



ANNUAL REPORT

2014 - 2015



चेन्नै पेट्रोलियम कॉर्पोरेशन लिमिटेड
 (इंडियनऑयल की ग्रुप कम्पनी)
Chennai Petroleum Corporation Limited
 (A group company of IndianOil)





वा र्षि क प्र ति वे द न 2014 - 2015

ANNUAL REPORT 2014 - 2015

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REGISTERED OFFICE No.536, Anna Salai, Teynampet, Chennai - 600 018.	AUDITORS M/s. S. Venkatram & Co. Chartered Accountants Old No.285, New No.218, TTK Road, Alwarpet Chennai 600 018.
REFINERIES Manali Refinery, Manali, Chennai - 600 068. Cauvery Basin Refinery Panangudi Village, Nagapattinam District, Tamil Nadu	M/s. Chandran & Raman Chartered Accountants, No.2, Dr. Radhakrishnan Road, 2nd Street, Mylapore, Chennai 600 004.
Website: www.cpcl.co.in	COST AUDITORS Mr. K. Suryanarayanan Flat A, Brindhavan Apartments, No.1, Poes Road, 4th Street, Teynampet, Chennai 600 018.
PRINCIPAL BANKER State Bank of India Corporate Accounts Group Branch Egmore, Chennai - 600 006.	PUBLIC INFORMATION OFFICER Mr.S.Vaidyanathan Senior Manager (Corporate Communications)
COMPLIANCE OFFICER Mr.P.Shankar Company Secretary	

REGISTRARS & SHARE TRANSFER AGENTS

♦ ♦ **M/s. Karvy Computershare Private Limited** ♦ ♦
Karvy Selenium, Tower B Plot No. 31 - 32,
Gachibowli, Financial District, Hyderabad - 500 032.



Vision

To be the most admired Indian energy company through world class performance creating value for stakeholders



Mission

To manufacture and supply petro products at competitive prices & meeting the quality expectations of the customer

To pro-actively fulfill social commitments, including environment and safety

To constantly innovate new products and alternate fuels

To recognize Human Resources as the most valuable asset and foster a culture of participation for mutual growth

To ensure high standards of business ethics and corporate governance

To maximize growth, achieve national pre-eminence and maximize stakeholders wealth



Corporate Information

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Board of Directors

Mr. B. Ashok
Chairman

Mr. Gautam Roy
Managing Director

Mr. S. Venkataramana
Director (Operations)

Mr. U. Venkata Ramana
Director (Technical)

Mr.S. Krishna Prasad
Director (Finance)

Mr. Sanjiv Singh
Director (Refineries)
Indian Oil Corporation Limited

Mr. G. Ramaswamy
Managing Partner,
M/s.GRamaswamy & Co.,
Chartered Accountants

Ms. Perin Devi
Director (R&V)
Ministry of Petroleum & Natural Gas

Mr. Yasin Rezazadeh
Director,
Naftiran Intertrade Company Limited

Mr. Alireza Zamani
Director
Naftiran Intertrade Company Limited



Executives

Mr. D.P. Naidu
Chief Vigilance Officer

Mr. R. Chidambaram
General Manager (Services)

Mr. A. Paul Christudass
General Manager (Finance)

Mr. S. Asokan
General Manager (Human Resources)

Mr. S. Visveswaran
General Manager (Technical)

Mr. G. Aravindan
General Manager (Maintenance)

Mr. A. Kumar
General Manager (Corporate Planning)

Mr. G. Suresh Kumar
General Manager (Projects & Development / R&D)

Mr. S.T. Kalaimani
General Manager (Operations)

Mr. R. Srikanthan
General Manager (Cauvery Basin Refinery)

Mr. P. Shankar
Company Secretary

NOTICE

Notice is hereby given that 49th Annual General Meeting of the Shareholders of the Company will be held at **3.00 pm on Monday, the 7th September 2015 at Kamaraj Arangam, 492, Anna Salai, Chennai - 600 006**, to transact the following businesses.

ORDINARY BUSINESSES:

1. To receive, consider and adopt the Audited Financial Statement of Profit and Loss of the Company for the period from 1st April 2014 to 31st March 2015 and the Audited Balance Sheet as at 31st March 2015, together with the Director's Report and the Auditor's Report
2. To appoint a Director in place of Mr.S.Venkataramana (DIN:03282268) who retires by rotation and being eligible, offers himself for reappointment
3. To appoint a Director in place of Mr.Sanjiv Singh (DIN:05280701) who retires by rotation and being eligible, offers himself for reappointment

SPECIAL BUSINESSES:

4. APPOINTMENT OF SHRI GAUTAM ROY (DIN:06659522) AS A DIRECTOR OF THE COMPANY.

To consider and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 161(1) of the Companies Act, 2013 including any statutory modification or re-enactment thereof for the time being in force and the Articles of Association of the Company, Shri Gautam Roy (DIN:06659522), who was appointed as an Additional Director and designated as Managing Director by the Board of Directors effective 14.10.2014 and who holds office upto the date of this Annual General Meeting and in respect of whom, the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, be and is hereby appointed as Managing Director of the Company, not liable to retire by rotation."

5. APPOINTMENT OF SHRI U.VENKATA RAMANA (DIN:07029234) AS A DIRECTOR OF THE COMPANY.

To consider and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 161(1) of the Companies Act, 2013 including any statutory modification or re-enactment thereof for the time being in force and the Articles of Association of the Company, Shri U.Venkata Ramana (DIN:07029234), who was appointed as an Additional Director and designated as Director (Technical) by the Board of Directors effective 01.12.2014 and who holds office upto the date of this Annual General Meeting and in respect of whom, the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, be and is hereby appointed as Director (Technical) of the Company, liable to retire by rotation."

6. APPOINTMENT OF SHRI S.KRISHNA PRASAD (DIN:03065333) AS A DIRECTOR OF THE COMPANY.

To consider and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 161(1) of the Companies Act, 2013 including any statutory modification or re-enactment thereof for the time being in force and the Articles of Association of the Company, Shri S.Krishna Prasad (DIN:03065333), who was appointed as an Additional Director and designated as Director (Finance) by the Board of Directors effective 09.01.2015 and who holds office upto the date of this Annual General Meeting and in respect of whom, the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, be and is hereby appointed as Director (Finance) of the Company, liable to retire by rotation."



7. APPOINTMENT OF MS.PERIN DEVI (DIN: 07145051) AS A DIRECTOR OF THE COMPANY

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

“RESOLVED that pursuant to the provisions of Companies Act 2013 read with Rules made thereunder including any statutory modifications or re-enactment thereof for the time being in force, Ms.Perin Devi (DIN:07145051), who was appointed as an Additional Director by the Board of Directors effective 12.03.2015 pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office upto the date of this Annual General Meeting and in respect of whom, the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, be and is hereby appointed as Director liable to retire by rotation.”

8. RATIFICATION OF REMUNERATION OF COST AUDITOR FOR THE YEAR 2015-16

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

“RESOLVED that pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration of ₹ 1,70,000/- (Rupees one lakh seventy thousand only) plus applicable taxes and out of pocket expenses if any, to conduct the audit of cost accounts maintained by the company for the financial year 2015-16 payable to M/s. M.Krishnaswamy & Associates, Cost Accountants, Chennai, the cost auditor of the company be and is hereby ratified”

9. TAKING NOTE OF FURTHER REDUCTION OF MORE THAN 50% OF THE PEAK NET WORTH OF THE COMPANY

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

“RESOLVED THAT pursuant to the provisions of Section 23 and other applicable provisions of the Sick Industrial Companies (Special Provisions) Act 1985 (SICA) and other applicable Acts, the Company hereby considers and takes note of further reduction of more than 50% of the Networth of the Company as at the end of the financial year 31.03.2015 in relation to its peak networth of the company during the immediately preceding four financial years”

By order of the Board of Directors
For Chennai Petroleum Corporation Limited
(P. Shankar)

Company Secretary

Regd. Office: 536, Anna Salai,
Teynampet, Chennai 600 018.

Email id: shankarp@cpcl.co.in

CIN: L40101TN1965GOI005389

Date : 28.07.2015

Place : Chennai

Notes:-

1. A member entitled to attend and vote at the meeting is entitled to appoint another person as his proxy to attend and vote instead of himself.
2. The proxy need not be a member of the Company.

3. As per the provisions of the Companies Act, 2013, a person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the company carrying voting rights. A member holding more than 10% of the total share capital of the company carrying voting rights may appoint a single person as a proxy and such person shall not act as a proxy for any other person or shareholder.
4. The instrument of Proxies, in order to be effective, must be lodged at the Registered Office of the Company not later than 48 hours before the time of holding the meeting.
5. Members / Proxies/Authorised Representatives are requested to bring the attendance slip duly filled and signed along with copy of Annual Report to the meeting.
6. Members, who hold shares in the dematerialised form, are requested to bring their depository account number for identification at the time of Annual General Meeting.
7. The Register of Members and the Share Transfer Books of the Company will remain closed from 01.09.2015 to 07.09.2015 (both days inclusive).
8. A statement setting out the material facts in respect of resolutions set out under "Special Businesses" of the Notice pursuant to Sub Section 1 of Section 102 of The Companies Act, 2013 is annexed hereto.
9. Members may send their requests for change / updation of Address, Email address, Nominations:
 - i) For shares held in dematerialised form - to their respective Depository Participant
 - ii) For shares held in physical form - to the RTA, M/s. Karvy Computershare Private Limited, Karvy Selenium, Tower B, Plot No.31 & 32, Financial District, Gachibowli, Hyderabad – 500032 or at the registered office of the Company
10. Securities and Exchange Board of India (SEBI), has mandated the submission of Permanent Account Number (PAN) by every participant in Securities Market. Members holding shares in Electronic form are requested to submit the PAN to their Depository Participants with whom they are maintaining their demat account. Members holding shares in Physical form are requested to submit their PAN details to M/s.Karvy Computershare Private Limited, the Share Transfer Agents of the Company.
11. Pursuant to the provisions of the Companies Act, the Company has transferred all unclaimed dividend declared upto the financial year 2006-07, including the interim dividend for the year 2007-08 to Investor Education & Protection Fund (IEPF) established by the Central Government. Upon completion of 7 years, the Company would transfer the unclaimed Final dividend for the financial year 2007-08 in October, 2015. No dividend was declared for the financial year 2008-09, 2012-13 & 2013-14. The dividend for the financial year 2009-10, 2010-11 & 2011-12, which remains unclaimed for a period of 7 years would be transferred to the IEPF on respective due dates. The members, who have not encashed their dividend warrant so far, for the financial years 2007-08 (Final), 2009-10, 2010-11 & 2011-12 may write to the RTA, M/s. Karvy Computershare Private Limited, Hyderabad or at the registered office of the Company for claiming the unpaid dividend.
12. The shares of the Company are compulsorily traded in dematerialised form and therefore, the members are requested to dematerialise their shares to facilitate trading in shares of the company.
13. As per the provisions of the Companies Act, 2013, members are entitled to make nomination in respect of shares held by them in physical form. Nomination form can be downloaded from the website of the company at www.cpcl.co.in. Members holding shares in Demat form may contact their Depository Participant for nomination.



14. A brief Resume of the Directors of Company, seeking appointment/re-appointment at this Annual General Meeting, and their expertise in specific functional areas, is given as part of the Notice of 49th Annual General Meeting.
15. The relevant documents are available for inspection by the members at the Registered Office of Company at any time during the working hours till the date of meeting.
16. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with Rules made thereunder, copies of the Annual Report 2014-2015, Notice of the 49th AGM and instructions for e-voting alongwith the Attendance Slip and Proxy Form are being sent by electronic mode only to those members whose email addresses are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the Annual Report 2014 - 2015, are being sent by the permitted mode. Members holding shares in physical form can send their email address for registration to einward.ris@karvy.com / mohsin.mohd@karvy.com quoting the Folio Number and Name of the Company.
17. The Annual Report duly circulated to the Members of the Company, is available on the Company's Website at www.cpcl.co.in.
- 18) In terms of Section 108 of Companies Act, 2013 read with the Companies (Management and Administration) Amendment Rules, 2015, the Company is providing the facility to its members to exercise their right to vote by electronic means on any or all of the businesses specified in the accompanying Notice. The cut-off date to be eligible to vote is Tuesday, the 1st September, 2015.
- 19) Facility for e-voting:
 - i) Details of the process and manner of e-voting along with the User ID and Password are being sent to the members along with the notice:
 - By email to those members whose email ID is registered with the Company / Depository Participant.
 - By post to those members whose email ID is not registered with the Company / Depository Participant.
 - ii) The instructions and other information relating to e-voting are as under:
 - Launch internet browser by typing the URL: <https://evoting.karvy.com>.
 - Enter the login credentials (i.e. User ID and Password mentioned in the notice). However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for logging in.
 - After entering these details appropriately, Click on "LOGIN".
 - You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

- You need to login again with the new password.
- On successful login, the system will prompt you to select the “EVENT” i.e. Chennai Petroleum Corporation Limited.
- On the voting page, enter the number of shares (which represents the number of votes as on the Cut Off date) under “FOR / AGAINST / ABSTAIN” or alternatively, you may partially enter any number of votes in “FOR” and partially in “AGAINST” such that the total number of votes cast “FOR / AGAINST” taken together should not exceed your total shareholding. In case you do not wish to cast your vote you may choose the option “ABSTAIN”.
- Voting has to be done for each item of the Notice separately. In case you do not cast your vote on any specific item it will be treated as abstained.
- Members holding multiple demat accounts / folios shall choose the voting process separately for each demat account / folio.
- You may then cast your vote by selecting an appropriate option and click on “Submit”.
- A confirmation box will be displayed. Click “OK” to confirm else “CANCEL” to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, members can login any number of times till they have voted on the Resolution(s).
- Corporate / Institutional members are required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter, etc. together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at email ID: lalitha.companysecretary@gmail.com with a copy marked to e-voting@karvy.com. They may also upload the same in the e-voting module in their login. The scanned image of the above mentioned documents should be in the naming format “CPCL, 49TH Annual General Meeting”.
- The e-voting would commence on Thursday, September 3, 2015 at 9:30 A.M. and end on Sunday, September 6, 2015 at 05.00 P.M. During this period, the eligible members of the Company, may cast their vote by electronic means in the manner and process set out herein above. The e-voting module shall be disabled for voting thereafter. Further, members who cast their vote electronically shall not be entitled to vote at the Annual General Meeting.
- Facility for voting through ballot paper would also be made available at the AGM venue. Members who cast their votes electronically should not vote through ballot paper. However, in case a member votes electronically as well as through ballot paper, the vote cast through ballot paper will be ignored.
- In case of any query pertaining to e-voting, please visit Help & FAQ’s section of <https://evoting.karvy.com>.
- The voting rights of the members shall be in proportion to their shares of the paid up equity share capital of the Company, as on the cut-off date.
- The Company has appointed Smt S.Lalitha, a practicing Company Secretary, or in her absence Smt.Bhoomijha Murali, practicing Company Secretary, as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.



- The Scrutinizer shall, immediately after the conclusion of voting at the Annual General Meeting, first count the votes cast at the meeting and thereafter unblock the votes cast through e-voting in the presence of at least 2 (two) witnesses not in the employment of the Company and submit not later than three days of conclusion of the meeting, a consolidated scrutiniser's report of the total votes cast in favour or against if any, to the Chairman of the Company or such other officer authorized by the Chairman.
- The Results on resolutions shall be declared within 3 days of the conclusion of the AGM and the resolutions will be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favour of the Resolutions.
- The results of voting along with the Scrutinizer's Report(s) thereon would be available on the website of the Company (www.cpcl.co.in) and on Service Provider's website (<https://evoting.karvy.com>) immediately after the declaration of the results and would also be communicated simultaneously to Madras Stock Exchange Ltd, the BSE Limited and the National Stock Exchange of India Limited.

STATEMENT SETTING OUT THE MATERIAL FACTS RELATING TO THE SPECIAL BUSINESSES IN PURSUANCE OF SECTION 102 (1) OF THE COMPANIES ACT, 2013

Item No. 4

Mr.Gautam Roy was appointed as an Additional Director with effect from 14.10.2014. As per the provisions of Section 161 of the Companies Act, 2013, Mr.Gautam Roy will hold office only upto the date of the 49th Annual General Meeting of the Company.

A Notice under section 160 of the Companies Act, 2013 has been received proposing the appointment of Mr.Gautam Roy as a Director along with the deposit amount as prescribed under the Companies Act, 2013.

Mr.Gautam Roy is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013. None of the Directors / Key Managerial Personnel of the Company and their relatives are interested or concerned in the resolution except Mr.Gautam Roy.

The Directors, therefore, recommend the Ordinary Resolution for approval by members.

Item No.5

Mr.U.Venkata Ramana was appointed as an Additional Director with effect from 01.12.2014. As per the provisions of Section 161 of the Companies Act, 2013 Mr.U.Venkata Ramana will hold office only upto the date of the 49th Annual General Meeting of the Company.

A Notice under section 160 of the Companies Act, 2013 has been received proposing the appointment of Mr.U. Venkata Ramana as a Director along with the deposit amount as prescribed under the Companies Act, 2013.

Mr.U.Venkata Ramana is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013. None of the Directors / Key Managerial Personnel of the Company and their relatives are interested or concerned in the resolution except Mr.U.Venkata Ramana.

The Directors, therefore, recommend the Ordinary Resolution for approval by members.

Item No. 6

Mr. S.Krishna Prasad was appointed as an Additional Director with effect from 09.01.2015. As per the provisions of Section 161 of the Companies Act, 2013 Mr. S.Krishna Prasad will hold office only upto the date of the 49th Annual General Meeting of the Company.

A Notice under section 160 of the Companies Act, 2013 has been received proposing the appointment of Mr. S. Krishna Prasad as a Director along with the deposit amount as prescribed under the Companies Act, 2013.

