2.87	1.41
- Depreciation recognized in the Statement of Profit and Loss	0.39	0.19

These relate to storage tankage facilities for petroleum products, buildings, plant and equipments given on lease. Asset class wise details have been presented under Note 2: Property, Plant & Equipments.

Maturity Analysis of Undiscounted Lease Payments to be received after the reporting date **(₹ in Crore)**

	31-03-2023	**31-03-2022**
Less than one year	16.83	16.75
One to two years	15.85	15.16
Two to three year	16.67	15.92
Three to four years	17.52	16.74
Four to five years	18.42	17.52
More than five years	693.80	712.23
Total	779.09	794.32

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B Contingent Liabilities

Contingent Liabilities amounting to ₹606.82 Crore (2022: ₹201.48 Crore) are as under:

(i) ₹ 539.11 Crore (2022: ₹ 28.03 Crore) being the demands raised by the Central Excise / Customs / Service Tax Authorities including interest of ₹ 173.16 Crore (2022: ₹ 12.26 Crore).

(ii) ₹ 10.48 Crore (2022: ₹ 145.73 Crore) being the demands raised by the VAT/ Sales Tax Authorities and includes no interest (2022: Nil).

(iii) ₹ 54.31 Crore (2022: ₹ 20.67 Crore) on account of Projects for which suits have been filed in the Courts or cases are lying with Arbitrator. This includes interest of ₹ 8.58 Crore (2022: ₹ 8.41 Crore).

(iv) ₹ 2.92 Crore (2022: ₹ 7.05 Crore) in respect of other claims including interest of ₹ 1.37 Crore (2022: ₹ 6.75 Crore).

The Company has not considered those disputed demands / claims as contingent liabilities, for which, the outflow of resources has been considered as remote.

C Commitments

(i) **Capital Commitments**

Estimated amount of contracts remaining to be executed on Capital Account not provided for ₹ 199.76 Crore (2022: ₹ 266.81 Crore).

(ii) **Other Commitments**

The Company has an export obligation to the extent of ₹ 219.05 Crore (2022: ₹ 147.02 Crore) on account of concessional rate of customs duty availed under EPCG license scheme on procurement of capital goods and the same is expected to be fulfilled by way of exports.

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CHENNAI PETROLEUM CORPORATION LIMITED
STANDALONE FINANCIAL STATEMENTS
Note - 34 "Related Party Disclosures" in compliance with Ind-AS 24, are given below:

1.Relationship with Entities

A. Details of Holding Company

1) Indian Oil Corporation Limited (IOCL)

The following transactions were carried out with Holding Company in the ordinary course of business:

(₹ in Crore)

Particulars	31-Mar-2023	31-Mar-2022
• Sale of Products/ Crude and Services	84387.19	57194.25
• Dividend on Preference Shares	33.25	33.25
• EDP Maintenance	4.82	3.08
• Other Operating Income	32.93	32.52
• Purchase of Raw Material	-	969.91
• Purchase of Stock-in-Trade	198.30	47.72
• Purchase of Stores & Spares	5.35	5.10
• Canalising commission	5.88	6.35
• Vessel hiring charges	62.45	84.68
• Terminalling and Facilitation Charges	6.42	6.00
• Rental Expenditure	0.66	3.18
• Subscription Expenses	-	0.30
• Training Expenses	0.02	0.03
• Purchase of RLNG	1847.18	1355.02
• Finance Cost - Unwinding of finance cost	0.40	0.40
• Capital Advances / (Liabilities)	-	(4.31)
• Revenue Advances	0.20	0.16
• Outstanding Receivables	150.34	178.72
• Other Liabilities - Land given on lease	13.93	14.34
• Other Non - current Assets - Land given on lease	57.80	44.37
• Outstanding payables		
Trade Payables	2202.38	1887.18
Preference Shares (at face value)	500.00	500.00

B.Details of Joint Ventures / Associates

i) Indian Additives Limited

(₹ in Crore)

Particulars	31-Mar-2023	31-Mar-2022
• Investment	11.83	11.83
• Sale of Product	38.72	29.65
• Rental income	0.64	0.58
• Maintenance Expenses	-	1.30
• Dividend received	7.93	5.92
• Outstanding Payables	0.82	1.30
• Outstanding Receivables	-	0.36

ii) National Aromatics & Petrochemicals Corp. Limited

(₹ in Crore)

Particulars	31-Mar-2023	31-Mar-2022
• Investments in Joint Venture Entities/ Associates	0.03	0.03
• Claims recoverable	22.66	22.66

The Investment & claims recoverable has been fully impaired (Note - 4)

iii) Cauvery Basin Refinery and Petrochemicals Limited

(₹ in Crore)

Particulars	31-Mar-2023	31-Mar-2022
• Share application money pending allotment	0.01	-

