



Report of the Statutory Auditors

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Independent Auditors' Report

To

The Members of Chennai Petroleum Corporation Limited

Report on the Financial Statements:

1. We have audited the accompanying financial statements of Chennai Petroleum Corporation Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements:

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility:

3. Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.
4. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.



Opinion:

6. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles Generally Accepted in India, of the state of affairs of the Company as at 31st March, 2015 and its Loss and its cash flows for the year ended on that date.

Report on other Legal and Regulatory Requirements:

7. As required under section 143(5) of the Companies Act, 2013, we give in the Annexure I our report on the directions issued by the Comptroller and Auditor General of India.
8. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure II a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
9. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164(2) of the Act
 - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements. (Refer Note 28(1) (b) to the financial statements);
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - (iii) The amount required to be transferred to the Investor Education and Protection fund has been transferred within the stipulated time.

For CHANDRAN & RAMAN
Chartered Accountants
(FRN NO: 000571S)
S.Pattabiraman
Partner
(Membership No. 14309)

For S.VENKATRAM & CO
Chartered Accountants
(FRN NO: 004656S)
R.Vaidyanathan
Partner
(Membership No. 18953)

Place : New Delhi
Date : May 23, 2015

ANNEXURE TO INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 7 of our report of even date

On the basis of checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

- a. The Company has not been selected for disinvestment and hence reporting on this direction does not arise.
- b. There were no cases of waiver/write off of the debts, loans/interest etc, during the year.
- c. The company has maintained adequate records in respect of inventories lying with the third parties. No assets have been received by the Company as gift from Government or other authorities during the year.
- d. Age wise analysis of pending legal / arbitration cases is as given below:

S.no	Pending Legal / Arbitration Cases	0 - 3 years	4 - 5 years	More than 5 years
1	Indirect Tax – Disputed cases	1	-	3
2	Labour & Staff welfare cases	1	1	11
3	Land acquisition Cases	1	-	5
4	Dispute with contractors/vendors	7	3	21
5	Other Miscellaneous Cases	3	-	5
	Total	13	4	45

As informed to us, the pendency of legal/arbitration cases is due to legal formalities in Court proceedings. The legal expenses are incurred in accordance with the delegation of powers laid down.

Place : New Delhi
Date : May 23, 2015

For CHANDRAN & RAMAN
Chartered Accountants
(FRN NO: 000571S)
S.Pattabiraman
Partner
(Membership No. 14309)

For S.VENKATRAM & CO
Chartered Accountants
(FRN NO: 004656S)
R.Vaidyanathan
Partner
(Membership No. 18953)



**ANNEXURE TO INDEPENDENT AUDITOR'S REPORT
Referred to in paragraph 8 of our report of even date**

On the basis of checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

- (i) In respect of Fixed Assets:
 - a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - b. All the assets have not been physically verified by the management during the year but there is a regular programme of verification, which in our opinion is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
- (ii) In respect of Inventories:
 - a. The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
 - b. The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c. The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and book records were not material and have been properly dealt with in the books of account.
- (iii) We are informed that there is no Company, firm or party to be listed in the register referred to in section 189 of Companies Act, 2013 and hence we have no comments to offer in this respect.
- (iv) In our opinion and according to the information and explanation given to us, there exists an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventory, fixed assets and with regard to sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weakness in the internal control system of the company.
- (v) The company has not accepted any deposits from public. Hence we have no comments to offer in respect of the same.
- (vi) We have broadly reviewed the books of accounts maintained by the company pursuant to the rules made by the Central Government for maintenance of cost records under Sec 148(1) of the Companies Act 2013 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained.
- (vii) In respect of Statutory Dues:
 - a. The Company has been generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Income Tax, Sales Tax, Wealth Tax, Service Tax, Excise Duty, Customs Duty, Value added Tax, cess and other material statutory dues with the appropriate authorities during the year applicable to it. We are informed that there are no employees who are eligible to be covered under Employees State Insurance scheme.
 - b. The details of disputed dues of Income Tax, Sales Tax, Excise Duty, Customs Duty, and Value added Tax which have not been deposited, as on 31st March 2015 are given in Annexure -III to our report.
 - c. The amount required to be transferred to the Investor Education and Protection Fund in accordance with relevant provisions of the Companies Act 1956 and rules made thereunder has been transferred to such fund within the time.
- (viii) The accumulated losses of the company as at 31st March 2015 is more than 50% of its Net worth. The Company has incurred cash loss of ₹ 51626.41 lakhs during the financial year covered by our audit. The Company has not incurred cash loss in the immediately preceding financial year.
- (ix) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions or banks or debenture holders.
- (x) In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions. Hence we have no comments to offer, in this regard.
- (xi) No term loans were obtained by the company during the year under audit.

- (xii) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

<p>Place : New Delhi Date : May 23, 2015</p>	<p>For CHANDRAN & RAMAN Chartered Accountants (FRN NO: 000571S) S.Pattabiraman Partner (Membership No. 14309)</p>	<p>For S.VENKATRAM & CO Chartered Accountants (FRN NO: 004656S) R.Vaidyanathan Partner (Membership No. 18953)</p>
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Statement of Disputed Dues

Annexure - III

Name of the Statute	Nature of the dues	Disputed Amounts (₹ in Lakhs) (Including Interest)	Amount paid under protest / Predeposit (₹ in Lakhs)	Period to which the amount relates	Forum where the dispute is pending
Tamil Nadu Value Added Tax Act	Value Added Tax Dues	5592.08	-	2007-08	High Court (Tamil Nadu)
Tamil Nadu Value Added Tax Act	Value Added Tax Dues	1029.75	470.16	2007-08	Tribunal & Dy. Commissioner CT - III Tamilnadu
Tamil Nadu Value Added Tax Act	Value Added Tax Dues	6871.86	-	2008-09	High Court (Tamil Nadu)
Tamil Nadu Value Added Tax Act	Value Added Tax Dues	399.73	129.18	2008-09	Tribunal & Dy. Commissioner CT - III Tamilnadu
Tamil Nadu Value Added Tax Act	Value Added Tax Dues	3916.48	-	2009-10	High Court (Tamil Nadu)
Tamil Nadu Value Added Tax Act	Value Added Tax Dues	1543.07	762.80	2009-10	Tribunal & Dy. Commissioner CT - III Tamilnadu
Tamil Nadu Value Added Tax Act	Value Added Tax Dues	6028.07	1507.06	2012-13, 2013-14, 2014-15 (Upto Oct'14)	Joint Commissioner Appeal
Andhra Pradesh Value Added Tax Act	Value Added Tax Dues	1731.81	626.20	Apr 2005 to Nov 2007	AP State Appellate Tribunal
Central Sales Tax Act	Sales Tax Dues	161.99	-	1991-92	Dy. Commissioner CT - III Tamilnadu
Central Sales Tax Act	Sales Tax Dues	97.27	32.42	2013-14	Joint Commissioner Appeal
Central Excise Act	Excise Dues	146.61	-	Aug 2003 to May 2004	Customs Excise and Service Tax Appellate Tribunal
Central Excise Act	Excise Dues	98.78	-	Jan 2005 to Jun 2005	Customs Excise and Service Tax Appellate Tribunal
Income Tax Act	Income Tax Dues	2621.96	1,228.00	AY 2011-12	Commissioner of Income Tax (Appeals)



Comments of CAG

Comments of the Comptroller and Auditor General of India → 84

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF CHENNAI PETROLEUM CORPORATION LIMITED FOR THE YEAR ENDED 31 MARCH 2015

The preparation of financial statements of **Chennai Petroleum Corporation Ltd. (CPCL)** for the year ended 31 March 2015 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act are responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated **23-05-2015**.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 143(6)(a) of the Act of the financial statements of **Chennai Petroleum Corporation Limited** for the year ended 31 March 2015. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records. On the basis of my audit, nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditor's report.

For and on the behalf of the
Comptroller & Auditor General of India

(G. SUDHARMINI)
PRINCIPAL DIRECTOR OF COMMERCIAL AUDIT &
EX-OFFICIO MEMBER AUDIT BOARD

Place: Chennai
Date: 01.07.15



Financial Information

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Balance Sheet as at March 31, 2015

(₹ in Lakhs)

Particulars	Note No.	March 31, 2015	March 31, 2014
I EQUITY AND LIABILITIES			
(1) Shareholders' Funds:			
a) Share Capital	2	14900.46	14900.46
b) Reserves and Surplus	3	150607.25	157344.36
		165507.71	172244.82
(2) Non-Current Liabilities			
a) Long-term borrowings	4	100000.00	200000.00
b) Deferred tax liabilities (Net)	5	-	70339.89
c) Other Long-term liabilities	6	482.40	406.96
d) Long-term provisions	7	4561.44	3699.10
		105043.84	274445.95
(3) Current liabilities			
a) Short-term borrowings	8	339905.94	345219.81
b) Trade payables	9	319404.06	521546.21
c) Other current liabilities	6	156279.03	73085.99
d) Short-term provisions	7	9321.54	7682.96
		824910.57	947534.97
TOTAL		1095462.12	1394225.74
II ASSETS			
(1) Non-Current Assets			
a) Fixed Assets			
i) Tangible Assets	10	407035.62	428407.84
ii) Intangible Assets	11	644.42	779.62
iii) Capital Work-in-Progress	12	77645.89	33939.76
iv) Intangible Assets under development	13	596.98	472.02
		485922.91	463599.24
b) Non-current investments	14	2542.40	2482.05
c) Long-term loans and advances	15	12726.02	9332.99
		501191.33	475414.28
(2) Current Assets			
a) Inventories	17	380509.02	669773.93
b) Trade receivables	18	182810.73	222282.15
c) Cash and cash equivalents	19	3990.53	4602.49
d) Short-term loans and advances	15	26846.12	22093.83
e) Other current assets	16	114.39	59.06
		594270.79	918811.46
TOTAL		1095462.12	1394225.74
Statement of Significant Accounting Policies	1		
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(Gautam Roy)
Managing Director(S. Krishna Prasad)
Director (Finance)(P.Shankar)
Company Secretary