Mr.S. Krishna Prasad is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013. None of the Directors / Key Managerial Personnel of the Company and their relatives are interested or concerned in the resolution except Mr.S. Krishna Prasad.

The Directors, therefore, recommend the Ordinary Resolution for approval by members.

Item No. 7

Ms.Perin Devi was appointed as an Additional Director with effect from 12.03.2015. As per the provisions of Section 161 of the Companies Act, 2013 Ms.Perin Devi will hold office only upto the date of the 49th Annual General Meeting of the Company.

A Notice under section 160 of the Companies Act, 2013 has been received proposing the appointment of Ms.Perin Devi as a Director along with the deposit amount as prescribed under the Companies Act, 2013.

Ms. Perin Devi is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013. None of the Directors / Key Managerial Personnel of the Company and their relatives are interested or concerned in the resolution except Ms.Perin Devi

The Directors, therefore, recommend the Ordinary Resolution for approval by members.

Item No. 8

The proposal for appointment of M/s.M.Krishnaswamy & Associates, Cost Accountants, Chennai as the Cost Auditor of Manali Refinery and Cauvery Basin Refinery of the Company for the Financial Year 2015-16 at a remuneration of ₹ 1,70,000/- plus applicable taxes and out of pocket expenses, if any, to conduct the audit of cost accounts maintained by the company was recommended by the Audit Committee at the Meeting held on 23.05.2015 and also approved by the Board of Directors of the Company at the meeting held on 23.05.2015.

As per Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration of the Cost Auditor recommended by the Audit Committee shall be considered and approved by the Board of Directors and ratified subsequently by the members of the company.

Hence the present resolution for remuneration of ₹ 1,70,000/- plus applicable taxes and out of pocket expenses, if any, to conduct the audit of cost accounts maintained by the company for the Financial Year 2015-16 payable to M/s.M.Krishnaswamy & Associates, Cost Accountants, Chennai, the cost auditors of the company is proposed for ratification by the members.

Memorandum of Interest:

None of the Directors, Key Managerial Personnel and their relatives are interested in the resolution except the cost auditor



Item No.9

As per Section 23 of The Sick Industrial Companies (Special Provisions) Act 1985, if the accumulated losses of an industrial undertaking as at the end of any financial year have resulted in erosion of 50% or more of its peak networth during the immediately preceding four financial years, such company is required :

- a) To report the fact of such erosion to the Board for Industrial and Financial Reconstruction (BIFR)
- b) To hold a General Meeting of the shareholders of the company for considering such erosion.
- c) The Board of Directors shall forward to every member of the company a report as to such erosion and the causes for such erosion.

In line with the provisions of the Sick Industrial Companies (Special Provisions) Act, 1985, the company had reported to the BIFR in October 2014, due to erosion of more than 50% of peak networth over the last four financial years as on 31.03.2014.

The company had reported a loss of ₹ 38.99 crore for the year ended 31.03.2015. The networth reduced from ₹.1722 Cr. as on 31.03.2014 to ₹ 1655 Cr. as on 31.03.2015. Considering further reduction in networth as on 31.03.2015, the company is required to report to BIFR within 60 days from the date of adoption of accounts by the members of the company.

The Directors, therefore, recommend the Ordinary Resolution for approval by members.

Memorandum of Interest:-

None of the Directors, Key Managerial Personnel and their relatives are interested in the resolution.

REPORTING UNDER SECTION 23(1)(B) OF THE SICK INDUSTRIAL COMPANIES (SPECIAL PROVISIONS) ACT, 1985:

In line with the provisions of the Sick Industrial Companies (Special Provisions) Act, 1985, the company had reported to the BIFR in October 2014, due to erosion of more than 50% of peak networth over the last four financial years as on 31.03.2014.

The company has reported a loss of ₹ 38.99 crore for the year ended 31.03.2015. The company initiated various measures to improve the physical and financial performance during the year. The Company has achieved excellent physical performance during the year 2014-15 by registering the highest distillate yield of 72.1% and the lowest Fuel & Loss of 8.65%, as a result of various energy conservation and margin improvement measures implemented by the company. The company is also in the process of implementing a Resid Upgradation project at an approved cost of ₹ 3110 Crores, which is expected to help in boosting the bottom line of the company.

Despite excellent operational performance, the fall in networth from ₹ 1722 Cr as on 31.03.2014 to ₹ 1655 Cr as on 31.03.2015 was mainly attributed to extraneous factors beyond the control of the company. Factors like the steep fall in Crude and Product prices from July 2014 in the international market and the consequent inventory losses significantly impacted the profitability of the Oil industry and CPCL in particular, being a standalone refining company. Considering further reduction in networth as on 31.03.2015, the company is required to report to BIFR within 60 days from the date of adoption of accounts by the members of the company.

Due to the implementation of various measures to improve physical and financial performance and with the stabilisation of crude and product prices from Quarter IV of FY 2014-15, the company is expected to show positive results in FY 2015-16.

In addition to various measures taken by the company to improve the physical performance, the proposal for capital infusion by issue of preference shares to IOCL on private placement basis upto ₹ 1000 crore, approved by the Board and the shareholders will augment the networth of the company significantly.

BRIEF RESUME OF THE DIRECTORS OF THE COMPANY, SEEKING APPOINTMENT / RE-APPOINTMENT AT THE 49TH ANNUAL GENERAL MEETING

1. Mr.S.Venkataramana born on 05.06.1957, was appointed on the Board of the Company as Director (Operations) effective 03.10.2010. He holds a M.Tech Degree in Chemical Engineering and a Masters Degree in Business Administration. He has 29 years of experience in the company in various capacities. Prior to joining the company, he was with M/s. Hindustan Petroleum Corporation Limited, Mumbai as Engineer (Production).

Mr.S.Venkataramana is a Director in Indian Additives Limited and National Aromatics and Petrochemicals Corporation Ltd .

He is a member of Stakeholders Relationship Committee, Remuneration Committee, Board Project Committee, Committee on Corporate Social Responsibility and Sustainability Development and Planning & Projects Committee of the company.

Mr.S.Venkataramana is holding 200 shares in the Company. Inter-se relationship between Directors is none

2. Mr.Sanjiv Singh born on 30.06.1960 was appointed as a Director on the Board of the company effective 03.07.2014. Mr. Sanjiv Singh is a Graduate in Chemical Engineering from IIT, Roorkee and also acquired Diploma in Management. Presently, he is Director (Refineries) of Indian Oil Corporation Limited. He has more than three decades of experience and worked in various positions at Mathura, Barauni and Panipat Refineries.

He is a member of the Board Projects Committee and Remuneration Committee of the Board. He is not holding any shares in the Company. Inter-se relationship between Directors is none

3. Mr.Gautam Roy, born on 28.01.1958 was appointed as the Managing Director of the company, effective 14.10.2014. He is a Chemical Engineer from Jadavpur University, Kolkata and has over 3 decades of professional experience in Refinery Operations & Management and served in diverse capacities in IndianOil's refineries in Gujarat, Barauni, Mathura and also at Refineries Headquarters, New Delhi.

Prior to this appointment, Mr.Gautam Roy was Executive Director (i/c), Gujarat Refinery of IOCL.

Mr.Gautam Roy is the Chairman of Indian Additives Limited and National Aromatics and Petrochemicals Corporation Ltd . He is not holding any shares in CPCL. Inter-se relationship between Directors is none

4. Mr. U.Venkata Ramana, born on 27.07.1958, was appointed on the Board of the Company as Director (Technical) effective 01.12.2014. He is a Chemical Engineer from NIT-Durgapur and holds a M.Tech Degree from Indian Institute of Technology, Kharagpur.

He Joined Indian Oil Corporation Ltd (IOCL), Barauni as Graduate Engineer Trainee and has over three decades of Refining experience in different disciplines of Operations, Process monitoring at IOCL Refineries and Head Quarters.

He is a member of Stakeholders Relationship Committee, Board Project Committee, Committee on Corporate Social Responsibility and Sustainability Development and Planning & Projects Committee. of the company.



Mr. U.Venkata Ramana is not holding any shares in the Company. Inter-se relationship between Directors is none

5. Mr. S.Krishna Prasad, born on 21.01.1958, was appointed on the Board of the Company as Director (Finance) effective 09.01.2015.

Mr. S.Krishna Prasad is a qualified Chartered Accountant with rich and varied experience of over 33 years in the oil industry. He also handled Corporate Finance and was also involved in the policy formation process for the finance function. Prior to joining the company, he was Executive Director (Finance) i/c in Indian Oil Corporation Limited.

He is a member of Audit Committee, Stakeholders Relationship Committee, Board Project Committee, Remuneration Committee, Committee on Corporate Social Responsibility and Sustainability Development and Planning & Projects Committee of the company.

Mr. S.Krishna Prasad. is not holding any shares in the Company. Inter-se relationship between Directors is none

6. Ms. Perin Devi, born on 13.10.1965, was appointed on the Board of the company effective 12.03.2015.

Ms.Perin Devi, holds a Masters Degree in Commerce. Presently, she is the Director (R&V), Ministry of Petroleum and Natural Gas, Government of India. She is also a Director on the Board of Mangalore Refineries and Petrochemicals Limited.

She is a member of Audit Committee and Remuneration Committee of the Company. She is not holding any shares in the Company. Inter-se relationship between Directors is none

By order of the Board of Directors
For Chennai Petroleum Corporation Limited
(P. SHANKAR)

Company Secretary

*Regd. Office: 536, Anna Salai,
Teynampet, Chennai 600 018.*

Email id:shankarp@cpcl.co.in

CIN: L40101TN1965GOI005389

Date : 28.07.2015

Place : Chennai

REPORT ON CORPORATE GOVERNANCE: 2014-15

1.0 COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Chennai Petroleum Corporation Ltd. (hereinafter referred to as CPCL) is focused on ensuring effective conduct of the affairs of the Company with the objective of enhancing the value of all its stakeholders. CPCL strongly believes that ideals of good Corporate Governance primarily need transparency, full disclosure and fairness to all stakeholders. The Company considers Corporate Governance as an important tool for achieving all round excellence.

For effective implementation of the best practices in Corporate Governance, CPCL has formulated the following codes :

- Code of Conduct for Directors and Senior Management Personnel
- Code of Conduct for prevention of Insider Trading
- Risk Management Policy
- Integrity Pact
- Whistle Blower Policy
- Conduct, Discipline and Appeal Rules for employees
- Policy on Corporate Social Responsibility & Sustainable development
- Policy on Related party Transactions and Policy for determining material Subsidiaries

2.0 BOARD OF DIRECTORS

2.1 The Board of Directors of the Company has an optimum combination of both Executive and Non-Executive Directors.

2.2 As on 31.03.2015, CPCL Board comprises of the following categories of Directors:

- One Non-Executive Chairman, who is the Chairman of Indian Oil Corporation Limited (the Holding Company).
- Managing Director
- Three whole-time Functional Directors, viz., Director (Operations), Director (Finance) and Director (Technical)
- Director (Refineries) of Indian Oil Corporation Limited, representing holding company
- One Director, representing Ministry of Petroleum & Natural Gas
- Two Directors nominated by Naftiran Intertrade Company Limited, an affiliate of National Iranian Oil Company, one of the co-promoters, in terms of the Formation Agreement
- One Non-Executive part-time Independent Director.

Out of the total number of ten Directors as on 31.3.2015, Six Directors were Non-Executive Directors. Thus the Company meets the requirement of the number of Non-Executive Directors being not less than 50% of the Board of Directors of the Company as prescribed by SEBI under Clause 49 of the Listing Agreement.

2.3 As per Clause 49 of the Listing Agreement, if the non-executive Chairman is a Promoter of the Company or is related to any promoter or person occupying Management positions at the Board level or at one level below the Board, atleast one-half of the Board of the Company shall consist of Independent Directors. Since, the Company has a non-executive Chairman who is on the Board of Indian Oil Corporation Limited, the Company needs to have 8 Independent Directors.

Presently, the Company has One Independent Director. The appointment of additional Independent Directors is under the consideration of Government of India.



2.4 Conduct of Board Meetings

The Board of Directors monitors the overall functioning of the Company and set objectives for achieving the targets. The Board has constituted various committees to facilitate and expedite the decision making process.

The dates of the Board Meetings are fixed in advance and intimated to the Board members to help them plan their schedule. The agenda papers are circulated to the Directors in advance before the meeting. The agenda proposals are comprehensive to facilitate deliberations and arrive at proper decisions.

2.5 Information placed before the Board

The agenda placed before the Board inter-alia includes the following:

- Annual operating plans and Capital and Revenue budgets.
- Quarterly and Annual Financial results of the Company.
- Quarterly report on investments , borrowings, cash flow statement
- Constitution of Board committees with terms of reference.
- Minutes of meetings of Audit Committee and other Committees of the Board, as also resolutions passed by circulation.
- Details of investment in any joint venture / subsidiary.
- Status of various projects.
- Risk management and minimization process.
- HR related issues.
- Safety
- General notices / matters of interest of Directors.
- All proposals requiring Board approval in line with the Manual on Delegation of Authority
- Periodic reports on the following:
 - * Secretarial reports
 - * Compliance of laws
 - * Action Taken Report (ATR) on decisions of the Board

2.6 Nine Board Meetings were held during the year 2014-15 on the following dates:

Board Meeting No.	Board Meeting Date
295	16.05.2014
296	24.05.2014
297	07.08.2014
298	20.08.2014
299	16.09.2014
300	04.11.2014
301	27.01.2015
302	11.02.2015
303	23.03.2015

3.0 ATTENDANCE OF DIRECTORS

Attendance of Directors at the Board Meeting held during the Financial Year 2014 - 15 and at the last Annual General Meeting held on 20.08.2014, Number of other Directorships and Chairmanship / Membership of Committees of each Director in various companies are as under:-

Name of the Directors	No. of Board Meetings held during the tenure	No. of Board Meetings attended	Whether attended last AGM?	Other Directorships	Committee Memberships	Committee Chairmanships
Mr.B.Ashok (w.e.f. 24.07.2014)	7	7	Yes	4	-	-
Mr. R.S. Butola (upto 31.05.2014)	2	2	N.A	4	-	-
Mr.Gautam Roy (w.e.f. 14.10.2014)	4	4	N.A	2	-	-
Mr. A.S. Basu (upto 31.05.2014)	2	2	NA	2	4	-
Mr. S. Venkataramana	9	9	Yes	2	3	-
Mr.U.Venkata Ramana (w.e.f. 01.12.2014)	3	3	N.A	-	3	-
Mr.S.Krishna Prasad (w.e.f. 09.01.2015)	3	3	N.A	-	5	-
Mr.T.S.Ramachandran (upto 30.11.2014)	6	6	Yes	-	3	-
Mr. Rajkumar Ghosh (upto 30.06.2014)	2	2	N.A	2	7	-
Mr.G.Ramaswamy	9	9	Yes	1	-	4
Mr.L.Sabaretnam (upto 16.09.2014)	5	5	Yes	13	-	5
Mr.Venkatraman Srinivasan (upto16.09.2014)	5	5	Yes	4	4	3
Ms.Perin Devi (w.e.f. 12.03.2015)	1	0	N.A	2	2	-
Mr. Mohan Lal (upto 11.03.2015)	8	6	Yes	1	2	-
Mr.Yasin Rezazadeh (w.e.f. 23.03.2015)	1	0	N.A	1	2	-
Mr.Alireza Zamani (w.e.f. 23.03.2015)	1	0	N.A	1	2	-
Mr.Ahmad Azmoodeh (upto22.03.2015)	8	2	No	1	2	-
Mr.Mohammad Hassan Ghodsi (upto 22.03.2015)	8	4	Yes	1	2	-
Mr.Sanjiv Singh (from 03.07.2014)	7	7	Yes	1	2	-



4.0 COMMITTEES OF THE BOARD

- 4.1 The Board has constituted four mandatory Committees, viz., Audit Committee, Stakeholders Relationship Committee, Remuneration Committee and Committee on Corporate Social Responsibility & Sustainability Development and three non-mandatory Committees, viz., Planning and Projects Committee, Board Project Committee and Research Advisory Committee.
- 4.2 The minutes of the Committee Meetings are circulated to the members after approval by the Chairman of the Committee and also placed before the Board in subsequent Meetings for taking on record.

4.3 AUDIT COMMITTEE

4.3.1 Composition of the Committee as on 31.3.2015:-

1. Mr.G.Ramaswamy, Independent Director – Chairman.
2. Ms.Perin Devi, Director – Member
(w.e.f. 12.03.2015)
3. Mr.S.Krishna Prasad, Director – Member
(w.e.f. 09.01.2015)
4. Mr.Yasin Rezazadeh, Director – Member
(w.e.f. 22.03.2015)

4.3.2 Terms and reference of the Audit Committee:-

The Terms of Reference of Audit Committee covers all matters specified under the provisions of the Companies Act 2013 as well as revised Clause 49 of the Listing Agreement of the Stock Exchanges, which inter alia includes the following:

- Overseeing the Company's financial reporting process and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible.
- Reviewing with management the quarterly and annual financial statements alongwith related party transactions, if any, before submission to the Board.
- Reviewing with the management and statutory and internal auditors, the adequacy of internal control systems.
- Discussion with internal auditors on Annual Internal Audit Program, Significant Audit Findings and follow up on such issues.
- Discussion with statutory auditors before the audit commences on the nature and scope of audit, as well as having post-audit discussion to ascertain any area of concern.
- Reviewing the Company's financial and risk management policies.
- Reviewing with the management, the observations / comments / assurances of the Comptroller & Auditor General of India (CAG).
- Review with the management, the follow-up action taken on the recommendations of the Parliamentary Committee on Public Undertaking (CoPU).
- Review of Cost Audit Report.
- Approval or any subsequent modification of transactions of the company with related parties.