C.Details of Joint Ventures/Associates of Holding Company

(₹ in Crore)

i) Indian Oiltanking Limited

Particulars	31-Mar-2023	31-Mar-2022
• Outstanding payable	4.76	4.76

ii) Falcon Oil & Gas B.V

Particulars	31-Mar-2023	31-Mar-2022
• Purchase of Crude Oil	865.83	-

D. Government related entities where significant transactions are carried out:

Apart from transactions reported above, the company has transactions with other Government related entities, which includes but not limited to the following:

Name of Government: Government of India (Central and State Government)

Nature of Transactions:

- Sale of Product and Services
- Purchase of Product
- Purchase of Raw Materials
- Handling and Freight Charges, etc.
- Borrowings

These transactions are conducted in the ordinary course of the Company's business on terms comparable to those with other entities that are not Government-related

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2) Key Managerial Personnel

A. Whole Time Directors / Company Secretary

1) Shri Arvind Kumar (w.e.f 27.08.2021)
2) Shri Rajeev Ailawadi (Upto 28.02.2023)
3) Shri Rohit Kumar Agrawala (w.e.f 01.03.2023)
4) Shri. S.Krishnan
5) Shri H. Shankar
6) Shri P.Shankar

B. Independent / Part time Non-Executive Directors (Government / IOCL/ NICO Nominee)

1) Shri S M Vaidya (Non - Executive Chairman)
2) Shri D. Durai Ganesan (Upto 13.08.2021)
3) Smt. Sobha Surendran (Upto 31.10.2022)
4) Shri Mohammad Bagher Dakhili
5) Shri Babak Bagherpour
6) Shri M Narayana Rao (Upto 29.07.2022)
7) Shri Amitabh Mathur (Upto 29.07.2022)
8) Shri Deepak Srivastava (w.e.f 10.08.2021)
9) Ms. Sukla Mistry (w.e.f. 16.11.2021)
10) Shri Dr. C. K. Shivanna (w.e.f. 16.11.2021)
11) Shri Ravi Kumar Rungta (w.e.f. 16.11.2021)
12) Shri Manoj Sharma (Upto 09.11.2021)
13) Shri Sukh Ram Meena (Upto 09.08.2021)
14) Shri K Surendran (w.e.f 27.03.2023)

C) Details relating to the parties referred to in Item No.2A & 2B above :

For the Year ended 31-Mar-2023

(₹ in Crore)

Details of Key Managerial Personnel	Short-Term Employee Benefits	Post Employment Benefits	Other Long Term Benefits	Termination Benefits	Total Remuneration	Sitting Fee	Outstanding loans/advance receivables
A. Whole Time Directors / Company Secretary							
1) Shri Arvind Kumar	0.60	0.11	-	-	0.71	-	0.07
2) Shri Rajeev Ailawadi	0.58	0.10	0.47		1.15		-
3) Shri Rohit Kumar Agrawala	0.03	0.01			0.04		0.17
4) Shri S.Krishnan	0.67	0.12	0.08		0.87		-
5) Shri H.Shankar	0.62	0.11	0.07		0.80		0.27
6) Shri P.Shankar	0.56	0.10	0.16		0.82		0.03
B. Independent / Government Nominee Directors#							
1)Shri. Amitabh Mathur	-	-	-	-	-	0.02	-
2) Shri. Myneni Narayana Rao	-	-	-	-	-	0.03	-
3) Smt. Sobha Surendran	-	-	-	-	-	0.03	-
4) Shri. Ravi Kumar Rungta	-	-	-	-	-	0.05	-
5) Shri. C.K Shivanna	-	-	-	-	-	0.05	-
TOTAL	**3.06**	**0.55**	**0.78**	**-**	**4.39**	**0.18**	**0.54**

Sitting fees paid to Independent Directors

For the Year ended 31-Mar-2022

(₹ in Crore)

Details of Key Managerial Personnel	Short-Term Employee Benefits	Post Employment Benefits	Other Long Term Benefits	Termination Benefits	Total Remuneration	Sitting Fee	Outstanding loans/advance receivables
A. Whole Time Directors / Company Secretary							
1) Shri Arvind Kumar	0.25	0.06	-	-	0.31	-	0.09
2) Shri Rajeev Ailawadi	0.63	0.10	-	-	0.73	-	-
3) Shri S.Krishnan	0.68	0.11	-	-	0.79	-	-
4) Shri H.Shankar	0.51	0.10	-	-	0.61	-	0.30
5) Shri P.Shankar	0.56	0.09	0.01	-	0.66	-	0.06
B. Independent / Government Nominee Directors#							
1)Shri. D.Durai Ganesan	-	-	-	-	-	0.02	-
2) Shri. Amitabh Mathur	-	-	-	-	-	0.05	-
3) Shri. Myneni Narayana Rao	-	-	-	-	-	0.05	-
4) Smt. Sobha Surendran	-	-	-	-	-	0.03	-
5) Shri. Ravi Kumar Rungta	-	-	-	-	-	-	-
6) Shri. C.K Shivanna	-	-	-	-	-	-	-
TOTAL	**2.63**	**0.46**	**0.01**	**-**	**3.10**	**0.15**	**0.45**