As per our Report of even date

Chandran & Raman
Chartered Accountants
(S.Pattabiraman)
(Membership No.14309)
(FRN: 000571S)S. Venkatram & Co.
Chartered Accountants
(R. Vaidyanathan)
(Membership No.18953)
(FRN: 004656S)Place : New Delhi
Date : May 23, 2015



Statement of Profit and Loss for the year ended March 31, 2015

(₹ in Lakhs)

Particulars	Note No.	March 31, 2015	March 31, 2014
I. Revenue from Operations (Gross)	20	4789630.40	5395472.95
Less: Excise Duty		603033.84	461210.43
Revenue from Operations (Net)		4186596.56	4934262.52
II. Other Income	21	3670.31	2734.77
III. Total Revenue		4190266.87	4936997.29
IV. Expenses:			
Cost of materials consumed	22	3925216.65	4707503.64
Purchase of Stock-in-Trade	30	28165.43	37377.73
Changes in Inventories of finished goods and Work-in-progress (Increase) / Decrease	23	132080.53	(7210.98)
Employee benefits expense	24	33870.55	29185.56
Finance costs	25	40373.07	56797.03
Depreciation and Amortisation on :			
a) Tangible Assets	10	22475.99	38635.20
b) Intangible Assets	11	136.34	322.46
Other expenses	26	81740.91	108829.08
Total expenses		4264059.47	4971439.73
V. Profit / (Loss) before Prior Period, Exceptional and Extraordinary Items and Tax		(73792.60)	(34442.44)
VI. Income / (Expenses) pertaining to previous years (Net)	27	(446.14)	1346.47
VII. Profit / (Loss) before Exceptional and Extraordinary Items and Tax		(74238.74)	(33095.97)
VIII. Exceptional Items		-	-
IX. Profit / (Loss) before Extraordinary Items and Tax		(74238.74)	(33095.97)
X. Extraordinary Items		-	-
XI. Profit / (Loss) Before Tax		(74238.74)	(33095.97)
XII. Tax expenses:			
(a) Current tax		-	-
(b) Pertaining to earlier years		-	(2341.78)
(c) Deferred tax		-	(369.30)
(d) Deferred tax - Prior Period	5	(70339.89)	-
XIII. Profit / (Loss) for the period from continuing operations(XI-XII)		(3898.85)	(30384.89)
XIV. Profit / (Loss) from discontinuing operations		-	-
XV. Tax expense of discontinuing operations		-	-
XVI. Profit / (Loss) from discontinuing operations (after tax) (XIV-XV)		-	-
XVII. Profit / (Loss) for the period (XIII+XVI)		(3898.85)	(30384.89)
XVIII. Earning per equity share:			
(a) Basic (₹)		(2.62)	(20.40)
(b) Diluted (₹)		(2.62)	(20.40)
Face Value per share (₹)		10.00	10.00

Statement of Significant Accounting Policies 1
Notes on Financial Statement 2 to 33

(Gautam Roy)
Managing Director

(S. Krishna Prasad)
Director (Finance)

(P.Shankar)
Company Secretary

As per our Report of even date

Chandran & Raman
Chartered Accountants
(S.Pattabiraman)
(Membership No.14309)
(FRN: 000571S)

S. Venkatram & Co.
Chartered Accountants
(R. Vaidyanathan)
(Membership No.18953)
(FRN: 004656S)

Place : New Delhi
Date : May 23, 2015

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015

(₹ in Lakhs)

Particulars	March 31, 2015	March 31, 2014
A. Cash Flow from Operating Activities		
Profit Before Tax	(74238.74)	(33095.97)
Adjustments for :		
Depreciation and Amortisation (Including Prior period)	22612.33	39015.98
Income from Long - term Investment	(652.05)	(649.11)
Profit on Sale of Assets	(6.43)	(1.49)
Liabilities/Prov. for Claims written back	(702.72)	(310.14)
Provision for Doubtful Debts, Advances, Claims, CWIP, Obsolescence Stores, Capital Stores etc.	682.53	470.29
Loss on Assets Sold /Discarded	592.75	63.41
Finance Cost	40373.07	56797.03
Interest income from short term investment	(105.68)	(30.94)
B. Operating Profit Before Working Capital Changes	(11444.94)	62259.05
C. Changes in Working Capital		
(Excluding Cash & Bank Balances)		
Trade and Other Receivables	31270.77	37049.53
Inventories	288582.38	(31592.19)
Trade and Other Payables	(200724.96)	46343.38
Change in Working Capital	119128.19	51800.71
D. Cash generated from Operations (A+B+C)	107683.24	114059.77
E. Adjustments for		
Direct Taxes	-	-
F. Net Cash Flow from Operating Activities (D+E)	107683.24	114059.77
G. Cash Flow from Investing Activities		
Purchase of Fixed Assets	(48379.48)	(28569.30)
Sale of Assets	18.90	17.98
Investments (Net)	(60.35)	(57.41)
Interest Income	105.68	30.94
Income from long term investment	652.05	649.11
Net Cash used in Investment Activities	(47663.20)	(27928.68)



(Contd.,)
(₹ in Lakhs)

Particulars	March 31, 2015	March 31, 2014
H. Net Cash Flow from Financing Activities		
Proceeds from / (Repayments of) Long Term Borrowings	(14742.29)	80631.33
Proceeds from / (Repayments of) Short Term Borrowings	(5313.87)	(111214.21)
Interest Paid	(40575.84)	(55036.86)
Net Cash Generated/(Used) from Financing Activities	(60632.00)	(85619.74)
I. Net change in Cash & Cash Equivalents (F + G + H)	(611.96)	511.34
J. Cash and Cash Equivalents at the end of Financial Year	3990.53	4602.49
K. Cash and Cash Equivalents at the beginning of Financial Year	4602.49	4091.15
Net Change in Cash and Cash equivalents (J-K)	(611.96)	511.34

Notes :

1. Cash and Cash Equivalents include

1. Cash Balances				
a) Cash balances including imprest		0.08		-
2. Bank Balances with Scheduled Banks :				
a) Current Account	3530.90		4171.92	
b) Deposit Account	459.55	3990.45	430.57	4602.49
Total		3990.53		4602.49

2. The Previous year's figures have been regrouped wherever necessary for uniformity in presentation

(Gautam Roy)
Managing Director

(S. Krishna Prasad)
Director (Finance)

(P.Shankar)
Company Secretary

As per our Report of even date

Chandran & Raman
Chartered Accountants
(S.Pattabiraman)
(Membership No.14309)
(FRN: 000571S)

S. Venkatram & Co.
Chartered Accountants
(R. Vaidyanathan)
(Membership No.18953)
(FRN: 004656S)

Place : New Delhi
Date : May 23, 2015

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

NOTE 1

1. BASIS OF PREPARATION

- 1.1 The financial statements are prepared under historical cost convention in accordance with the mandatory accounting standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- 1.2 The preparation of financial statements requires the management to make estimates and assumptions that affect the reported amount of assets, liabilities and disclosure of contingent liabilities as at the date of the financial statements. Management believes that these estimates and assumptions are reasonable and prudent. However, actual results could differ from estimates.

2. FIXED ASSETS

2.1 Tangible Assets

- 2.1.1 Fixed assets are stated at cost of acquisition less accumulated depreciation / amortization.
- 2.1.2 Land acquired on perpetual lease as well as on lease for over 99 years is treated as free hold land.
- 2.1.3 Land acquired on lease for 99 years or less is treated as leasehold land.
- 2.1.4 Technical know-how / license fee relating to plants/facilities are capitalised as part of cost of the underlying asset.

2.2 Capitalisation of Construction Period Expenses

- 2.2.1 Revenue expenses exclusively attributable to projects incurred during construction period are capitalised.
- 2.2.2 Financing cost incurred during construction period on loans specifically borrowed and utilised for projects is capitalised on quarterly basis up to the date of capitalisation.
- 2.2.3 Financing cost, if any, incurred on general borrowings used for projects is capitalised at the weighted average cost.

2.3 Capital Stores

- 2.3.1 Capital stores are valued at cost. Specific provision is made for likely diminution in value, wherever required.

2.4 Intangible Assets

- 2.4.1 Technical know-how / license fee relating to production process and process design are accounted for as intangible assets and amortized on a straight line basis over a period of ten years or life of the said plant/facility, whichever is earlier.
- 2.4.2 Expenditure incurred on Research and Development, other than on capital account, is charged to revenue.
- 2.4.3 Costs incurred on computer software purchased/developed on or after 1st April 2003, resulting in future economic benefits are capitalized as Intangible Asset and amortised over a period of three years beginning from the quarter in which such software is capitalized. However, where such computer software is still in development stage, costs incurred during the development stage of such software are accounted as 'Intangible Assets Under Development'.
- 2.4.4 Cost of Right of way for laying pipelines is capitalised and amortised on a straight line basis over the period of such Right of way or 99 years whichever is less.

2.5 Depreciation / Amortisation

- 2.5.1 Cost of tangible fixed assets (net of residual value) is depreciated on straight-line method on the useful life prescribed in Schedule II to the Companies Act, 2013. Depreciation is charged pro-rata on quarterly basis on assets, from/upto the quarter of capitalisation/sale, disposal / dismantled during the year. Residual value is considered between 1% to 5% of cost of assets.
- 2.5.2 Assets costing upto ₹ 5000/- per item are depreciated fully in the year of capitalisation. Insurance spares are depreciated fully over the remaining useful life of the main asset.
- 2.5.3 Capital expenditure on assets on which the ownership and control does not vest with the company are charged to revenue in the year in which it is incurred.
- 2.5.4 Cost of leasehold land (including premium) for 99 years or less is amortised over the lease period.