4.3.3 The details of Audit Committee Meetings held during the Financial Year 2014-15 and the Members present are given below:

Members Present	16.05.2014	24.05.2014	07.08.2014	04.11.2014	11.02.2015	23.03.2015
Mr.G.Ramaswamy	Yes	Yes	Yes	Yes	Yes	Yes
Mr.S.Krishna Prasad (w.e.f. 09.01.2015)	N.A	N.A	N.A	N.A	Yes	Yes
Ms.Perin Devi (w.e.f. 12.03.2015)	N.A	N.A	N.A	N.A	N.A	L.O.A
Mr.Yasin Rezazadeh (w.e.f. 23.03.2015)	N.A	N.A	N.A	N.A	N.A	L.O.A
Mr.T.S.Ramachandran (upto30.11.2014)	N.A	N.A	N.A	Yes	N.A	N.A
Mr.Mohan Lal (upto 12.03.2015)	N.A	N.A	N.A	Yes	L.O.A	N.A
Mr.L.Sabaretnam (upto 16.09.2014)	Yes	Yes	Yes	N.A	N.A	N.A
Mr. Venkatraman Srinivasan (upto 16.09.2014)	Yes	Yes	Yes	N.A	N.A	N.A
Mr.Ahmad Azmoodeh or his Alternate Director (upto 23.03.2015)	Yes	L.O.A	Yes	L.O.A	L.O.A	N.A

Note: LOA denotes Leave of Absence

4.3.4 The Audit Committee meetings are attended by the Head of Internal Audit as invitee. The representatives of the Statutory Auditors are also invited to the Audit Committee meetings while considering the quarterly / annual financial statements and discussion on nature & scope of Annual Audit. The Cost Auditors are invited when the Cost Audit Reports are considered by the Audit Committee.

The Minutes of the meetings of the Audit Committee are circulated to the members of the Audit Committee and to all concerned for necessary action and are also submitted to the Board for information. The ATR on decisions of the Audit Committee are also submitted to the Committee as a follow up action.

4.4 REMUNERATION COMMITTEE

4.4.1 CPCL being a Government Company, the appointment and the term and condition of such appointment (including remuneration), of the Whole-time Directors is decided by the Government of India. However, the Board of Directors of the Company at the 262nd Meeting held on 27.07.2009 constituted a Remuneration Committee, in line with the DPE Guidelines dated 26.11.2008. The Independent Directors are not paid any remuneration except sitting fees for attending meetings of the Board or Committees thereof.



4.4.2 Composition of the Committee as on 31.03.2015

The Remuneration Committee comprises of the following members:

- Mr.G.Ramaswamy, Independent Director – Chairman
- Mr.S.Venkataramana, Director (Operations) – Member
- Mr.S.Krishna Prasad, Director (Finance) – Member
(w.e.f. 09.01.2015)
- Mr.Sanjiv Singh, Director – Member
(w.e.f. 03.07.2014)
- Ms.Perin Devi, Director – Member
(w.e.f. 12.03.2015)

4.4.3 Terms of Reference

The Remuneration Committee will decide the Annual Bonus / Variable Pay pool and policy for its distribution across the Executives and non-unionised supervisors, within the prescribed limits and also other matters that may be referred by the Board.

4.4.4 No Meeting was held during the financial year 2014-15.

4.4.5 The details of Remuneration paid to all the Functional Directors are given below:

The remuneration of the whole time Functional Directors include basic salary, allowances and perquisites as determined by the Government of India. Also, they are entitled to provident fund and superannuation contributions as per the rules of the Company.

The gross value of the fixed component of the remuneration, as explained above, paid to the whole time functional Directors, during the financial year 2014-15 is given below:

(₹ in Lakhs)

Name of the Director	Salaries & Allowances	Contribution to Provident Fund / Superannuation Fund etc	Other Benefits	Total
Mr.Gautam Roy (w.e.f 14.10.2014)	10.56	2.15	0.11	12.83
Mr.S.Venkataramana	24.69	3.85	0.22	28.76
Mr.U.Venkata Ramana (w.e.f.01.12.2014)	6.65	1.38	0.03	8.06
Mr.S.Krishna Prasad (w.e.f 09.01.2015)	4.81	0.97	0.07	5.85
Mr.T.S.Ramachandran (upto 30.11.2014)	12.06	2.46	0.42	14.94
Mr. A.S. Basu (upto 31.05.2014)	8.78	0.69	1.63	11.10

4.4.6 The whole time functional Directors are appointed for a period of five years or upto the date of superannuation, whichever event occurs earlier.

4.4.7 Criteria for payment to Non-executive Directors:

As per Article 90 A of the Articles of Association of the Company, the remuneration payable to the Directors of the Company, other than full-time Directors of the Company or Full-time employees of the Shareholders for attendance at Meetings of Board of Directors or any Committee thereof, shall be fixed by the Board of Directors of the Company from time to time.

The amount of sitting fees payable to the eligible Directors for attendance at the meetings of the Board and its Committees is Rs.20000/-.

4.4.8 The details of the sitting fees paid to non-executive Directors during 2014-15 are given below:

Mr.G.Ramaswamy	-	₹ 3,60,000/-
Mr.L.Sabaretnam	-	₹ 2,20,000/-
Mr.Venkatraman Srinivasan	-	₹ 1,40,000/-

4.4.9 None of the Independent Directors hold any shares of Company as on 31st March 2015. There were no other materially significant pecuniary relationships or transactions of the Independent Directors vis-à-vis the Company.

4.5 Stakeholders Relationship Committee

The erstwhile Shareholders' / Investors Grievance Committee (SIGC) was renamed as Stakeholders' Relationship Committee (SRC) on 09.10.2014 pursuant to the provisions of the Companies Act 2013.

4.5.1 Composition of the Committee as on 31.3.2015:-

1. Mr.G.Ramaswamy, Independent Director - Chairman
2. Mr.S.Krishna Prasad, Director (Finance) – Member (w.e.f 09.01.2015)
3. Mr.U.Venkata Ramana, Director (Technical) – Member (w.e.f 01.12.2014)
4. Mr.Alireza Zamani, Director - Member. (w.e.f 23.03.2015)

4.5.2 Terms of Reference

To specifically look into the redressal of Shareholders and Investors' complaints like transfer of shares, non-receipt of Balance Sheet, non-receipt of Dividends, etc.

4.5.3 The details of Stakeholders Relationship Committee Meetings held during the Financial Year 2014-15 and Members present are given below:

Members Present	Date of the Meeting			
	16.05.2014	07.08.2014	04.11.2014	27.01.2015
Mr.G.Ramaswamy	N.A	N.A	Yes	Yes
Mr.U.Venkata Ramana (w.e.f 1.12.2014)	N.A	N.A	N.A	Yes
Mr.S.Krishna Prasad (w.e.f 09.01.2015)	N.A	N.A	N.A	Yes
Mr.L.Sabaretnam (Upto 16.09.2014)	Yes	Yes	N.A	N.A
Mr.T.S.Ramachandran (upto 30.11.2014)	Yes	Yes	Yes	N.A
Mr. Mohammad Hassan Ghodsi or his Alternate (upto 23.03.2015)	Yes	Yes	LOA	Yes
Mr.A.S.Basu (upto 31.05.2014)	Yes	N.A	N.A	N.A

Note : LoA denotes Leave of Absence



4.5.4 Name and designation of Compliance Officer:-

Mr.P.Shankar, Company Secretary is the compliance officer.

4.5.5 Number of shareholders' complaints received during the year 2014-15 and Number of pending complaints for the period from 01.04.2014 to 31.03.2015 are given below:

During the year, 430 complaints were received and all have been resolved. As on 31st March 2015, no complaints were pending.

The Company has created a designated email-id sld@cpcl.co.in exclusively for investor servicing and for responding to their queries.

4.6 BOARD PROJECT COMMITTEE

4.6.1 The Composition of Board Project Committee as on 31.03.2015 is as follows:

1. Mr.Sanjiv Singh, Director – Chairman
(w.e.f 03.07.2014)
2. Director (Finance) – Member
3. Director (Technical) or Director (Operations), depending upon the Proposal considered

4.6.2 Terms of Reference

- (a) To approve Capital investment exceeding Rs. 50 crore and upto Rs. 100 crore and pre-feasibility expenses exceeding Rs. 10 crore and upto Rs. 20 crore.
- (b) To recommend investment approval beyond Rs. 100 crore to the Board of CPCL for consideration.

4.6.3 Two meetings were held during the Financial Year 2014-15.

4.7 PLANNING AND PROJECTS COMMITTEE

4.7.1 The Composition of Planning and Projects Committee is Director (Finance), Director (Technical), Director (Operations), and Managing Director
The quorum for the Committee's proceedings shall be a minimum of three members including Director (Finance).

4.7.2 Terms of Reference

- (a) To approve Capital investment exceeding Rs.10 crore and upto Rs.50 crore and pre-feasibility expenses exceeding Rs. 5 crore and upto Rs. 10 crore.

4.7.3 10 meetings were held during the Financial Year 2014-15

4.8 COMMITTEE ON CORPORATE SOCIAL RESPONSIBILITY & SUSTAINABLE DEVELOPMENT:

4.8.1 The Composition of Committee on CSR & SD as on 31.03.2015 is as follows:

1. Mr.G.Ramaswamy, Independent Director – Chairman
2. Mr.S.Venkataramana, Director (Operations), Member
3. Mr.U.Venkata Ramana, Director (Technical), Member
(w.e.f 01.12.2014)
4. Mr.S.Krishna Prasad, Director (Finance), Member
(w.e.f 09.01.2015)

4.8.2 Terms of Reference

The role of CSR Committee is as under :

- To formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken as specified in Schedule VII of Companies Act;
- To recommend the amount of expenditure to be incurred on the activities referred above
- To monitor the CSR Policy from time to time
- To institute a transparent monitoring mechanism for implementation of CSR projects or programs or activities undertaken by the company
- To review CPCL's existing CSR policy from time to time as per guidelines issued by Government
- To guide and suggest improvement in CSR activities / systems

4.8.3 The details of CSR & SD Committee Meetings held during the Financial Year 2014-15 along with the Members present are given below :

Members Present	Date of the Meeting		
	06.05.2014	08.01.2015	13.03.2015
Mr.G.Ramaswamy	N.A	Yes	Yes
Mr.Gautam Roy (as D(F)i/c)	N.A	Yes	N.A
Mr.S.Venkataramana	LOA	Yes	Yes
Mr.U.Venkata Ramana (w.e.f 01.12.2014)	N.A	Yes	Yes
Mr.S.Krishna Prasad (w.e.f 09.01.2015)	N.A	N.A	Yes
Mr.L.Sabaretnam (upto16.09.2014)	Yes	N.A	N.A
Mr.A.S.Basu (upto 31.05.2014)	Yes	N.A	N.A
Mr.T.S.Ramachandran (upto 30.11.2014)	Yes	N.A	N.A

5.0 COMPLIANCE WITH MANDATORY REQUIREMENTS OF CORPORATE GOVERNANCE

5.1 Compliance of Applicable Laws

As per Clause 49 II (D), the Board shall periodically review compliance reports of all laws applicable to the company, prepared by the company as well as steps taken by the company to rectify instances of non-compliances.

Accordingly, a system had been developed and institutionalized to ensure compliance with all laws applicable to the Company.

The Board reviewed the Compliance Report of all laws applicable to the Company for the period 01.10.2013 to 30.09.2014 at the 300th Board Meeting held on 04.11.2014.



5.2 Risk Assessment and Minimisation Procedures

As per Clause 49 VI A, the Company shall lay down procedures to inform Board members about the risk assessment and minimization procedures.

Accordingly, a system had been developed and procedures have been laid down on risk assessment and minimization.

To ensure alignment of Risk Management system with the Corporate and operational objective and to improve upon the existing procedure, the Executive Committee at its 246th Meeting held on 26.04.2011 constituted a Committee comprising of officials from various functional areas to identify the risks in the present context, prioritise them and formulate proper action plan for implementation. The Committee has formulated the Risk Management Policy with effect from 2012-13.

The Action Taken Report on the Risk Management Policy for the year 2014-15 was reviewed by the Audit Committee and the Board at the Meeting held on 23.05.2015.

5.3 Internal Control Systems - CEO / CFO Certification

As per Clause 49 IX, the CEO / CFO of the Company shall certify to the Board regarding the effectiveness of the internal control systems for financial reporting.

Systems have been developed to review the internal controls and to institutionalize the system of internal controls in the Company to enable the Managing Director and Director (Finance) certify to Board regarding the effectiveness of Internal Control System for financial reporting.

The required certification from the Managing Director and Director (Finance) being the CEO and CFO respectively was obtained and placed before the Audit Committee and the Board at the Meeting held on 23.05.2015.

5.4 Code of Conduct for Board Members and other Senior Management Personnel

As required under Clause 49 II. E. of the Clause 49 of the Listing Agreement, a declaration signed by the Managing Director of the Company that all the Board Members and Senior Management personnel have fully complied with the provisions of the Code of Conduct for Board Members and Senior Management Personnel during the financial year ending 31.03.2015 is placed below:

"This is to declare that all the Board Members and Senior Management Personnel of the Company have furnished the Annual Compliance Report affirming that they have fully complied with the provisions of the Code of Conduct for the Board Members and the Senior Management Personnel of the Company during the Financial Year ended 31.3.2015 and the same was informed to the Board at the 304th Meeting held on 23.05.2015".

Place : New Delhi
Date : 23.05.2015

GAUTAM ROY
Managing Director

5.5 Code of Conduct for prevention of Insider Trading in dealing with the Securities of CPCL

The Securities and Exchange Board of India (SEBI) in 2003 had prescribed guidelines under SEBI (Prohibition of Insider Trading) Regulations, 1992 requiring listed entities to frame a Code of Conduct for prevention of Insider Trading. Accordingly, the Board of CPCL at its meeting held on 28.03.2003 and further amended at the meeting held on 24.03.2009 had adopted a model Code of Conduct for dealing with the securities of CPCL, which became effective from 01.04.2003. The Code was applicable to the Directors, Executive Directors, General Managers and Designated Employees of certain departments.

SEBI vide notification dated 15.01.2015 repealed the Insider Trading Regulations, 1992 and replaced the same with SEBI (Prohibition of Insider Trading) Regulation, 2015 which became effective from 15.05.2015.

As per the new Regulations, CPCL has formulated the new “Code for prevention of Insider Trading in the securities of CPCL (Insider Trading Code) based on the new regulations and the same was approved by the Board at its meeting held on 23.05.2015.

5.6 Compliance Certificate

Department of Public Enterprises (DPE) has issued Corporate Governance guidelines applicable for Central Public Sector Enterprises, which has been made mandatory effective May 2010.

CPCL has complied with the mandatory requirement of the guidelines on Corporate Governance issued by SEBI and DPE except the requirement relating to minimum number of Independent Directors which is less than half of the total strength of the Board. The Company has taken up the issue with the appointing authority, viz., Government of India. The appointment of additional Independent Directors is under the consideration of Government of India.

Clause 49 of the Listing Agreement and DPE Guidelines on Corporate Governance requires every listed Company to obtain a certificate from either the auditors of the Company or a Practicing Company Secretary regarding compliance of conditions of Corporate Governance and annex the certificate with the Directors’ Report, which is sent annually to all the shareholders. The Company has obtained a certificate to this effect from the Auditors of the Company as required under the Clause 49 and DPE Guidelines and the Certificates are given as annexures to the Directors’ Report.

5.7 Reconstitution and renaming of the Remuneration Committee as Nomination and Remuneration Committee and revision of its terms of reference pursuant to revised Clause 49 of the Equity Listing Agreement

The terms of reference of the Remuneration Committee has not been revised since the terms and conditions of appointment of Directors, including their remuneration, vests with the Government of India.

6.0 COMPLIANCE WITH NON-MANDATORY REQUIREMENTS

(i) Training to Directors

Training to Directors in the area of Corporate Governance is always given importance by Management. The new Directors are nominated for relevant training programmes on need basis.



(ii) Evaluation of performance of Non-Executive Directors

CPCL, being a Government Company, the performance of the Board of Directors as a whole including Non-Executive Directors are reviewed by Government of India / Indian Oil Corporation Limited at the time of evaluation of Memorandum of Understanding entered into by CPCL with IOC, the holding Company and also while reviewing the Quarterly performance of the Company by the Ministry of Petroleum and Natural Gas, Government of India

(iii) Financial Results

Financial results and the significant events are displayed in the website of the Company for the information of the shareholders.

7.0 DISCLOSURES

The following are the disclosures as required under Clause 49 of the Listing Agreement, DPE Guidelines on Corporate Governance and Voluntary Guidelines on Corporate Governance issued by the Ministry of Corporate Affairs:

7.1 Materially significant Related Party Transactions:

Pursuant to revised clause 49(VII)(C) of the Listing Agreement, the Board of Directors of the Company have approved a policy on “Materiality of Related Party Transactions and dealing with Related Party Transactions” (policy on RPT). The same has been hosted on the website of the company and can be accessed at the following link : <https://www.cpcl.co.in/InvestorCentreGrievances>

As per the policy on RPT, all related party transactions are approved by the Audit Committee. The Company has not entered into any material significant related party transactions during the year.

7.2 Separate meeting of Independent Directors

Since the company has only one independent Director, separate meeting of Independent Directors could not be held as per provisions of the Companies Act 2013 and Listing Agreement.

7.3 Details of Non-Compliance during last three years

There were no cases of Non-compliance by the Company and no penalties / strictures were enforced on the Company by Stock Exchange / SEBI / any statutory authority, on any matter related to capital markets during the last three years.