Sitting fees paid to Independent Directors

This does not include the impact of provision made on actuarial valuation of retirement benefit/long term Schemes and provision made during the period towards Post Retirement Benefits as the same are not separately ascertainable for individual directors

3) Trusts

Transactions with Post Employment Benefit Plans managed through separate trust

(₹ in Crore)

Sl. No	Name of the Trust	Post Employment Benefit Plan	31-Mar-2023		31-Mar-2022	
			Contribution by Employer	Outstanding Payable	Contribution by Employer	Outstanding Payable
A	CPCL Employees Provident Fund	Provident Fund	24.20	2.11	24.05	2.00
B	CPCL Employees Superannuation Benefit Fund	Pension Scheme	6.47	-	11.52	-
C	CPCL Employees Group Gratuity Trust	Gratuity	-	-	23.59	-
D	Post Retirement Medical Benefit Trust	PRMB	-	-	8.17	-

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CHENNAI PETROLEUM CORPORATION LIMITED
STANDALONE FINANCIAL STATEMENTS
Note – 35 : FAIR VALUES

Set out below, is a comparison by class of the carrying amounts as per financial statements and fair value of the Company's financial instruments, along with the fair value measurement hierarchy:

(₹ in Crore)

Particulars	Carrying value		Fair value		Fair value measurement hierarchy level
	As at 31-Mar-2023	As at 31-Mar-2022	**As at 31-Mar-2023**	As at 31-Mar-2022	
Financial Assets					
Amortised Cost:					
Loans to employees	**104.41**	71.55	**68.51**	52.92	Level 2
Total	**104.41**	71.55	**68.51**	52.92	
Financial liabilities					
A. Borrowings:					
Amortised Cost:					
Non-Convertible Redeemable Debentures	**1650.66**	2802.12	**1591.89**	2818.63	Level 2
Lease obligation	**24.14**	15.63	**23.89**	15.88	Level 2
Preference Shares	**533.25**	639.01	**548.27**	626.40	Level 2
Term Loans from Oil Industry Development Board (OIDB)	**124.19**	444.05	**125.63**	452.66	Level 2
Total	**2332.24**	3900.81	**2289.68**	3913.57	

Notes:

1. Levels under Fair Value measurement hierarchy are as follows:
(a) **Level 1** items fair valuation is based upon **market price quotation at each reporting date**
(b) **Level 2** items fair valuation is based upon **Significant observable inputs like PV of future cash flows, MTM valuation, etc.**
(c) **Level 3** items fair valuation is based upon **Significant unobservable inputs wherein valuation done by independent valuer.**

2. The management assessed that Trade Receivables, Cash and Cash Equivalents, Bank Balances, Deposit for Leave Encashment Fund, Recoverable from Employee Benefits Trusts, Other Non-derivative Current Financial Assets, Short-term Borrowings, Trade Payables, Floating Rate Loans and Other Non-derivative Current Financial Liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

3. The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Methods and assumptions

The following methods and assumptions were used to estimate the fair values at the reporting date:

Level 2 Hierarchy:

(i) **Derivative instruments at fair value through profit or loss viz.Foreign exchange forward contracts:** Replacement cost quoted by institutions for similar instruments by employing use of market observable inputs are considered.

(ii) **Loans to employees, Loan to related parties, Security deposits paid and Security deposits received,Lease obligations:** Discounting future cash flows using rates currently available for items on similar terms, credit risk and remaining maturities

(iii) **Non Convertible Redeemable Preference shares :** The fair value of Preference shares is estimated by discounting future cash flows.

(iv)**Term Loans from Oil Industry Development Board (OIDB):** Discounting future cash flows using rates currently available for similar type of borrowings (OIDB Borrowing rate) using exit model as per Ind AS 113.

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CHENNAI PETROLEUM CORPORATION LIMITED
STANDALONE FINANCIAL STATEMENTS
Note – 36 : FINANCIAL INSTRUMENTS AND RISK FACTORS

Financial Risk
Factors
The Company's principal financial liabilities, other than derivatives, comprise Borrowings, trade and other payables, security deposits and employee liabilities. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's principal financial assets include loans & advances, trade and other receivables, short-term deposits and cash / cash equivalents that derive directly from its operations. The company's requirement of crude oil imports are canalized through its holding company, Indian Oil Corporation Limited. The derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that trading in derivatives are taken only to hedge the various risks that the company is exposed to and not for speculation purpose.