2.6 Impairment of Assets

As at each balance sheet date, the carrying amount of Cash Generating Units/Assets is tested for impairment so as to determine:

- (a) the provision for impairment loss, if any, required; or
- (b) the reversal, if any, required of impairment loss recognized in previous periods.

Impairment loss is recognised where the carrying amount of an asset exceeds recoverable amount.



3. OPERATING LEASES (Other than Land leases)

Lease rentals are recognised as expense or income on a straight line basis with reference to lease terms except where another systematic basis is more representative of the time pattern of the benefit derived from the asset taken or given on lease.

4. BORROWING COST

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

5. FOREIGN CURRENCY TRANSLATION

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

5.2 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 as at the end of reporting period.

5.3 Non-monetary items denominated in foreign currency (such as investments, fixed assets etc) are valued at the exchange rate prevailing on the date of transaction.

5.4 (a) 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 & Loss either under the head foreign exchange fluctuation or interest cost, as the case may be, except those relating to long-term foreign currency monetary items relating to acquisition of depreciable assets.

(b) Exchange differences on long-term foreign currency monetary items relating to acquisition of depreciable assets are adjusted to the carrying cost of the assets and fully depreciated over the balance life of the assets.

5.5 Premium/discount arising at the inception of the forward exchange contracts entered into to hedge foreign currency risks are amortised as expense/income over the life of the contract. Outstanding forward contracts as at the reporting date are restated at the exchange rate prevailing on that date.

6. INVESTMENTS

6.1 Long-term investments are carried at cost and provision for diminution in the value thereof other than temporary in nature, is accounted.

6.2 Current investments are carried at lower of cost or market value.

7. INVENTORIES

7.1 Raw Materials

7.1.1 Crude oil is valued at cost determined on weighted average basis or net realisable value, whichever is lower.

7.1.2 Crude oil in-transit is valued at cost or net realisable value, whichever is lower.

7.2 Stock-in-process

Stock-in-process is valued at raw material cost plus fifty percent of the cost of conversion or net realisable value, whichever is lower.

7.3 Finished Products

7.3.1 Finished products are valued at cost determined on 'First-in-First-out' basis or net realisable value, whichever is lower. Cost of finished products is determined based on crude cost and processing cost.

7.3.2 Imported products in-transit is valued at CIF cost or net realisable value, whichever is lower.

7.4 Stores and Spares

7.4.1 Stores and Spares are valued at weighted average cost. In case of declared surplus/obsolete stores and spares, provision is made for likely loss on sale/disposal and charged to revenue. Necessary provisions are also made in respect of non-moving stores and spares after review.

7.4.2 Stores and Spares in transit are valued at cost

8. CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

8.1 Contingent Liabilities

8.1.1 Show Cause Notices issued by various Government Authorities are not considered as obligations.

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

8.1.3 The treatment in respect of disputed obligations, in each case above ₹ 5 lakhs, is as under:

- a) A provision is recognized in respect of present obligations where the outflow of resources is probable.
- b) All other cases are disclosed as contingent liabilities unless the possibility of outflow of resources is remote.

8.2 Capital Commitments

Estimated amount of contracts remaining to be executed on capital account above ₹ 5 lakhs in each case are considered for disclosure.

9. STATEMENT OF PROFIT AND LOSS

9.1 Revenue from sale of goods is recognised when significant risks and rewards are transferred to customers in accordance with the terms of sale.

9.2 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.

9.3 Other claims (including interest on outstandings) are accounted:

- a) When there is certainty that the claims are realizable
- b) Generally at cost

9.4 Income and expenditure are disclosed as prior period items only when the value exceeds ₹ 5 lakhs in each case.

9.5 Prepaid Expenses upto ₹ 5 lakhs in each case are charged to revenue.

10. TAXES ON INCOME

Provision for current tax is made as per the provisions of the Income Tax Act, 1961. Deferred Tax Liability / Asset resulting from 'timing difference' between book and taxable profit is accounted for considering the tax rate and laws that have been enacted or substantively enacted as on the Balance Sheet date. Deferred Tax Asset is recognized and carried forward only to the extent that there is virtual certainty that the asset will be realized in future.

11. EMPLOYEE BENEFITS

11.1 Short Term Benefits:

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

11.2 Post-Employment Benefits and Other Long Term Employee Benefits:

11.2.1 The Company's contribution to the Provident Fund is remitted to separate 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 and charged to Statement of Profit and Loss.

11.2.2 The Company operates defined benefit plans for Gratuity. 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 and are administered through a fund maintained by Insurance Company. Actuarial gains/losses are charged to Statement of Profit and Loss.

11.2.3 The liability of the Company in respect of superannuation scheme is restricted to the fixed contribution paid by the Company on a monthly basis towards the defined contribution scheme maintained by Insurance Company, which is charged off to revenue.

11.2.4 Obligations on Compensated Absences, Post Retirement Medical Benefits and Long Service Awards are provided using the projected unit credit method of actuarial valuation made at the end of the year.

11.3 Termination Benefits:

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

12. COMMODITY HEDGING

The realized gain or loss in respect of commodity hedging contracts, the pricing period of which has expired during the year are recognised in the Statement of Profit and Loss. However, in respect of those contracts the pricing period of which extends beyond the balance sheet date suitable provision for likely loss, if any, is made.



NOTE "2" - SHARE CAPITAL

(₹ in Lakhs)

Particulars	Note	March 31, 2015	March 31, 2014
(1) Authorised			
40,00,00,000 Equity Shares of ₹ 10 each		40000.00	40000.00
(2) Issued			
17,00,00,000 Equity Shares of ₹ 10 each	(i)	17000.00	17000.00
(3) Subscribed, Called-up and Paid-up			
14,89,11,400 (2014: 14,89,11,400) Equity Shares of ₹ 10 each		14891.14	14891.14
Add: Forfeited Shares (amount originally paid up)		9.32	9.32
TOTAL		14900.46	14900.46

(i) 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.

(4) Reconciliation of No. of Shares (Opening and Closing)

Opening Balance	148911400	148911400
Add : Bonus Shares issued during the year	-	-
Add : Shares issued on Amalgamation	-	-
Less : Shares bought back	-	-
Closing Balance	148911400	148911400

(5) Rights, preferences and restrictions attached to 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.

(6) Shares held by Holding Company

(₹ in lakhs)

	March 31, 2015	March 31, 2014
7,72,65,200 Equity Shares of ₹10 each (51.89%) fully paid-up, held by Indian Oil Corporation Limited, the Holding Company.	7726.52	7726.52

(7) Details of shareholders holding more than 5% shares

S.No.	Name of Shareholder	March 31, 2015		March 31, 2014	
		Number of Shares held	Percentage of Holding	Number of Shares held	Percentage of Holding
a)	Indian Oil Corporation Limited	7,72,65,200	51.89	7,72,65,200	51.89
b)	Naftiran Intertrade Company Limited	2,29,32,900	15.40	2,29,32,900	15.40

NOTE " 3 " - RESERVES AND SURPLUS (₹ in Lakhs)

Particulars	March 31, 2015	March 31, 2014
(1) Securities Premium Account :		
As per last account	25003.82	25003.82
(2) General Reserve :		
As per last account	339409.41	339409.41
Less : Carrying amount of assets less residual value of assets whose remaining useful life has become 'Nil' (Refer Note : 10)	(2838.26)	-
	336571.15	339409.41
(3) Statement of Profit and Loss :		
Balance brought forward from last year	(207068.87)	(176683.98)
Add: Profit / (Loss) for the Year	(3898.85)	(30384.89)
Balance carried forward to next year	(210967.72)	(207068.87)
TOTAL	150607.25	157344.36

NOTE " 4 " - LONG TERM BORROWINGS (₹ in Lakhs)

Particulars	Note	Non Current		Current Maturities	
		March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
(1) SECURED LOANS					
Debentures :					
10000 Nos. of 9.65% Secured Redeemable Non-Convertible Debentures of ₹ 10 Lakhs each redeemable at par - Series - II					
	(i)	100000.00	100000.00	-	-
10000 Nos. of 8.85% Secured Redeemable Non-Convertible Debentures of ₹ 10 Lakhs each redeemable at par - Series - I					
	(ii)	-	100000.00	100000.00	-
Term Loans:					
From Banks					
Foreign Currency Loan - (Nil; 2014 - USD 8.25 Mn)					
		-	-	-	4942.28
Sub - Total		100000.00	200000.00	100000.00	4942.28
(2) UNSECURED LOANS					
From Others					
Oil Industry Development Board					
		-	-	-	9800.00
Sub - Total		-	-	-	9800.00
TOTAL		100000.00	200000.00	100000.00	14742.28



Nature of Security and Terms of repayment for Secured Loans

Nature of Security	Terms of Repayment
(i) Secured Redeemable Non Convertible Debentures (Series-II) - First Charge on specific Plant & Machinery alongwith the underlying land together with all the building and structures standing on the said land to the extent of ₹ 100000 Lakhs.	Principal repayable at the end of 5 years from 10.01.2014 being date of allotment. Interest payable annually on 10th Jan at the rate of 9.65% p.a.
(ii) Secured Redeemable Non Convertible Debentures (Series-I) - First Charge on specific Plant & Machinery alongwith the underlying land together with all the building and structures standing on the said land to the extent of ₹ 100000 Lakhs.	Principal repayable at the end of 5 years or on the exercise of put/call option either in whole or in part at the end of 3 years from 18.02.2013 being date of allotment. Interest payable annually on 18th Feb at the rate of 8.85% p.a.