7.4 Accounting Aspects

- In the preparation of financial statement for the year 2014-15, the Company has not adopted an accounting treatment which is different from that prescribed in the Accounting Standard, in respect of any transaction.
- The Company has not incurred any expenditure not for the purpose of business during the year 2014-15.
- The Company has not incurred any expenses which are personal in nature for the Board of Directors and key management personnel.
- The administrative and office expenses as a percentage of total expenses is 0.25% as compared to the previous year figure of 0.22%.
- The cost statements for the financial year 2014-15 will be filed before 30.09.2015 in XBRL mode.

7.5 Directors

- The Directors on the Board of CPCL are not related to each other.
- The letters issued to Non-Executive Directors on their appointment are displayed in the website of the Company.

7.6 Presidential Directives

The Company has been following the presidential directives and other guidelines issued by the Ministry of Petroleum and Natural Gas and the Department of Public Enterprises from time to time regarding reservation in services for SC / ST / OBC and Physically Challenged.

7.7 Whistle-Blower Policy

The Company has framed a whistle blower policy wherein the employees are free to report any improper activity resulting in violations of laws, rules, regulations or code of conduct by any of the employees, to the Competent Authority or Chairman of the Audit Committee, as the case may be. Any such complaint is reviewed by the Competent Authority or Chairman of the Audit Committee. The confidentiality of those reporting violations are maintained and they are not subjected to any discriminatory practice. No employee has been denied access to the Audit Committee. The policy on Vigil Mechanism / Whistle Blower can be accessed on the Company's website at the link [https://www.cpcl.co.in/investor centre grievances/](https://www.cpcl.co.in/investor_centre_grievances/).

During the year, no complaint has been received under the Whistle-Blower Policy.

8.0 MEANS OF COMMUNICATION

8.1 Financial Results

The Board of Directors of the Company approve the Un-audited Quarterly Financial Results in the prescribed form within 45 days, of the close of every quarter and announces the results to all the Listed Stock Exchanges. The same are also published, within 48 hours in the newspapers viz., The Hindu, New Indian Express, The Economic Times, Business Line, Financial Express, News Today and Makkal Kural (Tamil).

The Quarterly Results, Half yearly Results, Annual Results and Shareholding pattern are placed on the Company's website at www.cpcl.co.in. Press releases are given on important occasions. They are also placed on Company's website.

8.2 Website

The Company's website, www.cpcl.co.in provides separate section for Investors where relevant Shareholders information is available. The Annual Report of the Company is also displayed in the website alongwith the other details like Share price, unclaimed dividend, Press Release, etc.

8.3 Chairman's Speech at AGM

Chairman's Speech at AGM is also distributed to the shareholders who attend the Annual General Meeting of the Company and the same is also displayed in the website of the Company.

8.4 Management Discussion and Analysis Report forms part of the Directors' Report 2014-15.



8.5 Green initiative – reaching important communication to shareholders through email

The provisions of the Companies Act 2013 and rules made thereunder permits paperless communication by allowing service of all documents in electronic mode Accordingly, CPCL would send the copy of the Annual Report for the year 2014-15 alongwith the notice convening the Annual General Meeting through email to those shareholders who have registered their email id with the DP's / R&T agents and have not opted for physical copy of the Annual report.

9.0 GENERAL SHAREHOLDER INFORMATION

9.1 Details of last three Annual General Meetings:

Location and time, where last three Annual General Meetings were held and number of special resolutions passed:

AGM Date	Location	Time	No. of Special Resolutions passed
11.09.2012	Kamaraj Arangam 492, Anna Salai Chennai 600 006	02.30 pm	1
21.08.2013	Narada Gana Sabha, 314, T.T.K.Road, Chennai – 600 018	03.00 pm	Nil
20.08.2014	Kamaraj Arangam 492, Anna Salai Chennai 600 006	03.00 pm	Nil

9.2 Postal Ballot Details:

No Resolution was passed by Postal Ballot during 2014 - 15.

9.3 49th Annual General Meeting

Date & Time : 7th September 2015 ; 03:00 p.m.

Venue : Kamaraj Arangam,
492, Anna Salai, Chennai – 600 006

9.4 Financial Calendar : April 2014 – March 2015

9.5 Book Closure Date : 01.09.2015 to 07.09.2015 (both days inclusive)

9.6 Dividend despatch date : The Board has not recommended any dividend for the year 2014 - 15

9.7 Listing on Stock Exchanges : The Shares of the Company are listed on the Stock Exchanges at Chennai, Mumbai and National Stock Exchange of India Limited. The listing fee for the year 2015-16 has been paid.

9.8 Stock Code : Madras Stock Exchange Ltd. - CPCL /
BSE – 500110

9.9 Trading Symbol in NSE : CHENNPETRO

Trading Symbol in
Madras Stock Exchange : CHENNAI PET

9.10 ISIN No. for dematerialized shares : INE 178A 01016

9.11 Market Price Data for CPCL - High, Low and Close during each month in the last Financial Year
(in Rupees)

	National Stock Exchange			Bombay Stock Exchange		
Month	High	Low	Close	High	Low	Close
Mar 2015	82.40	62.25	68.35	82.45	62.20	68.55
Feb 2015	83.30	71.85	74.85	90.00	72.00	75.20
Jan 2015	79.55	69.00	77.35	79.40	69.35	77.10
Dec 2014	91.80	63.85	70.45	91.30	63.90	70.50
Nov 2014	104.40	88.40	90.20	104.25	88.65	90.25
Oct 2014	109.80	97.25	102.15	109.60	97.00	102.25
Sep 2014	110.40	87.05	102.00	110.40	87.00	102.00
Aug 2014	98.80	83.35	89.20	98.70	83.25	89.10
Jul 2014	99.10	84.20	84.50	99.00	83.80	84.65
Jun 2014	104.50	84.30	96.20	103.50	84.30	96.40
May 2014	114.00	76.00	90.60	113.90	76.40	90.50
Apr 2014	82.70	66.50	79.70	82.70	66.00	79.55

9.12 Performance of CPCL's Shares in comparison to BSE and NSE Index

	National Stock Exchange		Bombay Stock Exchange	
Month	Closing price in ₹	Index	Closing price in ₹	Index
APR-14	79.70	6696.40	79.55	22417.80
MAY-14	90.60	7229.95	90.50	24217.34
JUN-14	96.20	7611.35	96.40	25413.78
JUL-14	84.50	7721.30	84.65	25894.97
AUG-14	89.20	7954.35	89.10	26638.11
SEP-14	102.00	7964.80	102.00	26630.51
OCT-14	102.15	8322.20	102.25	27865.83
NOV-14	90.20	8588.25	90.25	28693.99
DEC-14	70.45	8282.70	70.50	27499.42
JAN-15	77.35	8808.90	77.10	29182.95
FEB-15	74.85	8901.85	75.20	29361.50
MAR-15	68.35	8491.00	68.55	27957.49



9.13 Registrars and Share Transfer Agents

(a) Hyderabad Office:

Karvy Computer Share Pvt. Limited,
Karvy Selenium Tower B,
Plot 31-32, Gachibowli Financial District,
Hyderabad - 500 032
Phone : 040-67161562
E-mail : mohsin.mohd@karvy.com, einward.ris@karvy.com
Website: www.karvycomputershare.com

b) Chennai Office:

Karvy Computershare Private Limited
Unit: Chennai Petroleum Corporation Limited
Akshaya Plaza, 1st Floor, Flat No. F-11
New No.108, Adhithanar Salai,
(Opp: Chief City Metropolitan Court)
Egmore, Chennai 600002
Phone: 044-28587781
Fax : 044-42028514
Email id: chennaiirc@karvy.com

9.14 Share Transfer System

- a) To expedite the share transfer process, the Board of Directors has constituted a Share Transfer Committee (STC). Presently the STC comprises of Mr.P.Shankar, Company Secretary and Mr.A.S.Sriram, Officer (Secretarial) to approve share transfers, transmission of shares, dematerialisation requests and rematerialisation requests etc.
- b) The number of transfers approved and shares transferred from 01.04.2014 to 31.03.2015 are given below:

SLNo.	Particulars		Number of Shares Involved
1	Number of transfer deeds received	133	13814
2	Defective transfer deeds sent to the proposed transferee for rectification of defects	76	8900
3	Transfer deeds processed	57	4914

Note: Rectified transfer deeds after re-lodgement are being processed subsequently.

- c) The number of meetings held for approving the Share Transfers from 01.04.2014 to 31.03.2015 is 32.
- d) The number of demat requests approved and shares dematted from 01.04.2014 to 31.03.2015 in National Securities Depository Ltd. (NSDL) are given below:-

SLNo.	Particulars	Number of Demat Request Form (DRF)	Shares
1	Number of demat requests received	309	35300
2	Number of demat requests rejected, for non-receipt of physical share certificates within 30 days as per the requirement of NSDL	100	12200
3	Number of demat requests processed	209	23100

e) The number of demat requests approved and shares dematted from 01.04.2014 to 31.03.2015 in Central Depository Services (India) Ltd. (CDSL) are given below:

Sl.No.	Particulars		Number of Shares Involved
1	Number of demat requests received	131	21800
2	Number of demat requests rejected, for non-receipt of physical share certificates within 30 days as per the requirement of CDSL	44	10300
3	Number of demat requests processed	87	11500

9.15 Distribution of Shareholding as on 31.03.2015 :

Shareholding of nominal value	Shareholders		Share Amount	
Rs.	Number	% to total	Rs.	% to total
Upto - 5000	61171	92.26	69894580.00	4.69
5001 - 10000	2568	3.87	20960800.00	1.41
10001 - 20000	1244	1.88	18936480.00	1.27
20001 - 30000	430	0.65	11106880.00	0.75
30001 - 40000	186	0.28	6672020.00	0.45
40001 - 50000	164	0.25	7758230.00	0.52
50001 - 100000	295	0.44	21834120.00	1.47
100001 & above	247	0.37	1331950890.00	89.45
TOTAL	66305	100	1489114000.00	100

9.16 Shareholding Pattern as on 31.03.2015 :

Description	No. OF SHARES		TOTAL	% TO SHARES	No. OF SHAREHOLDERS		TOTAL
	Physical	Electronic			Physical	Electronic	
Indian Oil Corporation Limited	0	77265200	77265200	51.89	0	1	1
Naftiran Inter-trade Co. Ltd.	0	22932900	22932900	15.40	0	1	1
Public (including Employees)	1243105	16232258	17475363	11.74	11285	47918	59203
Bodies Corporate	22900	4105247	4128147	2.77	73	835	908
Banks, FIs and Insurance Companies	100	19737120	19737220	13.25	1	22	23
Mutual Funds and UTI	9000	3073458	3082458	2.07	16	10	26
Foreign Institutional Investors	4200	2918934	2923134	1.96	11	17	28
Non-Resident Indians OCBs/FN	618800	748178	1366978	0.92	4602	1513	6115
Total	1898105	147013295	148911400	100	15988	50317	66305



9.17 Top Ten Shareholders as on 31.03.2015 (Other than Promoters)

SL No.	Name	Shares	% Equity
1	LIFE INSURANCE CORPORATION OF INDIA	6327823	4.25
2	THE NEW INDIA ASSURANCE COMPANY LIMITED	3821060	2.57
3	GENERAL INSURANCE CORPORATION OF INDIA	3341644	2.24
4	LIC OF INDIA MARKET PLUS 1 GROWTH FUND	2318346	1.56
5	UNITED INDIA INSURANCE COMPANY LIMITED	1913334	1.28
6	ICICI PRUDENTIAL TOP 200 FUND	1618308	1.09
7	NATIONAL INSURANCE COMPANY LTD	733329	0.49
8	GOLDMAN SACHS (SINGAPORE) PTE	558446	0.38
9	SUNIL KUMAR JAIN & ALKA RANI JAIN	532000	0.36
10	AUSTRALIAN SUPER	523800	0.35
	TOTAL	21688090	14.57

9.18 Dematerialisation of Shares and Liquidity

The dematerialisation facility exists with both the National Securities Depositories Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for the convenience of shareholders. As on 31.03.2015, 14,70,13,295 equity shares have been dematerialized, representing 98.73 % of the paid-up capital.

9.19 Due date of Transfer of Unclaimed Dividend:

The due date of transfer of Unclaimed dividend to the Investor Education and Protection Fund are as under:

Year	Date of Declaration	Due Date of Transfer
2007-08 – Interim	15.05.2008	14.06.2015
2007-08 – Final	08.09.2008	07.10.2015
2008-2009	No Dividend	
2009-2010	06.09.2010	05.10.2017
2010-2011	12.09.2011	11.10.2018
2011-2012	11.09.2012	10.10.2019
2012-2013	No Dividend	
2013-2014	No Dividend	

The Ministry of Corporate Affairs (MCA) had notified the Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with Companies), Rules, 2012, in May 2012 by which every company is required to file information of all unclaimed and unpaid amount, as referred to under section 124 (2) of the Companies Act 2013, within 90 days after holding of the Annual General Meeting, in prescribed Form. Thereafter, a detailed investor-wise information is required to be uploaded on the IEPF website as well as the website of the Company.

In line with the said rules, CPCL has filed the information for the financial year 2007-08 to 2013-14 in the prescribed form / format with the MCA / IEPF website and also hosted it on CPCL's website www.cpclco.in.

9.20 Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, Conversion Date and likely impact on Equity
The Company has not issued GDR / ADR / Convertible instruments.

9.21 Plant Locations
Manali Refinery, Manali, Chennai-600 068. [Phone No.044-25944000]
Cauvery Basin Refinery, Panangudi Village, Nagapattinam District, Tamilnadu,
Pin: 611 002. [Phone No.04365-256402]

9.22 Address for Correspondence
Chennai Petroleum Corporation Limited,
No.536, Anna Salai, Teynampet,
Chennai-600 018.
Phone: 044-24349833
Fax : 044-24341753
Email: sld@cpcl.co.in
CIN No. : L40101TN1965GOI005389
Company's Website Address: **www.cpcl.co.in**





Report to Shareholders

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Directors' Report 2014-2015

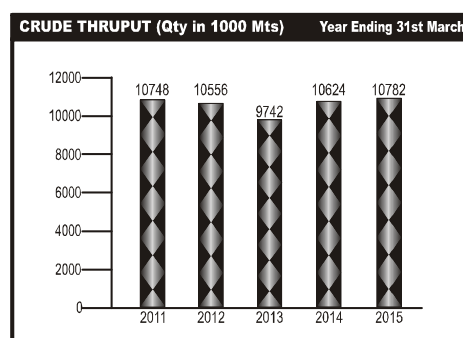
To the Shareholders of Chennai Petroleum,

On behalf of the Board of Directors of your Company, it is my privilege to present the 49th Annual Report on the working of your Company, together with the Audited Statement of Accounts, Auditors' Report and the Report of the Comptroller & Auditor General of India on the Accounts for the year ended March 31, 2015.

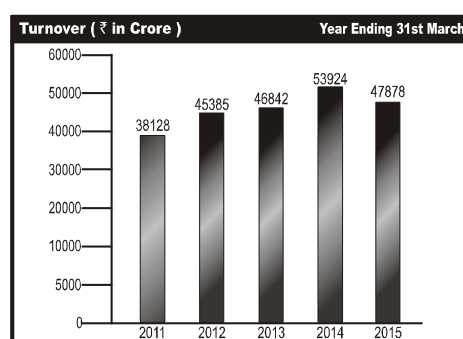
PERFORMANCE REVIEW

Physical

CRUDE THRUPUT (in TMT)	2014-15	2013-14
Imported	8451	8777
Indigenous	2331	1847
Total	10782	10624



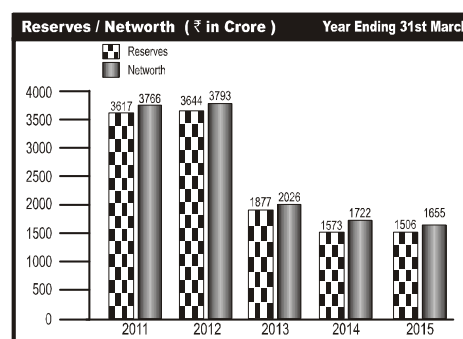
PRODUCTION (in TMT)	2014-15	2013-14
Light Ends	2153	2269
Middle Distillates	5636	5317
Lube Base Stocks	201	141
Wax	25	23
Heavy Ends	1840	1948
Intermediates	12	11
Others	(20)	(18)
Fuel & Loss	935	933
Total	10782	10624



Financial

(₹ in Crore)

	2014-15	2013-14
Gross Turnover	47877.82	53923.70
Profit before Interest, Depreciation and Tax	(112.54)	626.58
Interest	403.73	567.97
Depreciation and Amortization	226.12	389.58
Profit/(Loss) before Tax	(742.39)	(330.96)
Provision for Taxation		
- Income Tax (Net)	-	(23.42)
[Pertaining to earlier years]		
- Deferred Tax	-	(3.69)
- Deferred Tax (Prior period item)	(703.40)	-
Profit / (Loss) after Tax	(38.99)	(303.85)
Value Added	466.40	1283.15



**Highlights of Financial Performance during the year 2014-15 :**

The Financial performance in the last quarter of the financial year was positive due to better operating performance coupled with stable crude and product prices resulting in higher operating profits.

Despite achieving highest ever crude throughput in FY 2014-15, the decline in turnover was due to steep fall in crude and product prices from October 2014 mainly due to supply glut in the international market. As a result, the profitability was impacted significantly during the year due to inventory losses. The company posted a Profit/ (loss) before tax of ₹ (742.39) crore. However, the Profit/ (Loss) after tax was lower at ₹ (38.99) crore consequent to recognition of deferred tax asset in the current year in respect of carry forward business loss and unabsorbed depreciation to the extent of deferred tax liability of ₹ 703.40 crore accounted in previous years in line with the opinion received by the company from the Institute of Chartered Accountants of India.

Dividend

The Board of Directors of the Company has not recommended any dividend for the year 2014-15 due to loss.

Book Value

The book value per share of your Company was ₹ 111.15 as on 31.03.2015 as compared to ₹ 115.67 as on 31.03.2014.