The Company is exposed to a number of different financial risks arising from natural business exposures as well as its use of financial instruments including market risk relating to interest rate, commodity prices, foreign currency exchange rates and equity price, credit risk and liquidity risk.

To ensure alignment of Risk Management system with the corporate and operational objective and to improve upon the existing procedure, the Executive Committee of the company constituted a Committee comprising of officials from various functional areas to identify the risks in the present context, prioritize them and formulate proper action plan for implementation. The Committee has formulated the Risk Management Policy.

The Action Taken Report on the Risk Management Policy for the year 2022-23 was reviewed by the Risk Management Committee, Audit Committee and Board of Directors at their meetings held on 27.04.2023.

The Board of Directors oversees the risk management activities for managing each of these risks, which are summarised below:

A. Market risk
Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The major components of market risk are interest rate risk, foreign currency risk, commodity price risk and other price risks etc. Financial instruments affected by market risk include Borrowings, Deposits and derivative financial instruments.

The sensitivity analysis in the following sections relate to the position as at 31 March 2023 and 31 March 2022

The analysis exclude the impact of movements in market variables on the carrying values of gratuity and other post-retirement obligations, provisions, and other non-financial assets.

The following assumptions have been made in calculating the sensitivity analysis:

- The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held as at 31 March 2023 and 31 March 2022 including the effect of hedge accounting.

- The sensitivity analysis have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant as at 31st March 2023.

1) Interest rate risk
The Company is also exposed to interest rate risk from the possibility that changes in interest rates will affect future cash flows of a financial instrument, principally financial debt. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company's interest rate risk management includes to maintain a mix between fixed and floating rates for rupee and foreign currency loans, based on liquidity, availability of cost effective instruments and considering the market / regulatory constraints. As at 31 March 2023, approximately 100% of the Company's Long term borrowings are at fixed rate of interest (31 March 2022: 92%).

The sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, with all other variables held constant, on floating rate borrowings is as follows:

Currency	Increase / Decrease	Effect on profit before tax	Increase / Decrease	Effect on profit before tax
	in basis points	(₹ in Crore)	in basis points	(₹ in Crore)
	31-Mar-2023		31-Mar-2022	
INR	+50	-	+50	(1.35)
US Dollar	+50	-	+50	-
INR	-50	-	-50	1.35
US Dollar	-50	-	-50	-

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

2) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency) and Borrowings.

The Company manages its foreign currency risk through combination of natural hedge, hedging undertaken on occurrence of pre-determined triggers as per the Risk management policy. The hedging is undertaken through forward contracts.

The sensitivity to a reasonably possible change in USD exchange rates, with all other variables held constant and the impact on the Company's profit before tax due to changes in the fair value of monetary assets and liabilities is tabulated below. The Company's exposure to foreign currency changes for all other currencies is not material.

Currency	Increase / Decrease	Effect on profit before tax	Increase / Decrease	Effect on profit before tax
	in %	(₹ in Crore)	in %	(₹ in Crore)
	31-Mar-2023		31-Mar-2022	
US Dollar	+5%	(205.36)	+5%	(224.94)
	-5%	205.36	-5%	224.94

The effects of most exchange rate fluctuations are absorbed in business operating results which are offset by changing cost competitiveness, lags in market adjustments to movements in rates to its other non-financial assets like inventory etc. For this reason, the total effect of exchange rate fluctuations is not identifiable separately in the company's reported results.

3) Commodity price risk

The Company is exposed to various commodity price related risk such as Refinery Margins i.e. Differential between the prices of petroleum products & crude oil, inventory valuation fluctuation and crude oil imports etc. As per approved risk management policy, the Company can undertake refinery margin hedging, inventory hedging and crude oil price hedging through swaps, options and futures in the OTC market as well as domestic exchanges to mitigate the risk within the approved limits.

B. Credit risk

1) Trade receivables

Customer credit risk is managed according to the Company's policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored. Transactions other than with oil marketing companies are either generally covered by Letters of Credit, Bank Guarantees or cash-and-carry basis.

2) Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty so as to minimise concentration of risks and mitigate consequent financial loss.

The Company's maximum exposure to credit risk for the components of the Balance Sheet at 31 March 2023 and 31 March 2022 is the carrying amounts as provided in Note 4, 5, 6, 11 & 12.

C. Liquidity risk

The Company monitors its risk of shortage of funds using detailed cash flow projections which is monitored closely on daily basis. The Company seeks to manage its liquidity requirement by maintaining access to both short term and long term debt markets. In addition, Company has committed credit facilities from banks.
The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, commercial papers, bank loans and debentures. and finance leases. The Company assessed the concentration of risk and concluded it to be low. The Company has access to a sufficient variety of sources of funding.