NOTE "5" - DEFERRED TAX LIABILITIES / (ASSETS) (NET)

During the current financial year , the company has recognized Deferred Tax Asset in respect of carry forward business loss and unabsorbed depreciation to the extent of Deferred Tax Liability of ₹ 70339.89 lakhs as per the accounts of previous year , which has a consequential impact on the profit for the current year. The said sum of ₹ 70339.89 lakhs constitutes a prior period item and disclosed accordingly. This accounting treatment is based on the opinion received by the company from the Expert Advisory Committee of the Institute of Chartered Accountants of India in July 2014 and due to future taxable income arising on account of reversal of timing differences.

(₹ in Lakhs)

Particulars	March 31, 2015	March 31, 2014
Deferred Tax Liability:		
Depreciation	75767.49	70339.89
Total Deferred Tax Liability (A)	75767.49	70339.89
Deferred Tax Assets:		
Carry forward Business Loss / Unabsorbed Depreciation	75767.49	-
Total Deferred Tax Assets (B)	75767.49	-
Deferred Tax Liability (Net)	TOTAL (A-B)	70339.89
	-	

NOTE "6" - OTHER LIABILITIES

Particulars	Note	(₹ in Lakhs)			
		Non Current		Current	
		March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
(1) Current Maturities of Long-Term Debt (Refer Note 4 (1)(ii))		-	-	100000.00	14742.28
(2) Interest accrued but not due on loans		-	-	3243.75	3446.53
(3) Unpaid Dividend	(i)	-	-	3501.59	3568.69
(4) Security Deposits		482.40	406.96	1747.24	1455.54
(5) Others	(ii)	-	-	47786.45	49872.95
Statutory Liabilities		-	-	28646.62	29806.53
Sundry Creditors - Projects		-	-	8707.39	13505.73
Employee Liabilities & Others		-	-	10432.44	6560.68
TOTAL		482.40	406.96	156279.03	73085.99

(i) There are no amounts due for payment to the Investor Education and Protection Fund as at the year end. Balance as at 31st March 2015 includes ₹ 3210.61 Lakhs (2014 : ₹ 3210.61 Lakhs) of unpaid dividend to Naftiran Inter trade company Limited (NICO) for the financial years ending 2011 and 2012 which could not be remitted due to sanctions imposed by US / European Union against Iran.

(ii) Other current liabilities includes dues to Indian Oil Corporation Ltd, the holding company - ₹ 0.23 Lakhs (2014 : ₹ 16.03 Lakhs)

NOTE " 7 " - PROVISIONS

(₹ in Lakhs)

PARTICULARS	Non Current		Current	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Provision for Employee Benefits	4561.44	3699.10	9321.54	7682.96
TOTAL	4561.44	3699.10	9321.54	7682.96



NOTE " 8 " - SHORT-TERM BORROWINGS

(₹ in Lakhs)

PARTICULARS	March 31, 2015	March 31, 2014
(1) SECURED LOANS		
Loans repayable on demand		
From Banks:		
a) In Foreign Currency		
Buyers' Credit	73130.85	-
(USD: 117 Mn ; 2014 : Nil)		
b) In Indian Rupees		
Working Capital Demand Loan	75500.00	135000.00
Cash Credit	451.04	-
Sub-Total (i)	149081.89	135000.00
(2) UNSECURED LOANS		
Loans repayable on demand		
From Banks/Financial Institutions:		
a) In Foreign Currency		
Packing credit foreign currency loan	69380.55	209720.00
(USD : 111 Mn; 2014 : USD 350 Mn)		
Buyers' Credit	61254.90	-
(USD : 98 Mn; 2014 : Nil)		
b) In Rupees		
Book Overdraft	188.60	499.81
Commercial Paper	60000.00	-
Total Unsecured Loans	190824.05	210219.81
TOTAL SHORT-TERM BORROWINGS	339905.94	345219.81

(i) Secured against hypothecation of current assets to the extent of ₹ 418400 Lakhs with State Bank of India (2014: ₹ 317500 lakhs)

NOTE " 9 " - TRADE PAYABLES

(₹ in Lakhs)

PARTICULARS	Note	March 31, 2015	March 31, 2014
Trade Payables:			
a) Total Outstanding dues to Micro, Small and Medium Enterprises	(i)	7.80	22.93
b) Total Outstanding dues to Related Parties	(ii)	198087.31	490126.35
c) Total dues to creditors other than Micro, Small and Medium Enterprises		121308.95	31396.93
TOTAL		319404.06	521546.21

(i) Disclosure required under the provisions of Section 22 of Micro, Small and Medium Enterprises Development Act, 2006.

The company sought written confirmation from its suppliers to identify Micro, Small and Medium enterprises.

No interest amount remains unpaid to such Micro and Small enterprises as on 31.03.2015 and no payments were made to such enterprises beyond the "appointed day" during the year. Also, the company has not paid any interest in terms of Section 16 of the above mentioned act or otherwise.

The above has been determined to the extent, such parties could be identified on the basis of information made available to the company.

(ii) Represents dues to Indian Oil Corporation Ltd, the holding company.

NOTE "10" - TANGIBLE ASSETS

(₹ in Lakhs)

Particulars	Note	GROSS BLOCK					DEPRECIATION / AMORTISATION				NET BLOCK		
		Gross block as at 01-Apr-14	Additions	Disposals	Transfers/ Deductions/ Adjustments/ Reclassifications	Gross Block as at 31-Mar-15 (Ref. Note No.E)	Depreciation and Amortisation as at 01-Apr-14	Charged to Statement of Profit and Loss	Depreciation and Amortisation for the year	Adjusted in General Reserve (Ref. Note No.F)	Depreciation on disposals/ transfers/ deductions etc upto 31-Mar-15	Total Depreciation and Amortisation upto 31-Mar-15	As at 31-Mar-15
Land													
- Freehold	A	3776.84	7.26	-	-	3784.10	-	-	-	-	-	3784.10	3776.84
- Leasehold	B	780.85	-	-	-	780.85	115.50	7.84	-	-	123.34	657.51	665.35
Buildings, Road etc.		20948.20	371.93	(197.91)	6285.80	27408.02	6513.52	1211.74	1191.11	5876.68	14793.05	12614.97	14434.69
Plant and Equipment	C	780101.70	3471.86	(2879.29)	(6142.65)	774551.62	375683.39	20380.84	864.80	(8480.05)	388448.98	386102.64	404418.31
Office Equipments		4143.39	309.60	(207.13)	-	4245.86	2499.77	486.86	581.55	(153.71)	3414.47	831.39	1643.62
Transport Equipments		2419.81	113.82	(79.68)	-	2453.95	1963.97	31.88	0.03	(75.58)	1920.30	533.65	455.84
Furniture and Fixtures		1988.60	129.62	(145.79)	-	1972.43	980.34	243.40	182.89	(71.93)	1334.70	637.73	1008.26
Railway Sidings	D	6.12	-	-	-	6.12	5.82	-	-	-	5.82	0.30	0.30
Drainage, Sewage and Water Supply System		2401.40	-	-	-	2401.40	396.76	113.43	17.88	-	528.07	1873.33	2004.64
Total		816566.91	4404.09	(3509.80)	143.15	817604.35	388159.07	22475.99	2838.26	(2904.59)	410568.73	407035.62	428407.85
Previous Year		805568.09	10187.20	(392.88)	1204.50	816566.91	349836.85	38635.20	-	(312.97)	388159.07	428407.84	455731.24

A : Gross block of Land includes ₹ 18.36 Lakhs deposited towards 50.93 acres of Land for which assignment deed is yet to be received from Govt. of TamilNadu.

B : Refer S.No. 2.1.3 and 2.5.4 of Note - 1, Significant Accounting Policies.

C : Adjustments / Reclassifications under Plant & Equipment includes.

(i) Adjustment: ₹ 143.15 Lakhs (2014: 1204.50 Lakhs) of exchange differences on long term foreign currency loans relating to acquisition of fixed assets adjusted to the carrying cost of the asset as per para 46A of AS 11 :Ref SI No. 5.4 of Significant Accounting Policies.

(ii) Reclassification: ₹ 6285.80 Lakhs of oil Jetty reclassified under Building, Road etc., and the corresponding accumulated depreciation of ₹ 5971.51 Lakhs reclassified.

D : 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

E : The cost of assets are net of VAT /GENVAT, wherever applicable.

F : Depreciation for the current year has been charged based upon the useful life of fixed assets as prescribed in Part C of the Schedule II of Companies Act 2013. Accordingly, from 01.04.2014, the carrying amount of the fixed assets has been depreciated over the remaining useful life. In respect of assets whose remaining useful life has become 'Nil', the Carrying amount as on 01.04.2014 less residual value, amounting to ₹ 2838.26 lakhs has been recognised in the opening balance of General Reserve. Due to the adoption of the revised useful life of assets as prescribed in Schedule II, the charge for depreciation in the Statement of Profit and Loss is lower by ₹ 15619.50 lakhs for the current year. The exercise in respect of componentization of major items of Plant & Equipment (mandatory from FY 2015-16) is under process.