Reserves and Surplus

The Reserves and Surplus as on March 31, 2015 was ₹ 1506.07 crore as compared to ₹ 1573.44 crore as on March 31, 2014.

Value Addition

The value addition during the year was ₹ 466.40 crore as compared to ₹ 1283.15 crore in the previous year.

Contribution to Ex-Chequer

The details are as under:

(₹ in Crore)

Particulars	2014-15	2013-14
Central Exchequer	6250.41	4827.87
State Exchequer	472.44	567.44
Total	6722.85	5395.31

Public Deposit Scheme

Your Company has not accepted any public deposits during the year 2014-15 and no public deposit was outstanding as on 31.03.2015.

Transfer of Unclaimed Dividend to IEPF

Your Company has transferred to the Investor Education and Protection Fund the required amount as per the Companies Act, within the stipulated time.

Operational Performance

The total thruput of the company during the year was 10782 TMT as compared to 10624 TMT in the previous year. The distillates yield was the highest at 72.1% as against the previous best of 71.4% in 2013-14. The Fuel and Loss for the year was the lowest at 8.65% as compared to 8.78% in the last year.

Manali Refinery achieved the highest ever crude thruput of 10,251 TMT as compared to the previous best of 10065 TMT in 2013-14. Fluidised Catalytic Cracking Unit (FCCU) achieved the highest throughput of 1075 TMT as against the previous best of 1065 TMT in FY 2013-14. The thruput of Continuous Catalytic Reforming Unit (CCRU) was the highest at 389 TMT as against the previous best of 359 TMT in 2013-14. Similarly, the thruput of Diesel Hydro treating Unit (DHDT) was the highest at 2186 TMT. The NMP Lube Extraction Unit also registered the highest thruput of 425 TMT as against the previous best of 390 TMT in 2003-04. The Energy Index for Manali Refinery was also the lowest at 62.3 MBTU/BBL/NRGF as against the previous best of 62.5 MBTU/BBL/NRGF in 2013-14. Production of Propylene, MS and HSD in Manali Refinery also surpassed the highest levels at 37 TMT, 1050 TMT and 4474 TMT respectively.

Manali refinery processed two new crudes viz., DAS crude from Abu Dhabi and Brass River from Nigeria. By processing these new crudes, the Company realized the benefit of adding new crudes to the basket.

During the year, Cauvery Basin Refinery achieved a crude thruput of 531 TMT and received the award for achieving highest crude volume from Marg Karaikal Port. The Fuel & Loss was lower at 4.08 wt% as compared to 4.76 wt % in the previous year.

MoU PERFORMANCE

Your Company signed a MoU incorporating performance parameters with Indian Oil Corporation Limited, the holding Company, for the year 2014-15, as per the guidelines issued by the Department of Public Enterprises (DPE).

MARKETING

Majority of the fuel products produced by CPCL are being marketed by M/s.Indian Oil Corporation Limited.

The details of sales achieved by direct marketing during 2014-15 over previous year are tabled below:

(Figures. in TMT)

S. No.	Product	2014-15	2013-14
1	PBFS	8.86	7.64
2	MEKFS	10.95	8.19
3	Propylene	37.10	35.64

Around 11 new customers were registered during the year for supply of Food Grade.Hexane, Sulphur and Paraffin wax. Four Customer Meets were conducted at various locations for Wax, Sulphur and other direct customers. Agreement was entered into with Cetex Petrochemicals Limited for a period of 4 years for supply of 6000 MT per annum of MEKFS.

PROJECTS

Completed Projects

New MS, Naphtha and Slop Tanks

In order to accommodate increased production of MS and Naphtha, one Naphtha and one MS tank, each of 10,000 KL capacity was constructed and commissioned in October 2014. Further, in order to handle slops more effectively, a new storage tank of 10,000 KL capacity was completed and commissioned in November 2014.

Construction of 4 MG Reservoir

As part of the Resid Upgradation Project enabling job, a new reservoir of 4 MGR was constructed and commissioned.



Projects at Cauvery Basin Refinery

Installation of 2 Crude oil storage tanks of 10,500 KL each is being implemented at an estimated cost of ₹ 25 Crore. The project has been mechanically completed in July 2015.

ONGOING PROJECTS

As a part of growth strategy, the Company has undertaken following projects aimed at capacity expansion, value addition and quality Upgradation.

Mounded Bullets

Currently the LPG, Propylene and Propane are stored in Horton Spheres and Butylene is stored in above ground bullets. As a risk reduction measure & also to provide intrinsically passive and safe environment and to eliminate BLEVE (Boiling Liquid Expanding Vapor Explosion) of LPG and petro chemical products, mounded bullet storage facility is under implementation at an outlay of ₹ 279 crore.

The project is mechanically completed in March 2015.

Resid Upgradation Project

In order to maximize the distillates yield of the Manali Refinery and increase the percentage of High Sulphur Crude processing, the Company is implementing a Resid Upgradation Project at an estimated cost of ₹ 3110 Crore. This project involves installation of Delayed Coker Unit and Revamp of existing Hydro Cracker Unit along with other associated facilities. Construction of major units like Delayed Coker Unit (DCU) and Sulphur Recovery Unit (SRU) are in progress. Other Utilities and Offsite packages have also started. The scheduled mechanical completion date of the project has been revised from December 2015 to July 2016 on account of delay in obtaining clearance from Ministry of Environment & Forests, resulting in re-tendering for certain contracts and change in scope and configuration of certain OSBL systems.

New Crude Oil Pipeline

Activities are initiated to replace the existing 45 year old Crude oil pipeline running from Chennai Port to Manali Refinery with a New Crude oil Pipeline with state-of-the-art technology and safety features, to ensure reliable and faster crude transfer to refinery at a cost of ₹. 257.87 crore. The new pipeline is aligned along the berm of Ennore Manali Road Improvement Project. The Coastal Regulatory Zone (CRZ) clearance from Ministry of Environment & Forests was received in January 2014. Clearance from Ministry of Road Transport and Highways (MORTH) has been obtained on 4th Apr 2015, followed by Petroleum and Explosives Safety Organisation (PESO) approval on 11th May 2015. The project is scheduled for completion by end November 2016.

FUTURE PROJECTS

BS- IV compliance - DHDS Revamp:

As per the Auto Fuel Vision and Policy 2025 of Government of India, 100% BS-IV quality fuels have to be supplied by the refineries from April 2017 and 100% BS-V/VI quality fuels from April 2020. To comply with this directive, the existing Diesel Hydro-desulphurisation Unit (DHDS) is proposed to be revamped from 1.8 MMTPA to 2.34 MMTPA to ensure 100% BS-IV production from the Manali Refinery. After the revamp, the DHDS unit will be able to produce hydro treated diesel with less than 10 ppm sulphur.

The feasibility report of this project (BSIV) is under preparation with a target to commission by 31st March 2017.

INDIAN ADDITIVES LIMITED

Your Company has only one Joint Venture viz., Indian Additives Limited (IAL), with Chevron Chemical Company (now Chevron Oronite Company), which was formed in the year 1989 for the manufacturing of Lube Additives. IAL achieved a turnover of ₹ 587.62 crore during the year 2014-15, as against ₹ 589.52 Crore in the previous year. The Profit after Tax for 2014-15 was ₹ 23.52 Crore as against ₹ 24.95 Crore in the previous year. The Board of IAL has recommended a dividend of 50% for the financial year 2014-2015.

INFORMATION TECHNOLOGY

Your company has taken rapid strides towards Green IT by focusing on the concept of paperless office with the successful implementation and processing of various employee claim in Employee Enterprise Portal system. In order to strengthen the IT security the Load Balancer was implemented which enables balancing of two ISP providers and automatic routing of internet services (Mail and Internet Services) with security features.

During the year, web-based On-line suggestion scheme, Tender Grievances System, centralized timesheet process for refinery locations (CBR) were introduced.

The website of your company was made user friendly by enabling screen reader access for persons with disabilities and the website is being updated regularly with news and events including Swachh Bharath activities.

RESEARCH AND DEVELOPMENT (R&D)

Your company's R&D policy lays emphasis on supporting refinery operations by providing technological inputs to meet the corporate objective of technical excellence in all aspects of refinery operations, promoting indigenous technologies for refinery processes in association with National Laboratories/Academic institutions and developing new products and upgrade the quality of the existing petroleum products.

Formulation of Aromatic, Naphthenic and Paraffinic type Rubber Process Oils from refinery streams were carried out. Further, studies were carried out using effluent water stream as medium for growth of algae and the algae grown in effluent water was further converted to Biocrudes and studied by Hydrothermal liquefaction process.

Studies were carried out for the feasibility of using DHDS unit for Hydrotreating of VGO using commercial catalysts to ascertain whether the Hydrotreated VGO could be used as additional feed for FCC unit meeting the Gasoline sulfur requirements. In addition, the feasibility of producing Microcrystalline wax from BN Slack wax was studied using Lab de-oiling set up and based on that, a trial run was successfully conducted in the Wax plant for the production of Micro Crystalline Wax.

Your company has filed a patent on "Processing and distillation techniques for algal biocrude to produce drop-in biofuels". A paper on "Biocrude Production from Microalgae and characterization of TBP distillates of Algal biocrude blended with Petrocrude" was presented in the International Refining and Petrochemicals Conference held in Verona Italy in June 2014.

SAFETY PERFORMANCE

Safety Management System at CPCL aims at enhancing safety performance by promoting safety awareness and maintaining excellent standards for safety of people, plant and environment. Safety systems and procedures have been made mandatory for all employees and contractors including visitors. Inherent Safe Design aspects are considered in the initial stage itself and utmost importance given for strict safety compliance.



During the year, one old foam Tender has been replaced and new one put into service. As per the OISD norms, provision of automatic rim seal fire detection and protection system for large size floating roof tanks job is in progress. Radiography awareness program was conducted for employees by inviting experts from Indira Gandhi Centre for Atomic Research (IGCAR) Kalpakkam.

Onsite Emergency Mock Drills were conducted twice at Manali Refinery. Joint Director & Dy Director, Industrial Safety & Health witnessed the drills. Job Safety Analysis was carried out for all critical jobs.

Off site emergency preparedness mock drill was conducted in CBR in December 2014. NSPC audit of Chidmbaranar Oil Jetty was completed by Tamilnadu Maritime Board in October 2014 and by National Hydrographic Office in November 2014.

In recognition of your company's efforts in adhering to the best safety practices, Manali Refinery received the prestigious State Safety Award (First Prize) under Chemical Industries Category during December 2012 from the Government of Tamilnadu in November 2014. Cauvery Basin Refinery was bestowed with the Safety Appreciation Award from National Safety Council- TN Chapter for 2012 and also the Prashansa Patra for the assessment period 2010-2012 from National Safety Council, Mumbai, in October 2014.

ENVIRONMENTAL PERFORMANCE

Your Company recognizes the impact of industrial operations on environment & believes that commitment to environment protection is fundamental to the company's values which ensure sustainable development. Therefore, your company's development plan encompasses a variety of schemes towards minimizing the impact of Refining operations on Environment.

Bench scale study for treated water quality improvement and Fire water quality improvement were completed at IIT, Madras and CLRI, Chennai respectively. As part of solid waste management, new sludge pit and two bio remediation pits were completed.

In Cauvery Basin Refinery, Green House Emission Survey was conducted.

Significant initiatives taken in the area of air pollution control include the following:

- Continuous operation of Volatile Organic Compounds (VOC) Adsorption system in ETP II to reduce VOC emission.
- Continuous efforts to reduce Greenhouse Gases (GHG) emissions by energy efficiency improvement, alternate energy generation & by Leak Detection and Repair Program(LDAR)
- Real time data transfer to State Pollution Control Board from Continuous Ambient Air Quality Monitoring Stations
- Use of Low NOx Burners to reduce NOx emission from major heaters
- Finalization of advanced wastewater treatment to maximize reclamation of Refinery waste water.
- Adoption of in-situ sludge treatment for Crude oil tank bottom sludge to reduce sludge generation in tank

In recognition of the unique measures undertaken for the preservation of environment, the Cauvery Basin Refinery was awarded the Green Award for industries by TamilNadu Pollution Control Board in June 2014, for the year 2013-14.

ENERGY CONSERVATION

Your Company continues its efforts to implement various measures aimed at reducing the energy consumption and achieving energy conservation, which are expected to yield a saving to the extent of 12500 SRFT/ annum. Your company has achieved the lowest ever energy index of 63.0 MBN.

The following Energy Conservation measures were taken up in 2014-15:

- FCCU oxygen enrichment: Oxygen rich stream from N_2O_2 plant was routed to FCCU resulting in stopping of one auxiliary air compressor.
- High pressure hydrogen from Diesel Hydro-Treater (DHDT) was routed to Wax HiFi resulting in stopping of hydrogen make up compressor to wax plant.
- CCR off gas was routed to OHCU/DHDT as make up gas thereby reducing hydrogen generation through Naphtha steam reforming.
- Steam trap management of entire refinery to minimize steam loss.

The details of proposals implemented for energy conservation are given in **Annexure IV**.

In appreciation of its energy conservation measures, your Company was awarded the second prize by Centre for High Technology (CHT) for Furnaces / Boilers insulation efficiency in the Refinery Technology Meet held at Chennai in November 2014.

QUALITY MANAGEMENT – TPM / ISO

Your company by practicing TPM carried out various improvements in energy, equipment reliability and quality. During the year, first surveillance audit was carried out for Safety, Health, Environmental and Quality Integrated Management System (SHEQ IMS). The CISF of Manali Refinery was certified for QMS 9001:2008 and it is the first in Indian Refineries to get certification on Quality Management Standard.

HUMAN RESOURCES

Your Company regards its employees as one of the key drivers of growth by providing a congenial work environment.

The total manpower of your Company as on 31st March 2015 was 1628, comprising of 744 supervisors and 884 non-supervisors (1688 as on 31st March 2014, comprising of 778 supervisors and 910 non-supervisors).

During the year, to promote cordial industrial relations climate, the Functional Management conducted 9 meetings with the Office Bearers of Union and Officers Association on various occasions. Further, 11 structured communication meetings with Office bearers of Welfare Associations were conducted. Memorandum of Settlement under section 18(1) and 2(p) of the Industrial Disputes Act 1947 on work related Allowance/facilities, Cafeteria approach and on Career Progression Policy for workmen was signed between Management and recognized union.

Further, during the year, communication meetings with the Functional Management were conducted wherein physical and financial performances of the Company were discussed. Suggestion for productivity and profitability improvements were received from the employees.

Your Company has been taking continuous effort for developing its human resources by organizing training programs for employees at all levels. During the year, 2.5 Man-days per employee for training was achieved meeting the target and in total 4120 Man-days training were provided to employees in various training programs. In order to develop the technical knowledge, the Core course Program was conducted at Refinery Engineering School of Training (RESOT) for Supervisory employees.

Training Programs on Leadership Development including Risk Management were conducted. In addition to the formal training, programmes aimed at developing the technical and non-technical skills of the employees, innovative programs on physical and mental health of the employees like yoga, meditation, etc were also conducted.



Your Company has been meticulously following the Presidential Directives and various instructions of the Government relating to the welfare of the SC, ST, OBC, and differently abled persons. Out of the total manpower, there were 396 SC employees (previous year: 414) and 37 ST employees (previous year: 38) as on 31.03.2015 constituting 24.32% and 2.27% of the total manpower respectively.

The reports relating to representation of SCs / STs / OBCs in the prescribed proforma as on 01.01.2015 is given in the **Annexure - I**.

Your Company is implementing the provisions of the Disabilities Act 1995 by way of 3% reservation for differently abled persons. In addition, various concessions and relaxations are being extended to physically challenged persons in the recruitment process.

Your Company is committed towards prevention of sexual harassment of women at workplace and takes prompt action in the event of reporting of such incidents. In this regard, an Internal Complaints Committee has been constituted to deal with sexual harassment complaints and conduct enquiries, if any. There were no complaints of sexual harassment during the year.

WELFARE OF WOMEN

Your Company firmly believes that women employees play a pivotal role in the human capital profile of the Company. As on 31.03.2015, 88 women employees are on the rolls of the Company, of whom 42 are in the Supervisory Grade and 46 are in Non supervisory Grade, constituting 5.65% of the total Supervisory employees and 5.20% of the total Non-supervisory employees respectively. International Women's Day 2015 was celebrated by the women employees of CPCL on 9th of March 2015 with the theme "Make it happen"

CORPORATE SOCIAL RESPONSIBILITY & SUSTAINABILITY DEVELOPMENT

Corporate Social Responsibility is one of the pivotal functions of your Company. The Company sees itself as an integral part of society and is conscious of its responsibilities towards betterment of quality of life of the communities at large.

The CSR Policy of the Company can be accessed at the website of the Company under the link http://www.cpcl.co.in/corporate_information-cor_governance.htm.

The CSR&SD activities mainly focus on Health, Education, Women Empowerment, Skill Development, and Environment Protection & Renewable Sources of Energy for ensuring sustainable development of the society to which it belongs. Even though the company has incurred an average net loss during the preceding three financial years, an amount of ₹ 116.58 lakhs was spent during the year 2014-15 for various CSR&SD Projects and initiatives.

A detailed report on CSR activities as per the provisions of the Companies Act, 2013 alongwith CSR Highlights during the year are attached at **Annexure - II** to the report.

OCCUPATIONAL HEALTH SERVICES (OHS) CENTRE

Your Company's Occupational Health Services (OHS) Centre is dedicated to prevention of illness and injuries amongst all the employees and is well equipped with the best of the infrastructures to handle any eventuality.

All possible hazards in the work place were monitored as per the established hygiene monitoring schedule, to ensure a congenial work environment and the hazards were within the acceptable levels. The health surveillance was carried out and about 90% of the employees working in the hazardous area underwent the annual health check up. In addition, the contract workers who were to work at heights and confined spaces were screened for physical fitness before they were posted to the jobs.