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The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

(₹ in Crore)

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Year ended 31-Mar-2023						
Borrowings	1927.36	-	148.91	2159.19	-	4235.46
Lease obligations	0.00	1.56	4.30	16.77	1.51	24.14
Trade payables	247.92	2759.19	-	-	-	3007.11
Other financial liabilities	526.37	-	-	6.48	-	532.85
	2701.65	**2760.75**	**153.21**	**2182.44**	**1.51**	**7799.56**
Year ended 31-Mar-2022						
Borrowings	5237.69	137.33	1390.47	2457.22	-	9222.70
Lease obligations	0.00	1.10	3.37	8.60	2.56	15.63
Trade payables	287.59	2952.47	-	-	-	3240.06
Other financial liabilities	523.22	-	-	6.60	-	529.82
	6048.49	**3090.90**	**1393.84**	**2472.42**	**2.56**	**13008.21**

D. Excessive risk concentration

Substantial portion of the Company's sales is to the Holding Company, Indian Oil Corporation Limited. Consequently, trade receivables from IOCL are a significant proportion of the Company's receivables. Since the operations are synchronised with those of the Holding Company, for optimal results, the same does not present any risk.

E. Collateral

As the Company has been rated investment grade by various rating agencies, there has been no requirement of submitting any collateral for booking of derivative contracts. The Company undertakes derivatives contract only with those counterparties that have credit rating above the internally approved threshold rating. Accordingly, the Company does not seek any collaterals from its counterparties.

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CHENNAI PETROLEUM CORPORATION LIMITED
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Note – 37 : CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders or issue new shares. The Company monitors capital using debt equity ratio, which is borrowings divided by Equity. The Company's strategy is to keep the debt equity ratio in the range of 2:1 and 1:1 under normal circumstances. The Company also includes accrued interest in the borrowings for the purpose of capital management. The Debt-Equity ratio which impacted due to the lower product cracks arising out of the CoVID-19 situation has improved during the year.

(₹ in Crore)

Particulars	**31-Mar-23**	31-Mar-22
Borrowings	4235.46	9222.70
Total Borrowings	**4235.46**	**9222.70**
Equity Share Capital	148.91	148.91
Reserves and Surplus	6132.05	2641.32
Equity	**6280.96**	**2790.23**
Debt Equity Ratio	**0.67 : 1**	**3.31 : 1**

No changes were made in the objectives, policies or processes for managing capital during the years ended 31st March 2023 and 31st March 2022

G.M. KAPADIA & CO. CHENNAI Chartered Accountants

CHENNAI PETROLEUM CORPORATION LIMITED
STANDALONE FINANCIAL STATEMENTS
Note – 38 : RESEARCH AND DEVELOPMENT COSTS

Research and Development Expenses of ₹ 3.28 Crore(2022: ₹ 1.46 Crore) of capital expenditure incurred and ₹ 6.44 Crore (2022 ₹ 5.69 Crore) of recurring expenditure have been accounted for in the Statment of Profit and Loss during the year. Detailed break up of total expenditure is as under:

A. CAPITAL EXPENSES (PROPERTY, PLANT & EQUIPMENT)

₹ in Crore

Asset Block	Gross Block as at 1st Apr 2022	Additions during the year	Transferred from CWIP	Transfer/ Deduction/ Disposal during the year	Gross Block as at 31st Mar 2023	Work-in-Progress as at 1 Apr 2022	Additions during the year	Transferred to Fixed Assets (Capitalized)	Work-in-Progress as at 31st Mar 2023	Total Capital Expenditure
1	2	3	4	5	6 = (2+3+4-5)	7	8	9	10 = (7+8-9)	11=(3+8)
Property, Plant & Equipment										
Plant & Equipment	16.40	2.50	-	-	**18.90**	-	-	-	-	**2.50**
Office Equipment	0.81	0.78	-	-	**1.59**	-	-	-	-	**0.78**
Furniture & Fixtures	0.28	-	-	-	**0.28**	-	-	-	-	-
Total	**17.49**	**3.28**	**-**	**-**	**20.77**	**-**	**-**	**-**	**-**	**3.28**

B. RECURRING EXPENSES

₹ in Crore

Sl. No	Particulars	31-Mar-23	31-Mar-22
1	Consumption of Stores, Spares & Consumables	0.46	0.57
2	Repairs & Maintenance		
	(a) Plant & Equipment	1.17	0.25
	(b) Others	0.02	-
3	Payment to and Provisions for employees	3.95	4.05
4	Other Expenses	0.85	0.82
	Total	**6.44**	**5.69**

C. TOTAL RESEARCH EXPENSES

₹ in Crore

Particulars	31-Mar-23	31-Mar-22
Capital Expenditure	3.28	1.46
Recurring Expenditure	6.44	5.69
Total	**9.72**	**7.15**

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CHENNAI PETROLEUM CORPORATION LIMITED
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Note – 39 : DISCLOSURE RELATING TO CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENDITURE

(₹ in Crore)