NOTE "11" : INTANGIBLE ASSETS

(₹ in Lakhs)

Particulars	AT COST						AMORTISATION				NET BLOCK	
	Gross Block as at 01-Apr-14	Additions	Disposals	Transfers/ Deductions/ Adjustments/ Reclassifications	Gross Block as at 31-Mar-15	Amortisation as at 01-Apr-14	Amortisation for the year	Amortisation on disposals/ transfers/ deductions etc	Total Amortisation upto 31-Mar-15	As at 31-Mar-15	As at 31-Mar-14	
Right of Way	30.68	-	-	-	30.68	3.49	0.31	-	3.80	26.88	27.19	
Technical Know-How, Royalty and License Fees	3473.17	-	-	-	3473.17	2797.17	99.99	-	2897.16	576.01	676.00	
Software	1357.38	1.15	-	-	1358.53	1280.96	36.04	-	1317.00	41.53	76.42	
Total	4861.23	1.15	-	-	4862.38	4081.62	136.34	-	4217.96	644.42	779.61	
Previous Year	4753.53	107.70	-	-	4861.23	3700.84	380.78	-	4081.62	779.61	1052.69	



NOTE "12" CAPITAL WORK IN PROGRESS

(₹ in Lakhs)

PARTICULARS	March 31, 2015	March 31, 2014
(1) Construction Work in Progress - Tangible Assets (Including unallocated capital expenditure)	74323.72	30407.62
(2) Capital stores	3322.17	3437.88
(3) Capital Goods in Transit	-	94.25
(4) Construction Period Expenses pending allocation: Net expenditure during the year (Note -"12.1")	3734.90	1196.70
Less: Allocated to assets during the year	(3734.90)	(1196.70)
TOTAL	77645.89	33939.76

NOTE "12.1" CONSTRUCTION PERIOD EXPENSES (NET) DURING THE YEAR

(₹ in Lakhs)

PARTICULARS	March 31, 2015	March 31, 2014
(1) Payments to and Provision for Employees	889.94	916.03
(2) Travelling & Conveyance	14.62	16.48
(3) Interest	2822.72	250.69
(4) Other Expenses	7.62	13.50
Net Expenditure during the year	3734.90	1196.70

NOTE "13" INTANGIBLE ASSETS UNDER DEVELOPMENT

(₹ in Lakhs)

PARTICULARS	March 31, 2015	March 31, 2014
Capital Work in Progress - Intangible Assets	596.98	472.02
TOTAL	596.98	472.02

NOTE "14" NON CURRENT INVESTMENTS

(₹ in Lakhs)

PARTICULARS	NO. AND PARTICULARS OF SHARES/ UNITS	FACE VALUE PER SHARE ₹	March 31, 2015	March 31, 2014
(1) Trade Investments				
(Unquoted, at cost):				
Investment in Equity Instruments				
In Joint Venture Companies :				
a) Indian Additives Ltd.	1183401 Equity Shares fully paid	100	1183.40	1183.40
b) National Aromatics and Petrochemical Corporation Limited	25000 Equity Shares fully paid	10	2.50	2.50
Less: Provision for Diminution			2.50	2.50
			-	-
Investment in Others :				
Petroleum India International (AOP of Oil Companies)	Capital Fund Share in accumulated surplus		500.00	500.00
			848.10	787.75
			1348.10	1287.75
(2) Other Investments				
(Unquoted, at cost) :				
Investment in Equity Instruments				
BioTech Consortium India Ltd	100000 Equity Shares fully paid	10	10.00	10.00
Investment in Others :				
MRL Industrial Cooperative Service Society Ltd	9000 Shares fully paid	10	0.90	0.90
TOTAL			2542.40	2482.05
Aggregate value of Unquoted Non Current Investments			2544.90	2484.55
Aggregate value of provisions on Unquoted Non Current Investments			2.50	2.50

NOTE " 15 " - LOANS AND ADVANCES

(₹ in Lakhs)

PARTICULARS	NOTE	LONG TERM		SHORT TERM	
		March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
(1) Capital Advances					
Unsecured, Considered Good		5726.17	2035.84	-	-
(2) Advance recoverable in cash or in kind for value to be received:					
a) From Related Parties					
i) Secured, Considered Good	(i) (a)	4.33	-	0.40	-
ii) Unsecured, Considered Good	(i) & (ii)	4.87	4.10	1.27	0.62
b) From Others					
i) Secured, Considered Good		3867.32	4315.67	478.78	489.52
ii) Unsecured, Considered Good		1578.26	1698.03	3314.23	2530.20
		5454.78	6017.80	3794.68	3020.34
(3) Claims Recoverable :					
a) From Related Parties					
i) Unsecured, Considered Good	(iv)	-	-	-	0.50
ii) Unsecured, Considered Doubtful	(v)	1440.36	1440.36	1440.36	1440.36
Less : Provision for Doubtful Claims		1440.36	1440.36	1440.36	1440.36
		-	-	-	0.50
b) From Others					
i) Unsecured, Considered Good		-	-	9616.78	9132.56
ii) Unsecured, Considered Doubtful		-	-	478.05	364.95
Less : Provision for Doubtful Claims		-	-	10094.83	9497.51
		-	-	478.05	364.95
		-	-	9616.78	9132.56
(4) Balance with Customs, Port Trust and Excise Authorities:					
Unsecured, Considered Good				2598.36	1837.06
(5) Deposits for Leave Encashment Fund				7663.75	6483.08
(6) Advance Income Tax		360.04	230.83	-	-
(7) Materials given on loan to Related party - Unsecured, Considered Good	(iv)			60.23	7.96
(8) Advances against materials taken on loan from Related Party-Unsecured, Considered Good				-	9.21
Less: Material taken on Loan	(iv)			-	8.15
				-	1.06
(9) Sundry Deposits					
Unsecured, Considered Good		1185.03	1048.53	3112.32	1611.27
TOTAL	(vi)	12726.02	9332.99	26846.12	22093.83



NOTE " 15 " - LOANS AND ADVANCES

PARTICULARS	(₹ in Lakhs)					
	LONG TERM		SHORT TERM			
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
(i) Includes:						
Due from Directors	3.40	4.10	0.62		0.62	0.62
Maximum amount due during the year (2014-15: 4.72, 2013-14 : 4.74)						
(i) (a) Due from Officers	4.33	2.01	0.40		0.65	0.65
(ii) Due from Officers	1.47	4.64	0.65		0.50	0.50
Maximum amount due during the year (2014-15: 7.80 , 2013-14 : 8.31)						
(iv) Represents dues from Indian Oil Corporation Ltd, the holding company						
(v) Represents dues from National Aromatics and Petrochemicals Corporation Limited, Joint Venture Company						
(vi) Disclosure requirements of SEBI under Clause 32 of the Listing agreement						
1 Loans and advances in the nature of loans to parent company, Indian Oil Corporation Limited	Nil	Nil	Nil		Nil	Nil
Maximum amount outstanding during the year	Nil	Nil	Nil		Nil	Nil
2 Loans and advances in the nature of loans to associates	Nil	Nil	Nil		Nil	Nil
Maximum amount outstanding during the year	Nil	Nil	Nil		Nil	Nil
3 Loans and advances in the nature of loans where there is (i) no repayment schedule or repayment beyond seven years or (ii) no interest or interest under section 186 of Companies Act,2013	Nil	Nil	Nil		Nil	Nil
4 Loans and advances in the nature of loans to firms/companies in which directors are interested	Nil	Nil	Nil		Nil	Nil



NOTE "16" OTHER CURRENT ASSETS

(₹ in Lakhs)

PARTICULARS	March 31, 2015	March 31, 2014
(1) Interest Accrued on Investments/ Bank Deposits	47.47	36.43
(2) Gold Coins on Hand (at Cost)	66.92	22.63
(3) Premium on Forward Contract		
As per Last account	-	-
Add:-Expenditure during the year	151.65	-
	151.65	-
Less:Amortised during the year	151.65	-
	-	-
TOTAL	114.39	59.06

NOTE "17" INVENTORIES

(₹ in Lakhs)

PARTICULARS	NOTE	March 31, 2015	March 31, 2014
(1) Raw Materials			
On Hand		94471.02	198470.11
In Transit		99401.96	153012.55
		193872.98	351482.66
(2) Stores, Spares etc.			
On Hand		25747.70	25225.17
Less : Provision for Losses		2828.46	2337.17
		22919.24	22888.00
In Transit		660.05	265.99
		23579.29	23153.99
(3) Finished Products			
On Hand		117131.43	215259.02
(4) Stock in Process			
On Hand		45925.32	79878.26
TOTAL	(i)	380509.02	669773.93

(i) Refer Sl No 7 of Significant Accounting Policies for mode of valuation

NOTE "18" TRADE RECEIVABLES

(₹ in Lakhs)

PARTICULARS	NOTE	March 31, 2015	March 31, 2014
(1) Over Six Months:			
From Related Parties			
Unsecured, Considered Good	(i)	-	0.79
From Others			
i) Unsecured, Considered Good		306.83	607.64
ii) Unsecured, Considered Doubtful		116.60	-
		423.43	607.64
Less : Provision for Doubtful Debts		116.60	-
		306.83	608.43
(2) Other Debts :			
From Related Parties			
Unsecured, Considered Good	(i)	162287.09	152727.87
From Others			
a) Secured Considered Good	(ii)	9037.60	9347.19
b) Unsecured, Considered Good		11179.21	59598.66
		182503.90	221673.72
TOTAL		182810.73	222282.15

(i) Includes receivables from Indian Oil Corporation Ltd, the holding company - ₹ 161885.99 Lakhs. (2014: ₹ 152375.63 Lakhs) and receivables from Indian Additives Limited, Joint Venture Company - ₹ 401.10 Lakhs. (2014: ₹ 353.03 Lakhs)

(ii) Represents dues for which mortgage and first charge on an asset is in favour of the company to the extent of ₹ 10000 Lakhs. (2014: ₹ 10000 Lakhs)

NOTE "19" - CASH AND BANK BALANCES

(₹ in Lakhs)

PARTICULARS	NOTE	March 31, 2015	March 31, 2014
(1) Cash and Cash Equivalents			
a) Bank Balances with Scheduled Banks :			
Current Account		29.31	603.23
b) Cash balances, including imprest		0.08	-
(2) Other Bank Balances			
Balances with bank held as other commitments		459.55	430.57
Earmarked Balances (Unpaid Dividend)	6 (3) (i)	3501.59	3568.69
TOTAL		3961.14	3999.26
		3990.53	4602.49

NOTE "20" - REVENUE FROM OPERATIONS

(₹ in Lakhs)

PARTICULARS	NOTE	March 31, 2015	March 31, 2014
(1) Sale of Products	(i)	4791523.22	5395559.87
Less: Trade Discounts		3740.95	3189.91
Sales (Net of Discounts)		4787782.27	5392369.96
(2) Other Operating Revenues (Note "20.1")		1848.13	3102.98
TOTAL		4789630.40	5395472.95
		4789630.40	5395472.95

(i) In line with the scheme formulated by the Petroleum Planning and Analysis Cell (PPAC) under the Ministry of Petroleum and Natural Gas, the company has received an aggregate discount of ₹ 412063.58 Lakhs (2014: ₹ 395447.74 Lakhs) from Oil and Natural Gas Corporation Limited on Crude Oil purchase and has passed on the same as discounts on products sold to Indian Oil Corporation Limited, the holding company. Accordingly, Gross Sale of Products and Consumption of Raw Materials for the year are net of ₹ 412063.58 Lakhs. (2014: ₹ 395447.74 Lakhs).