Various programs were organized to promote wellness and create awareness of illness for the employees.

PUBLIC GRIEVANCES

Your Company is committed to provide prompt response to public grievances and a Grievance redressal system is in place. Details and contact number of Public Grievance Officer are displayed in the website of the Company, viz. **www.cpcl.co.in**. As on 31.03.2015, there were no complaints pending.

CORPORATE GOVERNANCE

In line with the provisions of Clause 49 of the Listing Agreement and DPE Guidelines on Corporate Governance, a separate section on Corporate Governance forms part of this Annual Report.

AUDIT COMMITTEE

The Composition of the Committee as on 31.3.2015 is as under:

- Mr. G.Ramaswamy Independent Director – Chairman.
- Mr. S.Krishna Prasad, Director (Finance) -Member
- Ms. Perin Devi, Government Director- Member
- Mr. Yasin Rezazadeh, Director -NICO – Member

The recommendations of the Audit Committee during the year were accepted by the Board.

Being a Government Company, the company has requested Ministry of Petroleum and Natural Gas, Government of India, to consider appointment of minimum one additional independent director immediately to comply with the quorum requirement of minimum two independent directors.

SECRETARIAL AUDIT

The Secretarial Audit Report for the year 2014-15 confirms that the company has complied with all the applicable provisions of the Companies Act 2013 and the rules made there under and other applicable acts, rules, guidelines, standards etc. except the clause relating to appointment of Independent Directors. The appointment of additional independent directors is under the consideration of Government of India.

The report, duly certified by a practising Company Secretary, is attached as **Annexure - III** to the Report.

Your Company being a Government Company, the selection and appointment of Directors, terms of appointment and the remuneration payable to Directors is decided by the Government of India as per the Government guidelines and not by the Board of Directors. In view thereof, the Company has not reconstituted its Remuneration Committee to include the terms provided under the Companies Act, 2013. The performance evaluation of the directors other than directors representing Naftiran Inter trade Company, one of the promoters of the company, is carried out by the Administrative Ministry (MoP&NG), Government of India as per applicable Government guidelines.

CODE OF CONDUCT

The Board of Directors of your Company has enunciated a code of conduct for the Directors and Senior Management Personnel, which has been circulated to all concerned and has also been hosted on the company's website. The code can be accessed at http://www.cpcl.co.in/code_conduct.htm. The Directors and Senior Management Personnel have affirmed compliance with the code of conduct.



RISK MANAGEMENT POLICY

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 at its 246th Meeting held on 26.04.2011 constituted a Committee comprising of officials from various functional areas to identify the risks in the present context, prioritise 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 2014-15 was reviewed by the Audit Committee and Board at the Meeting held on 23.05.2015.

INTERNAL FINANCIAL CONTROLS

Your Company has adequate Internal Financial Controls for ensuring the smooth conduct of its business with focus on checks and controls on systems and procedures, safeguarding the assets, prevention and detection of frauds and errors, accuracy of the accounting records and the timely preparation of reliable financial information. The Company has a separate Internal Audit department headed by a Senior Manager who directly reports to the Managing Director. The Internal Audit department comprises of officials from finance, who carry out extensive audit throughout the year.

STATUTORY AUDITORS

M/s. Chandran & Raman, Chennai and M/s S.Venkatram & Co., Chennai were appointed as Joint Statutory Auditors of the Company for the financial year 2014-2015 by the Comptroller and Auditor General of India. The Board of Directors of the Company fixed a remuneration of ₹ 10 lakh (₹ 5 lakh to each of the Joint Statutory Auditors) in addition to the out-of-pocket expenses, if any, and applicable service tax.

There are no qualifications in the Statutory Auditors report dated 23.05.2015 on the annual accounts for the financial year 2014-15.

M/s. K. Suryanarayanan, Cost and Management Accountant, Chennai was appointed as the Cost Auditor of Manali Refinery and Cauvery Basin Refinery of the Company for the financial year 2014-15 in respect of Petroleum and Petrochemical sector at a total remuneration of ₹ 1,70,000/- plus applicable taxes and out of pocket expenses, if any, to conduct the audit of Cost Accounts maintained by the Company and ₹ 30000/- plus applicable taxes towards certification fee for compliance report in respect of activity of power generation, subject to the ratification by the shareholders in the Annual General meeting.

The cost audit for the year 2013-14 was carried out and the cost audit report was filed with the Ministry of Corporate Affairs in the prescribed form within the stipulated time period.

PUBLIC PROCUREMENT POLICY FOR MSMEs

Your company has complied with the Public Procurement Policy for MSMEs as per the directives of the Government of India. Necessary provision has been made in the tenders indicating the eligibility of MSMEs to participate in the tender. As against the target of 20% for procurement from MSMEs, the actual procurement of your Company from MSMEs during the year was 37%.

RELATED PARTY TRANSACTIONS (RPTs)

In line with the provisions of the Companies Act, 2013 and the Listing Agreement, a policy on material RPTs has been framed, which can be accessed on the website of the company under the link <https://www.cpcl.co.in/InvestorCenter> Grievances. Your Company has undertaken transactions with related parties during the year. These transactions are in the ordinary course of business and on arms length basis. As per the RPT Policy, approval of Audit Committee has been obtained for all RPTs. During the year, there was no material RPTs. The disclosures related to Related Party Transactions in accordance with applicable accounting standards are provided at Note-28 of the Annual Accounts.

RIGHT TO INFORMATION

The Right to Information Act, 2005 is applicable to your company. In accordance with the provisions of the RTI Act, necessary disclosures have been made in the website of the company.

During the year, 37 applications under the RTI Act were received and responded in time.

VIGILANCE

The Vigilance Department of your company continues to improve and strengthen Vigilance Mechanism by conducting periodic/surprise inspections, major inspections and systems studies focusing on areas of improvement. Training programs, and lectures on vigilance functions, procedures to be followed in procurement, contracts and execution of works were conducted to create awareness as part of capacity building and to bridge knowledge gap, if any.

Focus is maintained on leveraging of technologies as a result of which the payment of bills to vendors/contractors is effected through ECS/EFT.

All open tenders are published also in CPCL website in order to ensure competition and transparency. In line with CVC's guidelines Notice Inviting Tenders, tender documents and details of Purchase Orders/Contracts awarded were hosted in the CPCL website. Procurement and contracts are being initiated through "e-tendering" mode and the value of the Tenders finalized through E-tender portal is being monitored and steps for improving the performance is taken continuously.

Vigilance Awareness Week Programme was observed from 27th October to 1st November, 2014 with the theme - "Combating Corruption – Technology as Enabler". Various programmes including Interaction Meet with Contractors, Customer Meet, Lecture sessions, Essay competitions and Slogan competitions were conducted both in Manali and Nagapattinam Refinery Units.

As part of Integrity Pact implementation, major contracts above value of ₹ 5.0 crore are covered under the Pact

OFFICIAL LANGUAGE POLICY

In compliance of Official Language Act, 1963, Official Language Rules, 1976 and orders issued by Government of India from time to time, efforts were continued during the year for increasing the progressive use of Hindi in Official work.

The Managing Director of the Company is the Chairman of the Official Language Implementation Committee, which meets every quarter to review the progress of implementation of Official Language Policy.

During the year Prabodh, Praveen and Pragya classes were conducted for the benefit of employees. 11 employees passed Hindi Examination conducted under Hindi Teaching Scheme. Employees were encouraged by paying incentives every quarter for doing work in Hindi. Four Hindi Workshops were organized for the benefit of employees.

As part of the Hindi day celebrations, Hindi Competitions were conducted and winners of the competitions were awarded prizes during the celebrations.

STATUTORY INFORMATION

- Particulars of employees drawing a remuneration of ₹ 60 lakhs or more per annum, if employed throughout the financial year or ₹ 5 lakhs per month, if employed for part of the financial year, during 2014-15 as required under Section 197 of the Companies Act, 2013 and rules made there under – Nil
- Statutory details of Energy Conservation and Technology Absorption, R&D activities and Foreign Exchange Earnings and Outgo, as required under the Companies Act, 2013 and the rules prescribed thereunder are given in the Annexure and form part of this Report **(Annexure - IV)**.



- Certificate received from the Auditors of the Company regarding compliance of conditions of Corporate Governance, as required under Clause 49 of the Listing Agreement and also the compliance with the guidelines on Corporate Governance issued by Department of Public Enterprises, Government of India is Annexed and forms part of this Report **(Annexure - V)**
- Management Discussion and Analysis Report as required under Clause 49 IV F of the Listing Agreement is annexed and forms part of the Report **(Annexure - VI)**.

REPORTING UNDER SECTION 23(1)(B) OF THE SICK INDUSTRIAL COMPANIES (SPECIAL PROVISIONS) ACT, 1985

In line with the provisions of the Sick Industrial Companies (Special Provisions) Act, 1985 CPCL has reported to the BIFR in October 2014, due to erosion of more than 50% of peak networth over the last four financial years as on 31.03.2014.

CPCL has reported a loss of ₹ 38.99 crore for the year ended 31.03.2015. The company initiated various measures to improve the physical and financial performance during the year. The Company has achieved excellent physical performance during the year 2014-15 by registering the highest distillate yield of 72.1% and the lowest Fuel & Loss of 8.65%, as a result of various energy conservation and margin improvement measures implemented by the company. The company is also in the process of implementing a Resid Upgradation project at an approved cost of ₹ 3110 Crores, which is expected to help in boosting the bottom line of the company.

Despite excellent operational performance, the fall in networth from ₹ 1722 Cr as on 31.03.2014 to ₹ 1655 Cr as on 31.03.2015 was mainly attributed to extraneous factors beyond the control of the company. Factors like the steep fall in Crude and Product prices from July 2014 in the international market and the consequent inventory losses significantly impacted the profitability of the Oil industry and CPCL in particular, being a standalone refining company. Considering further reduction in networth as on 31.03.2015, the company is required to report to BIFR within 60 days from the date of adoption of accounts by the shareholders of the company.

Due to the implementation of various measures to improve physical and financial performance and with the stabilisation of crude and product prices from Quarter IV of FY 2014-15, the company is expected to show positive results in FY 2015-16.

In addition to various measures taken by the company to improve the physical performance, the proposal for capital infusion by issue of preference shares to IOCL on private placement basis upto ₹ 1000 crore, approved by the Board will augment the networth of the company significantly.

DIRECTORS

Mr.L.Sabaretnam and Mr.Venkatraman Srinivasan, Independent Directors ceased to be directors on the Board of CPCL effective 16.09.2014.

Mr.T.S.Ramachandran, Director (Technical) superannuated from the services of the company effective 30.11.2014.

Mr. Gautam Roy has been appointed as Managing Director effective 14.10.2014.

Mr.U.Venkata Ramana has been appointed as Director (Technical) effective 01.12.2014.

Mr.S.Krishna Prasad has been appointed as Director (Finance) effective 09.01.2015.

Ms.Perin Devi, Director (R&V), Ministry of Petroleum and Natural Gas, Government of India has been appointed as a Director effective 12.03.2015 in place of Shri.Mohan Lal.

Mr.Alireza Zamani and Mr.Yasin Rezazadeh have been appointed as Directors representing Naftiran Intertrade Company Limited, one of the promoters of the Company effective 23.03.2015 in place of Mr.M.H.Ghodsí and Mr.A.Azmoodeh respectively.

The Company has received a Certificate of Independence from Mr.G.Ramaswamy, Independent Director confirming that he meets the criteria prescribed for Independent Directors under the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement. Since the company has only one independent director, a separate meeting of Independent Directors could not be held as per provisions of the Companies Act, 2013 and Listing Agreement.

During the year, 9 meetings of the Board of Directors were held. The details of the meetings attended by each Director are provided in the Corporate Governance Report.

No significant and material orders were passed by the Regulators or Courts or tribunals, which impact the going concern status and companies operation in future.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has framed a whistle blower policy wherein the employees are free to report any improper activity resulting in violations of laws, rules, regulations or code of conduct by any of the employees, to the Competent Authority or Chairman of the Audit Committee, as the case may be. Any such complaint is reviewed by the Competent Authority or Chairman of the Audit Committee. The confidentiality of those reporting violations are maintained and they are not subjected to any discriminatory practice. No employee has been denied access to the Audit Committee. The policy on Vigil Mechanism / Whistle Blower can be accessed on the Company's website at the link [https://www.cpcl.co.in/investor centre grievances/](https://www.cpcl.co.in/investor%20centre/grievances/).

During the year, no complaint has been received under the Whistle-Blower Policy.

DETAILS OF LOANS / INVESTMENTS / GUARANTEES

Your Company has not provided Loans / Guarantees /Security to any person, body corporate and joint ventures during the year.

EXTRACT OF ANNUAL RETURN

As required under the provisions of the Companies Act, 2013, the extract of Annual Return for the financial year ended 31st March, 2015 in prescribed form MGT-9 is attached at **Annexure - VII** to this report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements under Section 134(5) the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed, that,

- i) in the preparation of the annual accounts for the financial year ended March 31, 2015, the applicable accounting standards have been followed and that there are no material departures from the same;
- ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review;
- iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;



- iv) the Directors have prepared the annual accounts for the financial year ended March 31, 2015, on a going concern basis;
- v) the Directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and operating effectively.
- vi) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

ACKNOWLEDGEMENT

Your Board of Directors would like to express its sincere appreciation for the dedicated efforts made and valuable services rendered by the members of CPCL family.

The Board would also like to thank the Government of India, particularly the Ministry of Petroleum & Natural Gas, Other Ministries, Indian Oil Corporation Ltd, Naftiran Intertrade Company Ltd, Petroleum Planning and Analysis Cell, Oil Industry Development Board, Oil Industry Safety Directorate and the various State Governments, regulatory and statutory authorities for their valuable guidance and support

The Board is grateful to all its stakeholders for their continued support and confidence reposed in the Company.

Your Directors place on record their appreciation of the valuable contributions made by Mr.L.Sabaretnam, Mr.Venkatraman Srinivasan, Mr.T.S.Ramachandran, Mr.Mohan Lal, Mr.M.H.Ghodsi and Mr.Ahmad Azmoodeh, Directors, during their tenure.

For and on behalf of the Board

(B.Ashok)
Chairman

Date : 03.08.2015

Place : **New Delhi**

ANNEXURES TO DIRECTOR'S REPORT

ANNEXURE - I (SC/ST/OBC REPORT - I)

**ANNUAL STATEMENT SHOWING THE REPRESENTATION OF SCs/STs & OBCs AS ON 01.01.2015
AND NUMBER OF APPOINTMENTS MADE DURING THE PRECEDING CALENDAR YEAR**

**MINISTRY / DEPARTMENT / ATTACHED / SUB-ORDINATE OFFICE:
CHENNAI PETROLEUM CORPORATION LIMITED, CHENNAI**

GROUPS	Representation of SCs/STs/OBCs as on 01.01.2015				No. of appointments made during the calendar year 2014 (Jan - Dec 2014)									
					By Dir.Recruitment				By Promotion			By Deptn/Absorption		
	Tot.no. of employees	SCs	STs	OBCs	Total	SCs	STs	OBCs	Total	SCs	STs	Total	SCs	STs
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Group A Managerial / Executive Level	569	153	20	50	Nil	Nil	Nil	Nil	Nil	Nil	Nil	3	1	Nil
Group B Supervisory Level	187	37	8	23	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Group C Workmen / Clerical Level	883	210	8	318	37	10	Nil	19	Nil	Nil	Nil	Nil	Nil	Nil
Group D	5	1	2	0	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Group D (Semi- skilled / unskilled Excl'dg. Sweepers)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Group D (Sweepers)	Nil	Nil	Nil	Nil	Nil		Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
TOTAL	1644	401	38	391	37	10	0	19	0	0	0	3	1	0

(SC/ST/OBC REPORT - II)

**ANNUAL STATEMENT SHOWING THE REPRESENTATION OF SCs/STs & OBCs IN VARIOUS
GROUP "A" SERVICES AS ON 01.01.2015 AND NUMBER OF APPOINTMENTS
MADE IN VARIOUS GRADES IN THE PRECEDING CALENDAR YEAR
MINISTRY / DEPARTMENT / ATTACHED / SUB-ORDINATE OFFICE:
CHENNAI PETROLEUM CORPORATION LIMITED, CHENNAI**

PAY SCALE (In Rupees)	Representation of SCs/STs/OBCs as on 01.01.2015				No. of appointments made during the calendar year 2014 (Jan - Dec 2014)									
					By Dir.Recruitment				By Promotion			By Other Methods		
	Tot.no. of employees	SCs	STs	OBCs	Total	SCs	STs	OBCs	Total	SCs	STs	Total	SCs	STs
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
29100 - 54500	229	56	7	23	Nil	Nil	Nil	Nil	Nil	Nil	Nil	1	Nil	Nil
32900 - 58000	146	38	6	15	Nil	Nil	Nil	Nil	Nil	Nil	Nil	1	1	Nil
36600 - 62000	70	23	4	11	Nil	Nil	Nil	Nil	Nil	Nil	Nil	1	Nil	Nil
43200 - 66000	64	18	3	1	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
51300 - 73000	36	13	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
51300 - 73000	17	4	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
51300 - 73000	7	1	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
TOTAL	569	153	20	50	0	0	0	0	0	0	0	3	1	0



ANNEXURE - II

ANNUAL REPORT ON CSR ACTIVITY

1.0 BRIEF OUTLINE OF THE CSR POLICY:

The CSR&SD activities mainly focus on Health, Education, Women Empowerment, Skill Development, and Environment protection & Renewable sources of Energy for ensuring sustainable development of the society to which it belongs.