Particulars	31-Mar-23	31-Mar-22
Surplus brought forward from previous year	**11.70**	1.96
(i) Gross Amount required to be spent by the company during the year	-	-
(ii) Amount of expenditure incurred	**6.04**	9.73
(iii) Shortfall at the end of the year	-	-
(iv) Total of previous year shortfall	-	-
(v) Reasons for shortfall	-	-
(vi) Details of related party transactions	-	-
(vii) Movement in the provision during the year	**0.26**	0.11
Surplus carried forward to the Next year	**17.74**	11.70

(₹ in Crore)

	31-Mar-23			31-Mar-22		
Nature of CSR activities	**In cash**	**Yet to be paid In cash***	**Total**	**In cash**	**Yet to be paid In cash**	**Total**
(i) Construction/acquisition of any assets	-	-	-	-	-	-
(ii) On purposes other than (i) above						
Health and Sanitation	0.92	0.22	1.14	7.07	0.09	7.17
Swachh Bharat	0.15	-	0.15	0.25	0.01	0.25
Sports	2.17		2.17			
Education/employment vocational skills	1.86	0.06	1.92	1.99	-	1.99
Administration Expenses, training etc.	0.29	-	0.29	0.25	-	0.25
Other expenses	0.38	-	0.38	0.06	0.01	0.07
Total Expenses (ii)	**5.76**	0.28	**6.04**	**9.62**	**0.11**	**9.73**
Grand Total (i) and (ii)	**5.76**	**0.28**	**6.04**	**9.62**	**0.11**	**9.73**

*Provisions made for liabilities incurred

(vii) Movement in the provision during the year:

Particulars	31-Mar-23	31-Mar-22
Opening Balance	0.11	-
Provided during the year	0.28	0.11
Paid during the year	0.02	-
Closing Balance	**0.37**	0.11

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Note – 40 : DISCLOSURE ON GOVERNMENT GRANTS

A Revenue Grants

1 Stipend to apprentices under NATS scheme

The company has received grant of ₹ 0.64 Crore (2022: ₹ 0.67 crore) in respect of stipend paid to apprentices registered under National Apprenticeship Training Scheme (NATS) and the same has been accounted on net basis against training expenses.

2 EPCG Grant

Grant recognised in respect of duty waiver on procurement of capital goods under EPCG scheme of Central Government which allows procurement of capital goods including spares for pre production and post production at zero duty subject to an export obligations of 6 times of the duty saved on capital goods procured.The unamortized capital grant amount as on March 31, 2023 is ₹ 12.54 Crore (2022: ₹ 8.29 Crore). The company recognised Nil Crore (2022: ₹ Nil Crore) in the statement of profit & loss account as amortisation of revenue grant. The company expects to meet the export obligations in line with the scheme.

B Capital Grants

1 Capital Grant in respect of interest subsidy

The Company has received capital grant in the form of interest subsidy on loans taken from OIDB. The unamortized capital grant amount as on March 31, 2023 is ₹ 1.32 crore (2022:₹ 4.99 crore). During the year, the company has recognised ₹ 0.86 crore (2022: ₹ 1.67 crore) in the statement of profit and loss as amortisation of capital grants

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Note – 41 : EXPOSURE TO FINANCIAL DERIVATIVES

Financial and Derivative Instruments:

1 All derivative contracts entered into by the Company are for hedging its foreign currency relating to underlying transactions and firm commitments and not for any speculative or trading purposes.

2 The company has no outstanding forward contract as at 31st March 2023(2022 : NIL)

3 Foreign currency exposure that are not hedged by a derivative instrument as on 31st March 2023 is given below:

₹ in Crore

S. No	Particulars	As on 31-Mar-2023 Aggregate amount	As on 31-Mar-2022 Aggregate amount
1	Unhedged- Payables	**4737.41**	5077.78
2	Unhedged- Receivables	**630.14**	579.02

Refer Note - 10A - Offsetting Financial Assets and Financial Liabilities

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CHENNAI PETROLEUM CORPORATION LIMITED
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Note – 42 : REVENUE FROM CONTRACTS WITH CUSTOMERS

The Company is in the business of refining crude oil and it earns revenue primarily from sale of petroleum products and others. Revenue is recognized when control of the goods and services are transferred to the customer at an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods and services. Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. In determining the transaction price for the sale of products, the company considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

Generally, Company enters into contract with customers for sale on EX-MI basis. Majority of Company's sales are to Oil Marketing Companies and Downstream industries for which credit period is less than 1 year. Direct sales to other customers are generally on cash and carry basis. Revenue is recognised when the goods are delivered to the customer by adjusting the amounts deposited by customers, if any.