Refer Note 30 - Finished Products - Quantity and Value Particulars, for product wise sales

NOTE "20.1" - OTHER OPERATING REVENUES

(₹ in Lakhs)

PARTICULARS	March 31, 2015	March 31, 2014
(1) Sale of Power	92.84	48.40
(2) Unclaimed liabilities / provisions written back	702.72	310.14
(3) Recoveries from Employees	90.72	103.09
(4) Sale of Scrap	961.85	2641.35
TOTAL	1848.13	3102.98



NOTE "21" - OTHER INCOME

(₹ in Lakhs)

PARTICULARS	NOTE	March 31, 2015	March 31, 2014
(1) Interest on :			
a) Loans and Advances		213.38	258.61
b) Short Term Deposits with Banks		105.68	30.94
c) Customer Outstandings		698.34	349.74
d) Others	(i)	1574.25	753.54
		2591.65	1392.82
(2) Dividend from Joint Venture	(ii)	591.70	591.70
(3) Profit on sale and disposal of Assets		6.43	1.49
(4) Other Non Operating Income	(iii)	480.53	748.76
TOTAL		3670.31	2734.77

- (i) Includes interest on Income Tax refunds ₹ 805.83 Lakhs (2014: ₹ 219.30 Lakhs)
(ii) Represents income from Non Current Trade Investment - Indian Additives Limited - Joint Venture Company.
(iii) Includes income from Petroleum India International (Non Current Trade Investments) ₹ 60.36 Lakhs (2014: ₹ 57.41 Lakhs)

NOTE "22" - COST OF MATERIALS CONSUMED

(₹ in Lakhs)

PARTICULARS	NOTE	March 31, 2015	March 31, 2014
Raw Materials Consumed :			
Opening Balance		351482.66	329147.53
Add : Purchases	(i)	3767606.97	4729838.77
		4119089.63	5058986.30
Less: Closing Stock		193872.98	351482.66
TOTAL	(ii)	3925216.65	4707503.64

- (i) Refer Note 20 (i) - Revenue from Operations.
(ii) Refer Note 31 - Consumption particulars of Raw Materials.

NOTE "23" - CHANGES IN INVENTORY

(₹ in Lakhs)

PARTICULARS	NOTE	March 31, 2015	March 31, 2014
Closing Stock			
a) Finished Products	(i)	117131.43	215259.02
b) Stock in Process		45925.32	79878.26
		163056.75	295137.28
Less:			
Opening Stock	(i)		
a) Finished Products		215259.02	224193.02
b) Stock in Process		79878.26	63733.28
		295137.28	287926.30
NET INCREASE/(DECREASE)		(132080.53)	7210.98

- (i) Refer Note 30 - Finished Products - Quantity and Value

NOTE " 24 " - EMPLOYEE BENEFIT EXPENSES

(₹ in Lakhs)

PARTICULARS	NOTE	March 31, 2015	March 31, 2014
(1) Employee Benefit Expenses:	(i)		
a) Salaries, Wages, Bonus etc		25206.28	22943.89
b) Contribution to Provident & Other Funds		3155.59	2812.41
c) Staff Welfare Expenses		5508.68	3429.26
TOTAL	(ii)	33870.55	29185.56

(i) Disclosure in compliance with Accounting Standard-15 (Revised) on "Employee Benefits" is given in Note 28. (Annexure I)

(ii) Includes Remuneration paid/payable to Key Management Personnel (KMP) as given below:

(₹ in Lakhs)

PARTICULARS	March 31, 2015	March 31, 2014
a) Salaries and Allowances	88.33	67.65
b) Contribution to Provident Fund/Superannuation Fund, etc	15.02	12.52
c) Other benefits and perquisites	2.51	0.72
TOTAL	105.86	80.89

NOTE "25" - FINANCE COST

(₹ in Lakhs)

PARTICULARS	March 31, 2015	March 31, 2014
(1) Interest Expense on:		
a) Fixed period loans from Banks/Financial Institutions/ Others	791.68	1738.65
b) Debentures	15987.71	11103.52
c) Short Term loans from Banks/Financial Institutions/ Others	17655.90	29172.83
d) Others	79.05	12.40
	34514.34	42027.39
(2) Other Borrowing Cost	38.17	53.37
(3) Applicable net (gain)/loss on foreign currency transactions and translation	5820.56	14716.26
TOTAL	40373.07	56797.03



NOTE " 26 " - OTHER EXPENSES

(₹ in Lakhs)

PARTICULARS	March 31, 2015	March 31, 2014
(1) Consumption:		
a) Stores, Spares and Consumables	7817.05	6490.79
b) Packages & Drum Sheets	153.86	111.59
	7970.91	6602.38
(2) Power, Water & Fuel	340245.73	377443.62
Less : Fuel from own production	334709.60	372538.95
	5536.13	4904.67
(3) Irrecoverable taxes - Central Sales Tax	22907.38	21131.09
(4) Repairs and Maintenance		
i) Plant & Machinery	10332.86	15563.28
ii) Buildings	264.89	657.87
iii) Others	3604.60	2854.18
	14202.35	19075.33
(5) Freight, Transportation Charges and Demurrage	3647.01	3081.27
(6) Office Administration, Selling and Other Expenses (Note "26.1")	29499.74	56961.46
TOTAL	83763.52	111756.20
(7) Excise Duty	601011.23	458283.31
Less: Excise Duty on Transfer of Products	603033.84	461210.43
Excise Duty (Net)	(2022.61)	(2927.12)
TOTAL (Net)	81740.91	108829.08

NOTE "26.1" - OFFICE ADMINISTRATION, SELLING AND OTHER EXPENSES

(₹ in Lakhs)

PARTICULARS	NOTE	March 31, 2015	March 31, 2014
(1) Rent		1924.48	2197.03
(2) Insurance		2532.65	2424.15
(3) Rates & Taxes		185.89	387.91
(4) Payment to auditors			
a) Audit Fees		10.00	10.00
b) Tax Audit Fees		4.75	2.25
c) Other Services		5.90	5.90
		20.65	18.15
(5) Travelling & Conveyance		1869.80	1979.04
(6) Communication Expenses		170.80	199.31
(7) Printing & Stationery		89.67	97.86
(8) Electricity & Water		62.26	49.86
(9) Bank Charges		104.29	101.49
(10) Loss on Assets Sold /Discarded		200.61	63.41
(11) Technical Assistance Fees		545.63	535.86
(12) Exchange Fluctuation (net)		14659.67	43660.11
(13) Provision for Doubtful Debts, Advances, Claims, CWIP, Obsolescence Stores, Capital Stores etc.		682.53	470.29
(14) Security Force Expenses		1927.82	1676.14
(15) Terminalling & Handling Charges		3020.98	1584.44
(16) Expenses on CSR Activities		119.26	116.97
(17) Miscellaneous Expenses	(i)	1382.75	1399.44
TOTAL		29499.74	56961.46

(i) Refer Sl No.11 in Note 28 (Annexure -II)

Miscellaneous Expenses include:

- a) Expenditure on Public Relations and Publicity amounting to ₹ 143.66 lakhs (2014: ₹ 149.56 lakhs). The ratio of annual expenditure on Public Relations and Publicity to the annual turnover is 0.00003000:1 (2014: 0.00002412:1).
- b) Entertainment Expenses ₹ 17.68 lakhs (2014: ₹ 24.12 lakhs).