2% of the average of the net profit earned during three immediately preceding financial years is earmarked as CSR Allocation for the year, which will be non-lapsable. Apart from the above, the Board of Directors of CPCL may authorise to carry out CSR activities on a voluntary basis, even though CPCL may not be required to carry out the CSR activities mandatorily in any year. Upto 5% of the CSR Budget is earmarked for non-project activities. The surplus arising out of CSR projects or programs or activities shall not form part of the business profits.

2.0 COMPOSITION OF COMMITTEE ON CSR & SD AS ON 31.03.2015

The Composition of Committee on CSR & SD as on 31.03.2015 is as follows:

1. Mr.G.Ramaswamy, Independent Director – Chairman
2. Mr. S. Venkataramana, Director (Operations), Member
3. Mr.U.Venkata Ramana, Director (Technical), Member
4. Mr. S.Krishna Prasad, Director (Finance), Member

3.0 AVERAGE NET PROFITS AND PRESCRIBED CSR EXPENDITURE:

The average net profits and prescribed CSR expenditure is as detailed below:

Particulars	(₹ /lac)
Average net profits for last three financial years	(66962)
Prescribed CSR expenditure	NIL

Note:

Even though the company has incurred an average net loss during the preceding three financial years, an amount of ₹ 116.58 lakhs was spent during the year 2014-15 for various CSR&SD Projects and initiatives.

4.0 PRESCRIBED CSR EXPENDITURE (2% OF THE AMOUNT AS IN sl.No.3)

NIL

5.0 DETAILS OF CSR SPENT DURING THE FINANCIAL YEAR 2014-15.

Particulars	(₹ /lac)
a) Total amount spent during the year	116.58
b) Amount unspent	3.42

c) Manner in which the amount spent during the financial year is detailed:

Refer Attachment

6.0 REASONS FOR NOT SPENDING MINIMUM 2% OF THE AVERAGE NET PROFITS OF THE LAST THREE IMMEDIATELY PRECEDING FINANCIAL YEARS:

The Company has incurred an average net loss of ₹.(66962) lakhs during the last three financial years and hence there is no need to spend minimum amount mandated.

7.0 RESPONSIBILITY STATEMENT

Pursuant to the provisions of section 135 of the Companies Act, 2013 read with Companies Rules (Corporate Social Responsibility Policy) Rules, 2014, Mr.Gautam Roy, Managing Director & CEO Mr.G.Ramaswamy, Chairman CSR & SD Committee, do confirm that the implementation and monitoring of CSR policy, is in compliance with the CSR objectives and policy of the Company.

Sd/-

Sd/-

Managing Director & CEO

Chairman (CSR & SD Committee)

Place : Chennai

Date : 11.07.2015

CSR &SD ACTIVITIES FOR THE YEAR 2014-15

SL	CSR Project or Activity identified	Sector in which the Project / Activity is covered	Projects or Programmes: (1) Local area or other (2) Specify the State and Districts where projects or programmes were undertaken	Amount Amount outlay (budget) Project or Programme wise (Rs.)	Amount spent on the Project or Programmes Sub-heads: (1) Direct Expenditure on Projects or Programme (2) Overheads (Rs.)	Cumulative Expenditure upto the reporting period (Rs.)	Amount Direct or through implementing agency.
No.	(Till date)						
1	CPCL Creche	Child care	Local Area . Tamil Nadu State, Tiruvallur district	155000	153912	153912	Agency
2	Community Health Centre, Manali	Health	Local Area. Tamil Nadu State, Tiruvallur district	1055000	1041745	1041745	Agency
3	Community Health Centre, Periyasekkadu	Health	Local Area. Tamil Nadu State, Tiruvallur district	815000	785720	785720	Agency
4	Community Health Centre, Thirunillai	Health	Local Area. Tamil Nadu State, Tiruvallur district	790000	806365	806365	Agency
5	Community Health Centre, Muttam (CBR)	Health	Local Area. Tamil Nadu State, Nagapattinam district	1000000	1000000	1000000	Agency
6	Evaluation of CSR&SD activities of 2013-14 and Sustainable Report 2013-14 by MSSW			185000	185000	185000	Agency
7	Merit Scholarship to school students. Manali	Education	Local Area. Tamil Nadu State, Tiruvallur district	1100000	1099900	1099900	Direct



8	Merit Scholarship to CPCL Polytechnic Students, Manali	Education	Local Area. Tamil Nadu State, Tiruvallur district	1052750	1052750	1052750	Direct
9	Merit Scholarship to School ITI and Polytechnic Students, CBR	Education	Local Area. Tamil Nadu State, Nagapattinam district	500000	502000	502000	Direct
10	Children's Day Celebration 2014 by TNSocial Welfare Board	Child care	Local Area. Tamil Nadu State, Tiruvallur district	50000	50000	50000	Agency
11	Contribution to CPCL Educational Trust for running and maintaining the Polytechnic College	Education	Local Area. Tamil Nadu State, Tiruvallur district	2122250	2122250	2122250	Direct
12	Construction of Community Hall at Vadakudi Village at CBR, Nagapattinam	Cultural	Local Area. Tamil Nadu State, Nagapattinam district	1000000	968863	968863	Direct
13	Construction of School Toilet at Kattur	Sanitation	Local Area. Tamil Nadu State, Tiruvallur district	280000	280000	280000	Direct
14	15 KW on Grid Solar Photo Voltaic System at CPCL Polytechnic College, Manali	Environment Protection	Local Area. Tamil Nadu State, Tiruvallur district	1175000	1174325	1174325	Direct
15	Construction of Toilets at Govt. High School, Vichoor	Sanitation	Local Area. Tamil Nadu State, Tiruvallur district	366000	366000	366000	Direct
16	Construction of Toilets at Govt. Higher Secondary School, Naravarikuppam (Redhills)	Sanitation	Local Area. Tamil Nadu State, Tiruvallur district	210000	0*	0*	Direct
17	Construction of Toilets at Panchayat Union Primary School, Veeraperamanallur at CBR	Sanitation	Local Area. Tamil Nadu State, Nagapattinam district	144000	70000	70000	Direct
	GRAND TOTAL			12000000	11658830	11658830	

* This activity carried over to 2015-16.



ANNEXURE - III

SECRETARIAL AUDIT REPORT

To
The Members
Chennai Petroleum Corporation Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices of M/s. CHENNAI PETROLEUM CORPORATION LIMITED (hereinafter called "the Company"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March 2015, has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The provisions of the Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder.
- (iv) The provisions of the Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder as applicable.
- (v) The following regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act').
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not Applicable to the Company during the Audit Period)
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not Applicable to the Company during the Audit Period)
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of equity shares regulations), 2009 (Not Applicable to the Company during the Audit Period); and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not Applicable to the Company during the Audit Period)

- (vi) Corporate Governance Voluntary Guidelines- 2009 issued by the Ministry of Corporate Affairs, Government of India;
- (vii) Guidelines on Corporate Governance for Public Sector Enterprises issued by Department of Public Enterprises.
- (viii) All other laws which are applicable specifically to the Company in the Petroleum and Refining sector.

We have also examined compliance with the applicable clauses of the following:

- a. Secretarial Standards issued by The Institute of Company Secretaries of India. (Not Applicable to the Company as on today)
- b. The Listing Agreements entered into by the Company with Madras Stock Exchange, National Stock Exchange and Bombay Stock Exchange.

During the period under review the Company has complied with the provisions of the applicable Acts, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

We were informed that dividend for the financial years 2010-11 and 2011-12, could not be remitted to the account of Naftiran Inter Trade Co Ltd (NICO), one of the promoters due to the sanctions imposed by the United States of America and European countries against Iran and therefore the amount is lying in the "Unpaid Dividend Account 2010-11 & 2011-2012 – NICO" with State Bank of India, CAG Branch, Chennai.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors. The company has complied with requirements of Equity Listing Agreement entered in to with the Bombay Stock Exchange Limited, National Stock Exchange of India Limited and the Madras Stock Exchange, except the requirement of Listing Agreement relating to Independent Directors on the Board. In this connection, we were informed that the Company has made representation to the Government of India to appoint Independent Directors on the Board. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decision are taken unanimously and dissenting members' views, if any, are captured and recorded as part of the minutes.

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

For S Sandeep & Associates

Company Secretaries

S Sandeep

Managing Partner

FCS 5853

CP No: 5987

Date : 15.05.2015

Place : Chennai



ANNEXURE - IV

ANNEXURE TO DIRECTORS' REPORT ON ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AS PER THE COMPANIES ACT 2013 AND RULES THEREUNDER

A. CONSERVATION OF ENERGY

i) The following Energy conservation measures were taken:

- a. FCCU oxygen enrichment: N2O2 plant oxygen rich stream was routed to FCCU resulting in stopping of one auxiliary air compressor.
- b. High pressure hydrogen from Diesel Hydro-Treater (DHDT) was routed to Wax HiFi resulting in stopping of hydrogen make up compressor to wax plant.
- c. CCR off gas was routed to OHCU/DHDT as make up gas thereby reducing hydrogen generation through Naphtha steam reforming.
- d. Steam trap management of entire refinery to minimize steam loss.
- e. Energy Study Quick Wins:
 - CDU- III atmospheric column and Gas Oil stripping steam minimised.
 - Vacuum column ejector steam inlet pressure was reduced, thereby minimizing steam consumption.
 - Stripping Steam reduction in CDU-1, CDU-II Kerosene & Heavy Naphtha strippers and FCCU Debutaniser
 - NHT (Plant-206) stripper Reboiler temperature reduction.
- f. CDU-1 – 1F1A Combined Outlet Temperature reduction.
- g. Rectification of damaged Insulation of Steam lines.
- h. Stopping of CDU-1 spiking pump by giving direct line to feed pump.

The above measures resulted in an estimated savings of about 12500 SRFT/annum.

ii) Steps taken for utilising Alternate Sources of Energy

CPCL is the pioneer in renewable energy in oil sector. CPCL commissioned 22 wind mills with an installed capacity of 17.6MW at Pushpathur, TamilNadu.

The power generated from the Windmill is being used to meet the energy requirement of CPCL's Desalination plant through wheeling arrangement with TNEB.

In 2013 – 2014 one 10 KW grid connected Solar Photo Voltaic System was installed at CPCL Polytechnic College, Manali and during the year another 15KW Solar Photo Voltaic System was installed at CPCL Polytechnic College totalling 25KW as on 31.03.2015.

b) Additional Investments and proposals, being implemented for energy conservation

The following additional investment proposals are being implemented:

- Plant 210 Incinerator Waste Heat Boiler Heat Recovery
- CDU III direct feeding with single pump
- CDU-I / CDU-II Stabiliser overhead gas to FCC WGC
- GT1/2 and GT3 BFW interconnection
- Insulation of steam / process lines
- PSA II Adsorbent replacement
- Plant 79 Lean amine cooler bypassing

B. TECHNOLOGY ABSORPTION

i) Efforts made in Technology absorption are as under:

- The effluent water stream from CPCL was used for growth of algae, which provided the nutrients for the growth of algae and also cleans the effluent water stream. The algae grown in effluent water was studied by Hydrothermal liquefaction for production of bio crudes.
- Hydrotreating of waste cooking oil to produce Green Diesel
- Studies on Microwave treatment of HVGO
- Development of non-chloride light naphtha isomerization catalyst namely sulfated zirconia (SO₄/ZrO₂) supported on SBA-15 and Kieselghur in collaboration with IIT Madras.
- Low sulfur fuel oil through Oxidative desulfurisation / Solvent extraction in collaboration with IIP Dehradun

ii) Benefits derived as a result of the above efforts, e.g. Product improvement cost reduction, product development, import substitution efforts:

R&D efforts are aimed to provide technical support to refinery operations, optimization of process units and also to provide analytical inputs for process troubleshooting. Pilot plant studies and evaluation of catalysts and feed stocks for various process units help in improving the yields and optimum utilization of facilities. The following benefits were derived as a result of the R&D efforts:

Crude Assay

- Detailed assay on several crude mixes processed in the refinery and new crudes namely Brass River and Das

Process Optimization Studies:

- Hydrotreating studies for VGO were carried out to reduce the sulphur content for further processing in FCC unit.
- Evaluation of new dewaxing aid for improving wax throughput.



New product development :

- Development of Rubber Process Oils from Lube Extracts and other Refinery streams.
 - Solvents for various application
- iii) In case of imported technology (imported during the last 5 years reckoned from the financial year) following information may be provided:
- a. Technology imported : Nil
 - b. Year of Import : Not applicable
 - c. Has technology been fully absorbed : Not applicable
 - d. If not fully absorbed, areas where this has not taken place : Not applicable
- iv) Expenditure on R&D (Rs. In Lakhs)

	2014 - 15	2013 - 14
Capital	329.78	23.73
Recurring	406.30	625.03
Total	736.08	648.76
Total R&D expn. as % of Turnover	0.0136	0.0136

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Total Foreign Exchange used and earned:

Rs. in Lakhs

	2014-15	2013-14
Used	8042.10	17948.13
Earned	-	-

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To

The Shareholders of
Chennai Petroleum Corporation Limited

We have examined the compliance of conditions of Corporate Governance by Chennai Petroleum Corporation Limited for the year ended March 31, 2015 as stipulated in the guidelines on Corporate Governance for Central Public Sector Enterprises, as enunciated by the Department of Public Enterprises (DPE).

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance, as stipulated in the DPE Guidelines for the year ended March 31, 2015, except for the number of Independent Directors on the Board which was less than half of the strength of the Board as required under the said guidelines.

We state that no investor grievance is pending against the Company for a period exceeding one month as per the Certificate furnished by the Share Transfer Agent of the Company.

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

For M/s. Chandran & Raman
Chartered Accountants

S. Pattabiraman
Membership No. 14309
FRN: 000571S

For M/s. S.Venkatram & Co.,
Chartered Accountants

R. Vaidyanathan
Membership No. 18953
FRN: 004656S

New Delhi
May 23, 2015



ANNEXURE - V

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To

The Shareholders of
Chennai Petroleum Corporation Limited

We have examined the compliance of conditions of Corporate Governance by Chennai Petroleum Corporation Limited for the year ended March 31, 2015 as stipulated under Clause-49 of the Company's Listing Agreement with the Stock Exchanges in India.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance, as stipulated in the above mentioned Listing Agreement, for the year ended March 31, 2015, except for the number of Independent Directors on the Board which was less than half of the strength of the Board as required under Clause 49 of the Listing Agreement.

We state that no investor grievance is pending against the Company for a period exceeding one month as per the Certificate furnished by the Share Transfer Agent of the Company.

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

For M/s. Chandran & Raman
Chartered Accountants

S. Pattabiraman
Membership No. 14309
FRN: 000571S

For M/s. S.Venkatram & Co.,
Chartered Accountants

R. Vaidyanathan
Membership No. 18953
FRN: 004656S

New Delhi
May 23, 2015

MANAGEMENT DISCUSSION AND ANALYSIS
(Forming part of the Directors Report for the year ended 31.03.2015)

Economic Overview

The global economy growth registered a moderate rate of 3.4% during 2014-15 as compared to 3.0% in the previous year, with US registering stronger than expected economic performance while European countries and Japan delivered a mixed economic performance. The growth in China declined from 7.8% in 2013-14 to 7.4% in 2014-15 whereas, India recorded a healthy growth rate in the same period. In spite of marginal reduction in growth rates, the developing economies contributed about 75% of global GDP growth.

Further, the global GDP is expected to grow at 3.5% during 2015-16 as a result of lower oil prices and commodity prices that are likely to spur the increase in global consumption of goods including the advanced economies - United States, European countries and Japan. During the year 2015-16, US economy is projected to grow at 3.1% while European countries are expected to achieve a growth of 1.5%. In case of developing economies, the growth is estimated to be about 4.3% in 2015-16 with China's growth rate at 6.8% and India's growth rate at 7.5%.

The Indian economy's expected healthy growth rate of 7.5% in 2015-16 reflects the impact of many focussed measures undertaken during the last one year by the Government to improve the business confidence and remove infrastructure bottlenecks in the country. The Index of Industrial Production (IIP) achieved a growth of 2.8% in 2014-15 with IIP for manufacturing and construction sectors recording growth rates of 2.3% and 4.8% respectively. Inflation has been brought under control as a result of lower petroleum products prices and commodity prices which have a cascading effect on cost of manufacturing goods. Lower crude oil prices have also contributed positively to reduce the Current Account Deficit and also reduced the amount of fuel subsidies paving the way for stronger financial position of the country. However, the foreign exchange rate has experienced volatility through most of the year consequent to many developments in global economic factors.

Energy Scene

The global energy sector has experienced significant changes during the previous year with returning oil price volatility after a long gap and crude oil prices falling by more than 50% between July 2014 and end of March 2015. The major cause for the price decline is increase in oil production by US coupled with lower than expected demand for oil from developing countries.

The primary energy consumption increased marginally at 0.8% during 2014-15 and is expected to increase at 1.4% from 2015 to 2035 with matching growth in production. In the global energy mix, oil continues to be the leading energy source, meeting two thirds of expected increase in future energy demand. Demand for Natural Gas, which is a cleaner fuel, and renewable sources of energy is expected to increase at higher rates than that of oil. The renewable sources of energy is projected to increase at 6.3% per annum till 2035 and its share in the energy mix is likely to increase from 3% to 8% in the corresponding period.

Reflecting the above trends, the global demand for oil is projected to increase by 19 mb/d and reach 111 mb/d by 2035, with China contributing a growth of 7 mb/d, followed by India with 4 mb/d and middle east with another 4 mb/d additional demand. In order to meet the increased demand, the oil production from US and southern /central American countries is likely to increase by 13 mb/d, mostly from un-conventional sources such as tight oil, Natural Gas Liquids, and oil sands. The substantial



increase in oil production from American countries will result in movement of oil from West to East as compared to East to West in earlier years. Considering the possibility of US becoming self sufficient in Oil and Gas production, most of the oil from middle east is likely to move to Asian countries and may contribute to better energy security for them. Technological innovations and high crude oil prices are expected to increase oil production from un-conventional sources in future.