Bifurcation of Total Revenue into Revenue from contract with customers and other sources of revenue as per requirement of Ind AS 115 is given below;

₹ in Crore

	2022-23	2021-22
Total Revenue	90892.43	60468.38
Revenue from contract with customers	90801.11	60402.02
Revenue from other contracts / from others	91.32	66.36

No impairment of losses on receivables has been recognised during the current and previous year.

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CHENNAI PETROLEUM CORPORATION LIMITED
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Note – 43 : RATIOS

Ratios	31-Mar-23	31-Mar-22	Variation	Reasons for variation (> 25%)
(a) Current Ratio,	**1.51**	1.78	-15%	
[Current Assets/ (Current Liabilities-Current Borrowings)]				
(b) Debt-Equity Ratio,	**0.67**	3.31	-80%	Refer Note (i)
[{Non-Current Borrowings+ Current Borrowings)/ Total Equity]				
(c) Debt Service Coverage Ratio	**2.39**	2.43	-1%	-
[Profit after Tax+ Finance Cost (P&L) + Depreciation]/ [Finance Costs (P&L + capitalised) + Lease payment & Principal Repayment (Long Term)]				
(d) Return on Equity Ratio (%)	**77.91%**	63.70%	22%	-
Profit after Tax/Average Total Equity				
(e) Inventory Turnover- in days	**28.63**	37.48	-24%	-
[(Average Inventory / Sales (Net of Discount)] (Net of Excise Duty)				
(f) Trade Receivables Turnover- in days	**1.31**	1.92	-32%	Refer note (ii)
[Average Trade Receivable / [Sales (Net of Discount)] (Net of Excise Duty)				
(g) Trade payables Turnover- in days	**16.55**	21.67	-24%	-
[Average Trade Payable / Purchase of Raw Material + Purchase of Stock-in-Trade + Other Expenses				
(h) Net capital Turnover- in days	**14.13**	23.17	-39%	Refer note (ii)
[Average (Current Assets- (Current Liabilities-Current Borrowings)) / Sales (Net of Discount) (Net of Excise Duty)				
(i) Net profit Ratio (%)	**4.61%**	3.11%	48%	Refer Note (i)
[Profit after Tax/ (Revenue from Operations- Excise Duty))				
(j) Return on Capital Employed (%)	**43.08%**	19.30%	123%	Refer Note (i)
[EBIT/Average (Equity+Total borrowings + Deferred Tax Liabilities)]				
(k) Return on investment (%) - Equity investment in Joint venture	**2.89%**	8.69%	-67%	Refer Note (iii)
[Closing Value of Investment + Dividend during the year - (Opening Value of Investment + Additional Investment during the year) / Opening Value of Investment + (Additional Investment during the year - Dividend during the year)/2]				

Note: (i) The profitability during the current year is significantly higher resulting from best ever physical performance coupled with robust margins with consequential improvement on the leverage position and profitability ratios.

(ii) Variation mainly on account of increase in Sales due to increase in products and also volatility in prices during the year.

(iii) Mainly due to receipt of higher dividend from our Joint venture , Indian Addtives Limited.

G.M. KAPADIA & CO. CHENNAI Chartered Accountants

CHENNAI PETROLEUM CORPORATION LIMITED
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Note – 44 : OTHER DISCLOSURES

1 The 9 MMTPA refinery project at Cauvery Basin Refinery, Nagapattinam was approved by the Board of Directors of Indianoil Corporation, (the holding company) in January 2021 for implementation through a Separate Joint Venture. The Joint Venture Company, Cauvery Basin Refinery and Petrochemicals Ltd (CBRPL). has since been incorporated during the year.

At the year-end on 31st Mar 2023 an amount of Rs.867.87 Cr and Rs.11.06 Cr, (2022: Rs. 618.46 Cr and Rs. 25.06 Cr) being the actual expenditure and the associated liabilities on the project, which has been considered as Asset/ Liability included in disposal group held for Transfer respectively. This group consists of CWIP, Intangible assets under development, advances for capital expenditure, construction period expenses and liability for capital expenditure amounting to Rs.384.31 Cr (2022: Rs.253.83 Cr), Rs.282.83 Cr (2022: Rs. 259.36 Cr), Rs 20.08 Cr (2022: Rs. 0.24 Cr), Rs 180.65 Cr (2022: Rs 105.03 Cr) and Rs 11.06 Cr (2022: Rs. 25.06 Cr) respectively as at 31st March 2023. The capital commitment as at 31st March 2023 for this group is Rs. 1805.72 Cr (2022: Rs.1545.31 Cr) in respect of this project.

As per Joint Venture agreement entered between CPCL, IOCL and other seed investors on 22nd Nov 2022, the expenditure incurred by CPCL on behalf of the Joint Venture shall be considered as CPCL's contribution towards share capital or Quasi-Equity Instruments or as may be decided later as permissible by Applicable law.

The Company is in the process of obtaining necessary approvals from the Administrative Ministry. Upon the receipt of requisite approval, the assets included in the disposal group held for transfer shall be dealt with accordingly.