NOTE " 27 " - INCOME / EXPENSES RELATING TO PREVIOUS YEARS

(₹ in Lakhs)

PARTICULARS	March 31, 2015	March 31, 2014
Income:		
(1) Miscellaneous Income	-	-
Total Income	-	-
Expenditure:		
(1) Raw Materials Consumption	-	(1430.68)
(2) Amortization on Intangible assets	-	58.32
(3) Loss on Assets Discarded	392.14	-
(4) Technical fees	54.00	-
(5) Power and Fuel	-	25.90
Total Expenses	446.14	(1346.47)
NET INCOME /(EXPENDITURE)	(446.14)	1346.47



NOTE 28

1. Contingent Liabilities:

- a) Claims against the company not acknowledged as debts ₹ 38669.59 lakhs (2014: ₹ 30524.95 lakhs). These mainly include:
 - i) ₹ 619.54 lakhs (2014: ₹ 344.19 lakhs) in respect of Central Excise.
 - ii) ₹ 27028.27 lakhs (2014: ₹ 20620.57 lakhs) in respect of Sales Tax.
 - iii) ₹ 7075.98 lakhs (2014: ₹ 6926.63 lakhs) in respect of Income Tax.
 - iv) ₹ 1713.94 lakhs (2014: ₹ 1628.03 lakhs) relating to projects.
 - b) Interest/Penalty, if any, unascertainable, on the above claims is not considered.
The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position and results of operations.
 - c) Estimated amount of contracts remaining to be executed on Capital Account and not provided for ₹ 249455.02 lakhs (2014: ₹ 184959.97 lakhs).
2. Thirty four acres and forty nine cents of land has been taken on lease from a trust on a five-year renewable lease for the construction of Employees Township at Cauvery Basin Refinery.
 3. Forty-one acres, twenty three and half acres and eleven acres and sixty two cents of land of the company are in the possession of IOT Infrastructure & Energy Services Limited, CPCL Educational Trust and Indian Oil Corporation Limited respectively under lease agreement.
 4. (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 is in possession of 135.93 acres of land (classified as Poramboke) for which value is to be determined and Assignment deed is yet to be received from Govt. of Tamilnadu.
(c) Pending decision of the Government/Court, additional compensation, if any, payable to the landowners and the Government for certain lands acquired, is not considered.
 5. Valuation of Finished Products:
The overall gross margin percentage for all joint products is subtracted from the final net realisable value of each product to arrive at the total cost of each product which is taken as the basis for valuation of closing stock of finished products. (Refer Policy No 7.3 in Note – 1 – “Statement of Significant Accounting Policies”).
 6. The Company has no export obligation (2014: Nil) on account of concessional rate of customs duty availed under EPCG scheme on import of capital goods/Advance License scheme on import of crude oil.
 7. The company operates in a single segment viz. downstream petroleum sector. As such reporting is done on a single segment basis.
 8. No provision for Income Tax (Current Tax) has been made in view of loss for the current year.
 9. Foreign currency exposures as on 31.03.2015 is ₹ 392932.66 Lakhs (2014: ₹ 703338.45 Lakhs). The company has entered into four (2014: Nil) derivative transactions during the year. There are no outstanding Forward contracts as on 31st March 2015 (2014: Nil).
 10. Disclosure as required under Accounting Standard – 15 (Revised) on “Employee Benefits” is provided in Annexure – I to this Note.
 11. In compliance with Accounting Standard – 18 on “Related Party Disclosures”, the required information is given in Annexure – II to this Note.

12. Disclosure as required under Accounting Standard – 19 on “Leases” is as under:

Operating Leases:

Lease rentals charged in the Statement of Profit and Loss is as follows :

(₹ in Lakhs)

PARTICULARS	2014 - 15	2013 - 14
Lease rentals recognised during the year	439.82	706.69
Lease obligation - not later than one year	519.18	680.81
Lease obligation - later than one year and not later than five years	2595.92	2723.23

These lease rentals relate to operating leases in respect of Product Tankages taken on lease from IOC on a renewal basis.

13. In compliance with Accounting Standard – 20 on “Earnings Per Share”, the elements considered for calculation of Earnings Per Share (Basic and Diluted) are as under:

PARTICULARS	2014 - 15	2013 - 14
Profit / (Loss) After Tax (₹ in Lakhs)	(3898.85)	(30384.89)
Weighted Average number of equity shares	148911400	148911400
Earnings Per Share (Basic and Diluted) (₹)	(2.62)	(20.40)
Face value per share (₹)	10	10

14. Disclosure as required under Accounting Standard – 27 on “Financial Reporting of Interests in Joint Ventures” is as under:

- a) Name of the Joint Venture Indian Additives Ltd
 Proportion of ownership interest 50%
 Country of Incorporation India
 Aggregate amount of interest in Joint Venture

(₹ in Lakhs)

Company's share of	2014 - 15 #	2013 - 14##
Assets	13317.86	13087.66
Liabilities	3197.62	4150.89
Income	26382.64	26400.64
Expenditure	25199.17	25152.90
Contingent Liabilities	510.19	582.84
Capital Commitments	98.67	114.20

Unaudited figures ## Audited figures

- b) Name of the Joint Venture National Aromatics and Petrochemicals Corporation Ltd
 Proportion of ownership interest 50%
 Country of Incorporation India

Aggregate amount of interest in Joint Venture is not given since the joint venture is not operational.

15. During the year, the company has undertaken a review of all fixed assets in line with the requirements of AS- 28 on “Impairment of Assets”. Based on such review, no provision for impairment is required to be recognised for the year.

16. In Compliance of Accounting Standard – 29 on “ Provisions, Contingent Liabilities & Contingent Assets”, the required information on each class of contingent liability is as under :

(₹ in Lakhs)

PARTICULARS	OPENING BALANCE	ADDITIONS DURING THE YEAR	REVERSAL DURING THE YEAR	CLOSING BALANCE
Sales Tax	20620.57	6407.70		27028.27
Central Excise	344.19	383.80	108.45	619.54
Income Tax	6926.63	149.35		7075.98
Others	2633.56	1312.24		3945.80
Total	30524.95	8253.09	108.45	38669.59

17. Previous year's comparative figures have been regrouped and recast, wherever necessary, to the extent practicable, for uniformity in presentation.

18 : RESEARCH AND DEVELOPMENT EXPENDITURE

Research and Development Expenses of ₹ 23.73 Lakhs (2014: ₹ 329.78 Lakhs) have been capitalized and ₹ 625.03 Lakhs (2014 : ₹ 406.30 Lakhs) have been accounted for in the Statement of Profit and Loss during the year. Detailed break up of total expenditure is as under:

A. CAPITAL EXPENSES (TANGIBLE ASSETS)

(₹ in Lakhs)

	1	2	3	4	5	6 = (3+4-5)	7	8	9	10 = (7+8-9)	11 = (4+10-7)
Asset Block	Gross Block as on 01.04.2014	Additions during the year	Transfer/ Deduction/ Disposal during the year	Gross on Block as at 31.03.2015	Work-in-Progress as on 01.04.2014	Additions during the year	Transferred to Fixed Assets (Capitalized)	Work-in-Progress as on 31.03.2015	Total Capital Expenditure		
TANGIBLE ASSETS											
1 Plant & Equipment	2347.97	23.12		2371.09	-	-	-	-	23.12		
2 Office Equipment	38.98	0.61		39.59	-	-	-	-	0.61		
3 Furniture & Fixtures	3.18	-		3.18	-	-	-	-	-		
TOTAL :	2390.13	23.73	-	2413.86	-	-	-	-	23.73		
Previous year :	2030.25	360.63	(0.75)	2390.13	30.85	329.78	360.63	-	23.73		

B. RECURRING EXPENSES

	2014-15	2013-14
1 Consumption of Stores, Spares & Consumables	53.87	52.23
2 Repairs & Maintenance		
(a) Plant & Machinery	16.68	12.15
(b) Others	2.11	1.13
3 Employee benefit expense	253.73	230.34
4 Depreciation and other expenses	298.64	110.44
TOTAL :	625.03	406.30

C. TOTAL RESEARCH EXPENSES

	2014-15	2013-14
1 Capital Expenditure	23.73	329.78
2 Recurring Expenditure	625.03	406.30
TOTAL	648.76	736.08



Disclosure requirements under AS – 15 (Revised) as per Serial No: 10**Defined Contribution Schemes:****(a) Provident Fund**

- (i) During the year, the company has recognised ₹ 1574.59 Lakhs (2014: ₹ 1574.98 Lakhs) as Employer's contribution to Provident Fund in the Statement of Profit and Loss (included in 'Contribution to Provident & Other Funds' in Note 24)
- (ii) In addition, during the year, the company has recognised ₹ 181.21 Lakhs (2014 : ₹ 104.71 Lakhs) as contribution to EPS-95 in the Statement of Profit and Loss (included in 'Contribution to Provident & Other Funds' in Note 24)

(b) Pension Scheme

During the year, the company has recognised ₹ 509.18 Lakhs (2014: ₹ 1443.42 Lakhs) towards Defined Contributory Employees' Pension Scheme in the Statement of Profit and Loss (included in 'Contribution to Provident & Other Funds' in Note 24)

Defined Benefits Plans: General Description**Gratuity:**

Each employee rendering continuous service of 5 years or more is entitled to receive gratuity amount equal to 15/26 of the monthly emoluments for every completed year of service subject to a maximum of ₹ 10 Lakhs at the time of separation from the company.

Leave Encashment:

Each employee is entitled to get 8 earned leaves for each completed quarter of service. Encashment of earned leaves is allowed during service leaving a minimum balance of 15 days subject to maximum accumulation upto 300 days. In addition, each employee is entitled to get 5 sick leaves at the end of every six months. The entire accumulation of sick leaves is permitted for encashment only at the time of retirement.

PRMS

Post Retirement Medical Scheme (PRMS) provides medical benefit to retired employees and eligible dependant family members.

Long Service Award:

On completion of specified period of service with the company and also at the time of retirement, employees are rewarded with Gold Coins of different weight based on the duration of service completed.

Ministry of Petroleum & Natural Gas (MoP&NG) vide letter dated 25th February 2015 has advised Oil Marketing Companies to discontinue the Long Service Award Scheme. However, IOCL, the holding company has taken-up the issue with MoP&NG and pending final decision in the matter, company has continued with the actuarial valuation for FY 14-15 and provided for liability in the books of accounts.

Defined Benefit Schemes:

(₹ in Lakhs)

NET EMPLOYEE BENEFIT EXPENSE	UNFUNDED SCHEMES						FUNDED SCHEME	
	POST RETIREMENT MEDICAL BENEFITS		SERVICE AWARD		LEAVE ENCASHMENT		GRATUITY	
	2015	2014	2015	2014	2015	2014	2015	2014
Current Service Cost	58.24	37.78	48.30	46.30	314.51	270.70	56.39	103.62
Interest cost on benefit obligation	268.02	224.19	39.31	37.79	594.92	554.50	573.40	517.38
Expected (return) / loss on plan assets	-	-	-	-	-	-	(532.21)	(509.08)
Net actuarial (gain)/ loss recognized in the year	684.00	912.63	311.01	21.77	2090.36	314.80	793.03	(423.32)
Net (Benefit)/Expense	1010.26	1174.60	398.61	105.86	2999.79	1140.00	890.61	(311.40)



(₹ in Lakhs)

CHANGES IN PRESENT VALUE OF DEFINED BENEFIT OBLIGATION	UNFUNDED SCHEMES						FUNDED SCHEME	
	POST RETIREMENT MEDICAL BENEFITS		SERVICE AWARD		LEAVE ENCASHMENT		GRATUITY	
	2015	2014	2015	2014	2015	2014	2015	2014
Opening defined benefit obligation	3542.80	2559.09	524.99	507.09	7269.15	7461.57	6301.10	6500.84
Interest Cost	268.02	224.19	39.31	37.79	594.92	554.50	573.40	517.38
Current service cost	58.24	37.78	48.30	46.30	314.51	270.70	56.39	103.62
Benefits paid	(213.36)	(190.89)	(186.05)	(87.96)	(1463.22)	(1332.42)	(413.00)	(320.85)
Net actuarial (gain)/loss on obligation	684.00	912.63	311.01	21.77	2090.36	314.80	817.00	(499.88)
Closing defined benefit obligation	4339.70	3542.80	737.56	524.99	8805.72	7269.15	7334.89	6301.10

1% increase in cost of post retirement medical benefits will increase the liability by ₹ 318.44 Lakhs (2014: ₹ 113.17 Lakhs). 1% decrease in cost will decrease the liability by ₹ 265.27 Lakhs (2014: ₹ 98.40 Lakhs)

FUNDED SCHEME:

(₹ In lakhs)

CHANGE IN FAIR VALUE OF PLAN ASSETS	GRATUITY	
	2015	2014
Opening Fair value of plan assets	6261.31	6149.65
Expected return	532.21	509.08
Contributions	100.00	-
Contributions towards Direct Benefit Payments	5.18	-
Benefits paid	(407.82)	(320.86)
Direct Benefit Payments	(5.18)	-
Actuarial gain / (loss)	23.97	(76.57)
Closing Fair value of plan assets	6509.67	6261.31
Investment details	Insurer Managed funds -100%	

FUNDED SCHEME:

(₹ In lakhs)

BALANCE SHEET	GRATUITY	
	2015	2014
Defined benefit obligation	7334.89	6301.10
Fair value of plan assets	6509.67	6261.31
Plan asset / (liability)	(825.22)	(39.79)

FUNDED SCHEME:

ACTUARIAL ASSUMPTIONS	GRATUITY	
	2015	2014
Discount Rate (per annum)	7.8%	9.1%
Rate of escalation in salary (per annum)	8%	8%
Mortality table	Indian Assured Lives 2006-08	
Attrition rate	2%	2%
Expected rate of return on plan assets (per annum)	7.8%	8.5%

UNFUNDED SCHEMES:

ACTUARIAL ASSUMPTIONS	POST RETIREMENT MEDICAL BENEFITS		SERVICE AWARD		LEAVE ENCASHMENT	
	2015	2014	2015	2014	2015	2014
Mortality table (before Retirement)	Indian Assured Lives 2006-08					
Discount Rate (per annum)	7.80%	9.10%	7.80%	9.10%	7.80%	9.10%
Inflation Rate / Salary Escalation (per annum)	7%	7%	-	-	8%	8%

ANNEXURE - II

DISCLOSURE REQUIREMENTS UNDER AS - 18 AS PER SERIAL NO: 11

(₹ in Lakhs)

Sl No.	DETAILS OF TRANSACTIONS	KEY MANAGEMENT PERSONNEL		JOINT VENTURES		ENTITY OVER WHICH KMP EXERCISE SIGNIFICANT INFLUENCE		TOTAL	
		2015	2014	2015	2014	2015	2014	2015	2014
1.	Remuneration / Other Benefits & entitlements	105.86	80.89	-	-	-	-	105.86	80.89
2.	Dividend Received	-	-	591.70	591.70	-	-	591.70	591.70
3.	Outstanding Loans/ advances receivables	10.87	4.72	-	-	-	-	10.87	4.72
4.	Claims Recoverable	-	-	1440.36	1440.36	-	-	1440.36	1440.36
5.	Provisions for Doubtful Claims	-	-	1440.36	1440.36	-	-	1440.36	1440.36
6.	Assets on Hire	16.67	7.48	-	-	-	-	16.67	7.48
7.	Trade receivable	-	-	401.10	353.03	-	-	401.10	353.03
8.	Sale of Products (Gross)	-	-	6203.83	1555.94	-	-	6203.83	1555.94
9.	Other Miscellaneous Income (pipeline charges)	-	-	40.30	10.00	-	-	40.30	10.00
10.	Other expenses	-	-	-	-	95.37	128.35	95.37	128.35

- a) The remuneration/other benefits & entitlements to KMP stated above does not include the impact of provision made on actuarial valuation of retirement/post retirement benefit schemes as the same are not ascertainable separately.
- b) Sl No 2, 7, 8 & 9 represents transactions with Joint Venture Company – Indian Additives Limited.



Key Management Personnel (KMP)

Whole-time Directors

- 1) Mr Gautam Roy (from 09.10.2014)
- 2) Mr S. Venkataramana
- 3) Mr S. Krishna Prasad (from 09.01.2015)
- 4) Mr. U. Venkata Ramana (from 01.12.2014)
- 5) Mr A.S Basu (till 31.05.2014)
- 6) Mr T. S. Ramachandran (till 30.11.2014)

Company Secretary

Mr. P. Shankar

Joint Venture Companies

- 1) Indian Additives Limited
- 2) National Aromatics and Petrochemicals Corporation Limited.

Entity over which KMP exercise significant influence

- 1) CPCL Educational Trust

NOTE "29" - LICENSED CAPACITY, INSTALLED CAPACITY AND ACTUAL PRODUCTION

(Figures in Lakhs)

	UNIT	Licensed Capacity		Installed Capacity		Actual Production		
		31 March 2015	31 March 2014	31 March 2015	31 March 2014	31 March 2015	Note	31 March 2014
1. Crude Processing	MTs	115.00	115.00	115.00	115.00	107.82		106.24
2. Propylene Recovery Unit	MTs	0.30	0.30	0.30	0.30	0.37	A	0.36
3. Wax Plant	MTs	0.30	0.30	0.30	0.30	0.25	A	0.23

A. Represents finished petroleum products

NOTE "30" - FINISHED PRODUCTS - QUANTITY AND VALUE PARTICULARS

	Opening Stock		Purchases		Sales		Closing Stock	
	Quantity MT (in lakhs)	Value (₹in lakhs)	Quantity MT (in lakhs)	Value (₹in lakhs)	Quantity MT (in lakhs)	Value (₹in lakhs)	Quantity MT (in lakhs)	Value (₹in lakhs)
1. PETROLEUM PRODUCTS:								
Year ended 31.03.15	3.59	212993.78	0.51	28165.43	99.47	4768396.97	3.19	115362.45
Year ended 31.03.14	4.06	221876.77	0.63	37377.73	98.16	5373729.99	3.59	212993.78
2. WAX								
Year ended 31.03.15	0.02	2265.24	-	-	0.25	23126.25	0.03	1768.99
Year ended 31.03.14	0.03	2316.25	-	-	0.23	21829.88	0.02	2265.24
3. TOTAL								
Year ended 31.03.15	3.61	215259.02	0.51	28165.43	99.72	4791523.22	3.22	117131.43
Year ended 31.03.14	4.09	224193.02	0.63	37377.73	98.39	5395559.87	3.61	215259.02

NOTE "31"- CONSUMPTION PARTICULARS OF RAW MATERIALS, STEEL COILS / SHEETS / STORES / SPARE PARTS AND COMPONENTS

	Imported		Indigenous		Quantity	Total
	Value (₹ in Lakhs)	% to total Consumption	Value (₹ in Lakhs)	% to total Consumption	MTs (in Lakhs)	Value (₹ in Lakhs)
31 March 2015						
Crude Oil and Gas	3375419.00	86	549797.65	14	108	3925216.65
Packing Materials Consumed			153.86	100		153.86
Steel Coils/Sheets/Stores/ Component and Spare Parts	3171.00	25	9403.09	75		12574.09
31 March 2014						
Crude Oil and Gas	4193385.28	89	514118.36	11	106	4707503.64
Packing Materials Consumed			111.59	100		111.59
Steel Coils/Sheets/Stores/ Component and Spare Parts	1800.00	12	12785.96	88		14585.96

NOTE "32" - EXPENDITURE IN FOREIGN CURRENCY FOR ROYALTY, KNOW-HOW, PROFESSIONAL & CONSULTATION FEES & OTHER MATTERS

(₹ in Lakhs)

PARTICULARS	Note	31 March, 2015	31 March, 2014
1. Professional, Technical and Consultation Fees		646.00	79.25
2. Interest		7145.38	17769.77
3. Others		250.72	99.11
Total	A	8042.10	17948.13

A - Expenditure in Foreign Currency has been considered on accrual basis.



NOTE - "33" - CIF VALUE OF IMPORTS

(₹ in Lakhs)

Particulars	Note	31 March, 2015	31 March, 2014
1. Crude Oil	A	4007911.00	4202936.32
2. Capital Goods		291.46	48.49
3. Revenue Stores, Component, Spare and Chemicals		2008.16	1953.88
Total		4010210.62	4204938.69

A - Value of imports made through Indian Oil Corporation Ltd, the holding company