2 The Company has refineries at two locations viz., Manali and Nagapattinam (Cauvery Basin Refinery - CBR). The operations of the CBR unit have been stopped from 01.04.2019. Accordingly, the value in use was negative and, the recoverable value of the assets was reviewed and it was estimated that there would not be any recoverable value for the same and impairment loss was recognised.
Some of the Assets to the extent of gross block of Rs. 17.09 crore and accumulated Depreciation of Rs. 11.00 crore in respect of which impairment to the extent of Rs. 6.09 crore was provided, has been dismantled and scrapped during the year. Impairment provision of Rs. 93.66 crore is continued in respect of the balance Assets.

3 The Government of India w.e.f. 01.07.2022, levied Duties on Export of Petroleum products at the rates notified on fortnightly basis, which have been reckoned in the Refinery Transfer Pricing. This has resulted in lower revenue realisations with significant impact on the profitability for and upto the quarter.

4 As part of CSR activities, CPCL sponsors polytechnic college, for which twenty acres of land of the company has been leased to the CPCL Educational Trust for a period of 50 years.

5 (a) The cost of land includes provisional payments towards cost, compensation, and other accounts for which detailed accounts are yet to be received from the authorities concerned.

(b) The company has valid title for all immovable properties. However, in respect of 186.93 acres of land allotted by Government of Tamil Nadu (classified as Poramboke) assignment deed is yet to be received. Out of this, value is to be determined by Government of Tamilnadu in respect of 135.93 acres.

(c) Pending decision of the Government/Court, additional compensation, if any, payable to the landowners and the Government for certain lands acquired, is not quantifiable, and hence not considered.

6 The company operates only in a single segment viz. downstream petroleum sector. As such reporting is done on a single segment basis.

7 There are no other significant subsequent events that require adjustments or disclosures in the financial statements as at balance sheet date, other than those disclosed above.

8 **Other disclosures as required under Schedule III to the Companies Act, 2013**
(i) Title deeds of Immovable properties not held in the name of company

Relevant item in Balance sheet	Gross carrying value (Rs. In Crores) 31.03.2023	31.03.2022	Acres	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter/ director	Property held since which date	Under Dispute (Yes/ No)	Reason for not being held in the name of the company
PPE - Freehold Land	Nil	Nil	40.69 acres	CPCL*	Not applicable	26.04.1990	No	The Tamilnadu Government has allotted the land for which permission to enter upon the land dated 26.04.1990 is available. However assignment deed is not yet executed.
PPE - Freehold Land	0.18	0.18	50.93 acres	CPCL*	Not applicable	31.05.1984	No	GO No. 605 dt 31.05.1984 directs to handover the possession of property to Company. However, assignment deed is not yet executed.
PPE - Freehold Land	Nil	Nil	94.39 acres	CPCL*	Not applicable	03.12.2001 & 20.02.2009	No	The Tamilnadu Government has allotted the land for which permission to enter upon the land dated 03.12.2001 & 20.02.2009 is available. However, assignment deed is not yet executed.

* Subject to reasons mentioned

(ii) The company has following transactions/balances with companies, struck off under Section 248 of the Companies Act, 2013 /Section 560 of Companies Act, 1956.

Name of the struck off company	Nature of transactions with struck off company	Balance outstanding as at current period Rs in Crore	Relationship with the struck off company	Balance outstanding as at previous period Rs in Crore	Relationship with the struck off company
Argus media	Trade payables	0.000	Not a related party	0.000	Not a related party
Skpei engineering works private ltd	Trade payables	0.003		0.003	
Aspen technology inc.	Trade payables	0.000		0.000	
Arun tech indt services pvt ltd	Trade payables	0.000		0.005	
Mcog engg and fabrication pvt ltd	Trade payables	0.000		0.000	
Polycab wires & cables pvt ltd	Trade payables	0.000		0.000	
Alliance aviation private limited	Trade payables	0.000		0.000	
The national sugar mills ltd	Customer Advances	0.009		0.004	
Sri anjaneya agro tech private limited	Customer Advances	0.000		0.000	
Total		**0.012**		**0.012**	

9 Previous year's comparative figures have been regrouped, reclassified and recast wherever necessary and the related disclosures are included in the respective notes.

for and on behalf of Board of Directors

(Arvind Kumar)
Managing Director
DIN - 09224177

(Rohit Kumar Agrawala)
Director (Finance)
DIN - 10048961

(P.Shankar)
Company Secretary
ACS -7624

As per our Report of even date

For G.M.Kapadia & Co.
Chartered Accountants
(FRN: 104767W)

G.M. KAPADIA & CO. CHENNAI Chartered Accountants

Satya Ranjan Dhall
Partner
Membership No. 214046
Place : Chennai
Date : 27-Apr-2023