India's dependence on imports to meet expanding energy needs continues in future with percentage of imports expected to touch 90% of the demand by 2035. During 2014-15, the country imported 189.4 Million Metric Tonnes (MMT) of crude, almost at the same level as in 2013-14. However, the cost of imports was lower at \$112.7 billion as compared to \$142.96 billion in the previous year due to fall in crude oil prices as the average crude oil price of Indian basket of crudes had come down from \$105.52/barrel in April 2014 to \$ 56.43 /bbl by end March 2015, as per data from Petroleum Planning & Analysis Cell. However, subsequently the oil price registered gains and has crossed the \$65/bbl mark recently. It is also expected that the global oil prices are likely to increase gradually over the next few years.

Refining Industry and Oil Market Developments

The global oil consumption is projected to grow from the present level of about 92 Million Barrels per day (MBD) and reach 111 MBD by 2035. The demand for oil in India is expected to increase by about 100% from the current level of 3.846 mb/d to 7.846 mb/d by 2035, providing excellent growth opportunities for the Indian industry.

Petroleum products consumption in India during 2014-15 had grown at a reasonably good rate of 4.2% as compared to 0.9% increase in the previous year. The overall demand for petroleum products in India increased from 158.4 MMT in 2013-14 to 165 MMT in 2014-15. On the supply side, Indian Oil & Gas companies produced 220.74 MMT of petroleum products during 2014-15, marginally higher from 220.3 MMT in 2013-14. However, due to increased domestic consumption, export of petroleum products to other countries was lower at 63.66 MMT in 2014-15 as against 67.86 MMT in 2013-14. Indian refineries have processed 223.3 MMT of crude during 2014-15 as compared to 222.5 MMT in 2013-14, registering higher the capacity utilization, as there was no addition of refining capacity during the year.

Opportunities and Challenges

As per BP outlook 2035, the world population is estimated to grow by 1.6 billion in the next 20 years from the current level of 7.1 billion which, coupled with expected increase in income per person in future, will increase the need for energy. Infact, the demand for oil in India is projected to increase by more than 100% by 2035, to support the healthy economic growth and envisaged infrastructure development. The expected higher demand for oil products in India augurs well for the Indian Refining industry by providing an opportunity to expand the capacity to improve production of much needed petroleum products.

Natural Gas being a cleaner fuel, the demand for it will increase at faster rate as compared to crude oil. However as adequate supply of NG is not available in the country, importing of LNG to meet the internal demand will become a necessity, especially in the light of recent reduction in international prices. To address the level of pollution in many parts of the country, the usage of CNG as fuel for automobiles is likely to increase in the coming years. CPCL has developed plans to utilize LNG as an internal fuel for refinery operations and also envisages to enter NG market.

Resid upgradation project of CPCL will be completed in 2016, which will produce about 6.5 lakh tonnes for pet-coke. CPCL will be entering into market to supply PetCoke directly to major cement industries in and around CPCL market fed region.

CPCL strongly believes in sustainable development by reducing the energy foot-print through implementation of energy conservation schemes continuously, reducing the water consumption through close monitoring of steam consumption and a sound steam leaks management system and creating greater awareness among employees. These measures will also result in cost reduction and profitability improvement in the long term.

During 2014-15, CPCL has achieved excellent physical performance though the financial performance was not in expected trajectory due to unexpected volatility in the crude oil price reduction during the year. However, the company has embarked on many new strategic initiatives to improve profitability that include identification of new crudes, reduction in crude inventory, improvement in operational reliability and energy conservation, with active participation employees and various communication strategies.

Risks and Concerns

CPCL's well defined Risk Management Policy Framework enables the company to identify the risks and develop necessary action plans to address the same effectively. These identified risks encompass wide fluctuations in crude oil prices, safety and security, infrastructure constraints and changes in auto-fuels specification to BS-IV by 2017.

a) Wide fluctuations in crude oil prices

The crude oil prices which was about \$ 105.56 /bbl in April 2014 was declined to about \$ 60/bbl in March 2015, a fall of more than 50%, that has affected the inventory valuations of the stand-alone refineries and impacted their profitability. Measures are taken to reduce the crude inventory and product inventory levels to reduce the impact and also to reduce working capital requirements which will result in lower interest costs. However, the crude oil prices are expected to increase during the year 2015-16.

b) Safety and Security

The nature of petroleum industry operations make it mandatory to observe the standard operating procedures and safety procedures with strict compliance and innovative methods to inculcate the culture of safety as part of working environment. CPCL has a robust safety management system in place including multi-level safety audit systems that ensure concerted efforts from all departments and multi-functional teams. In addition to periodical Internal Safety audits, External safety audits are undertaken to critically examine the adequacy of safety measures taken and ensure implementation of safety recommendations. The company is also implementing Rim Seal systems for better safety management of Tanks that will improve the safety environment inside the refineries.

c) Infrastructure constraint

The existing 30" crude pipeline of CPCL was laid in 1969 from Chennai Port to Manali Refinery. Habitations have come up in this 7.5 km pipeline route, which has now become highly congested. CPCL solely depends on crude oil pipeline for its operations and in the event of any leakage in the old pipeline, Refinery operations will be impacted leading to non-availability of much needed petroleum products for public and Industrial Fuels for Downstream Companies.

Considering the aging of the pipeline and vulnerability in case of any leakage (though efforts are being made to ensure safe operation of crude transport, and to improve safety aspects), CPCL has proposed to replace the existing crude oil pipeline with a New crude oil pipeline (17 km long), to be laid in the service road of the new 100ft Ennore - Manali Road Improvement Project, with number of safety



features including Leak Detection and Monitoring & Control Station. The approval from Ministry of Road Transport and Highways was received in April 2015 to initiate the project implementation works.

d) Auto-Fuels Specification of BS-IV

Government of India has announced a policy to introduce BS-IV auto-fuels in all parts of the country effective from 1.4.2017. Accordingly, CPCL has prepared a detailed plan to meet the new quality requirement and proposed to revamp DHDS unit with an estimated cost of about ₹ 400 crore including the necessary infrastructure at CBR.

Internal Control Systems and their Adequacy

The Directors' Report has adequately dealt with this subject.

Financial Performance

The Directors' Report has adequately dealt with this subject.

Operational Performance

The Directors' Report has adequately dealt with this subject.

Material Developments and Human Resources / Industrial Relations

The Directors' Report has adequately dealt with this subject.

Cautionary Statement

Statements in the Management's Discussion and Analysis, describing the Company's focal objectives, expectations or anticipations may be forward looking within the meaning of applicable securities, laws and regulations. Actual results may differ materially from the expectations. Important factors that could influence the Company's operations include global and domestic demand and supply conditions affecting selling prices of products, input availability and prices, changes in Government regulations / tax laws, economic developments within the country and factors such as litigation and industrial relations.

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

as on financial year ended 31.03.2015

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I REGISTRATION & OTHER DETAILS:

- | | | |
|-----|---|---|
| i | CIN | L40101TN1965GOI005389 |
| ii | Registration Date | 30.12.1965 |
| iii | Name of the Company | CHENNAI PETROLEUM CORPORATION LIMITED |
| iv | Category/Sub-category of the Company | SUBSIDIARY |
| v | Address of the Registered office & contact details" | NO, 536, ANNA SALAI, TEYNAMPET, CHENNAI - 600 018 |
| vi | Whether listed Company | YES |
| vii | Name , Address & contact details of the Registrar & Transfer Agent, if any. | KARVY COMPUTERSHARE PVT. LTD., TOWER B, PLOT 31 & 32, GACHIBOWLI, HYDERABAD - 500 032 |

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	HSD		52.51%
2	MS		15.20%

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

Sl No	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Indian Oil Corporation Limited, G-9, Ali Yavar Jung Marg, Bandra East, Mumbai - 400 051	L23201MH1959GOI388	Holding	51.89	2(45)

MGT 9 (IV) (i) Category - Wise Share Holding Between 01/04/2014 AND 31/03/2015

CATE GORY CODE	SHARE HOLDER (II)	NO. OF SHARES HELD AT THE BEGINNING OF THE YEAR 01.04.2014				NO. OF SHARES HELD AT THE END OF THE YEAR 31.03.2015				% CHANGE DURING THE YEAR (XI)
		DEMAT (III)	PHYSICAL (IV)	TOTAL (V)	% OF TOTAL SHARES (VI)	DEMAT (VII)	PHYSICAL (VIII)	TOTAL (IX)	% OF TOTAL SHARES (X)	
(A)	PROMOTER AND PROMOTER GROUP									
(1)	INDIAN									
(a)	Individual /HUF	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Central Government / State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Bodies Corporate	100198100	0	100198100	67.29	100198100	0	100198100	67.29	0.00
(d)	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total A(1) :	100198100	0	100198100	67.29	100198100	0	100198100	67.29	0.00
(2)	FOREIGN									
(a)	Individuals (NRIs/ Foreign Individuals)	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total A(2) :	0	0	0	0.00	0	0	0	0.00	0.00
	Total A=A(1)+A(2)	100198100	0	100198100	67.29	100198100	0	100198100	67.29	0.00
(B)	PUBLIC SHAREHOLDING									
(1)	INSTITUTIONS									
(a)	Mutual Funds /UTI	1243845	9000	1252845	0.84	3073458	9000	3082458	2.07	-1.23
(b)	Financial Institutions / Banks	20084272	100	20084372	13.49	19737120	100	19737220	13.25	0.23
(c)	Central Government / State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
(f)	Foreign Institutional Investors	5098804	4200	5103004	3.43	2940284	4200	2944484	1.98	1.45
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
(h)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total B(1) :	26426921	13300	26440221	17.76	25750862	13300	25764162	17.30	0.45



CATE GORY CODE	SHARE HOLDER (II)	NO. OF SHARES HELD AT THE BEGINNING OF THE YEAR 01.04.2014				NO. OF SHARES HELD AT THE END OF THE YEAR 31.03.2015				% CHANGE DURING THE YEAR (XI)
		DEMAT (III)	PHYSICAL (IV)	TOTAL (V)	% OF TOTAL SHARES (VI)	DEMAT (VII)	PHYSICAL (VIII)	TOTAL (IX)	% OF TOTAL SHARES (X)	
(1)	(II)									
(2)	NON-INSTITUTIONS									
(a)	Bodies Corporate	9560079	23100	9583179	6.44	4105247	22900	4128147	2.77	3.66
(b)	Individuals									
	(i) Individuals holding nominal share capital upto Rs.1 lakh	8185948	1268900	9454848	6.35	12038632	1242905	13281537	8.92	-2.57
	(ii) Individuals holding nominal share capital in excess of Rs.1 lakh	1821783	0	1821783	1.22	3913902	0	3913902	2.63	-1.40
(c)	Others									
	CLEARING MEMBERS	226394	0	226394	0.15	154428	0	154428	0.10	0.05
	FOREIGN NATIONALS	200	0	200	0.00	200	0	200	0.00	0.00
	NON RESIDENT COMPANIES	0	600	600	0.00	0	600	600	0.00	0.00
	NON RESIDENT INDIANS	548554	619600	1168154	0.78	726628	618200	1344828	0.90	-0.12
	TRUSTS	17721	200	17921	0.01	125296	200	125496	0.08	-0.07
(d)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total B(2) :	20360679	1912400	22273079	14.96	21064333	1884805	22949138	15.41	-0.45
	Total B=B(1)+B(2) :	46787600	1925700	48713300	32.71	46815195	1898105	48713300	32.71	0.00
(C)	Total (A+B) :	146985700	1925700	148911400	100.00	147013295	1898105	148911400	100.00	0.00
	Shares held by custodians, against which Depository Receipts have been issued									
(1)	Promoter and Promoter Group									
(2)	Public	0	0	0	0.00	0	0	0	0.00	0.00
	GRAND TOTAL (A+B+C) :	146985700	1925700	148911400	100.00	147013295	1898105	148911400	100.00	

DETAILS OF PROMOTERS HOLDINGS COMPARISION REPORT BETWEEN 31/03/2014 AND 31/03/2015										
Sl No.	DPID	Folio / client-Id	Name of the Share Holder	It1	It2	Category	Sold	bought	Cumulative Holding	Date
1	10100	1601010000011684	INDIAN OIL CORPORATION LIMITED			IOC	0	0	77265200	3/31/2014
	10100	1601010000011684	INDIAN OIL CORPORATION LIMITED			IOC	0	0	77265200	3/31/2015
2	IN300394	12348835	NAFTIRAN INTER TRADE COMPANY LTD			NIT	0	0	22932900	3/31/2014
	IN300394	12348835	NAFTIRAN INTER TRADE COMPANY LTD			NIT	0	0	22932900	3/31/2015



TOP 10 SHAREHOLDERS COMPARISON REPORT BETWEEN 31/03/2014 AND 31/03/2015													
SLNo.	DPID	Folio / Client-Id	Name of the Share Holder	Jt1	Jt2	Category	No of Shares held as on 31.3.14	Change in Share holding	No of Shares Held as on 31.3.15	% Change in Share holding	Reason for change	Pledged Shares as on 31.3.14	Pledged Shares as on 31.3.15
1	IN300167	10014132	BAJAJ ALLIANZ LIFE INSURANCE COMPANY LTD.	PRIMA		BODIES CORPORATES	7331429	-7331429	0	-100.00		0	0
2	IN300812	10000012	LIFE INSURANCE CORPORATION OF INDIA			INDIAN FINANCIAL INSTITUTIONS	6327823	0	6327823	0.00		0	0
3	IN300812	10001728	THE NEW INDIA ASSURANCE COMPANY LIMITED			INDIAN FINANCIAL INSTITUTIONS	3821060	0	3821060	0.00		0	0
4	IN300812	10000029	GENERAL INSURANCE CORPORATION OF INDIA			INDIAN FINANCIAL INSTITUTIONS	3341644	0	3341644	0.00		0	0
5	IN300812	10498007	LIC OF INDIA MARKET PLUS 1 GROWTH FUND			INDIAN FINANCIAL INSTITUTIONS	2318346	0	2318346	0.00		0	0
6	IN300812	10000543	UNITED INDIA INSURANCE COMPANY LIMITED			INDIAN FINANCIAL INSTITUTIONS	1913334	0	1913334	0.00		0	0
7	IN300054	10016472	CREDIT SUISSE (SINGAPORE) LIMITED			FOREIGN INSTITUTIONAL INVESTORS	1803782	-1803782	0	-100.00		0	0
8	IN300054	10021493	CLSA (MAURITIUS) LIMITED			FOREIGN INSTITUTIONAL INVESTORS	1397642	-1397642	0	-100.00		0	0
9	IN300812	10000502	NATIONAL INSURANCE COMPANY LTD			INDIAN FINANCIAL INSTITUTIONS	1135751	-402422	733329	-35.43		0	0
10	IN300167	10011040	FRANKLIN TEMPLETON MUTUAL FUND A/C FRANKLIN INDIA	PRIMA PLUS		MUTUAL FUNDS	808131	-808131	0	-100.00		0	0
	Total:						30198942	-11743406	18455536			0	0



TOP 10 SHAREHOLDERS COMPARISON REPORT BETWEEN 31/03/2014 AND 31/03/2015										
Sl No.	DPID	Folio / client-Id	Name of the Share Holder	Jt1	Jt2	Cate gory	Sold	bought	Cumulative Holding	Date
1	IN300054	10016472	CREDIT SUISSE (SINGAPORE) LIMITED			FII	0	0	1803782	3/31/2014
	IN300054	10016472	CREDIT SUISSE (SINGAPORE) LIMITED			FII	628300	0	1175482	6/13/2014
	IN300054	10016472	CREDIT SUISSE (SINGAPORE) LIMITED			FII	527948	0	647534	6/20/2014
	IN300054	10016472	CREDIT SUISSE (SINGAPORE) LIMITED			FII	647534	0	0	6/30/2014
	IN300054	10016472	CREDIT SUISSE (SINGAPORE) LIMITED			FPI	0	180000	180000	11/14/2014
2	IN300054	10016472	CREDIT SUISSE (SINGAPORE) LIMITED			FPI	0	18893	198893	11/28/2014
	IN300054	10016472	CREDIT SUISSE (SINGAPORE) LIMITED			FPI	20471	0	178422	12/12/2014
	IN300054	10016472	CREDIT SUISSE (SINGAPORE) LIMITED			FPI	178422	0	0	12/19/2014
	IN300054	10021493	CLSA (MAURITIUS) LIMITED			FII	0	0	0	3/31/2015
	IN300054	10021493	CLSA (MAURITIUS) LIMITED			FII	0	0	1397642	3/31/2014
3	IN300054	10021493	CLSA (MAURITIUS) LIMITED			FII	224517	0	1173125	5/30/2014
	IN300054	10021493	CLSA (MAURITIUS) LIMITED			FII	1060617	0	112508	6/6/2014
	IN300054	10021493	CLSA (MAURITIUS) LIMITED			FII	112508	0	0	6/13/2014
	IN300054	10021493	CLSA (MAURITIUS) LIMITED			FII	0	0	0	3/31/2015
	IN300167	10011040	FRANKLIN TEMPLETON MUTUAL FUND	PRIMA		MUT	0	0	808131	3/31/2014
	IN300167	10011040	A/C FRANKLIN INDIA	PLUS		MUT	0	0	734192	7/11/2014
	IN300167	10011040	FRANKLIN TEMPLETON MUTUAL FUND	PRIMA		MUT	73939	0	497484	7/18/2014
	IN300167	10011040	A/C FRANKLIN INDIA	PLUS		MUT	236708	0	482433	7/25/2014
	IN300167	10011040	FRANKLIN TEMPLETON MUTUAL FUND	PRIMA		MUT	15051	0	423508	8/8/2014
	IN300167	10011040	A/C FRANKLIN INDIA	PLUS		MUT	58925	0	232551	8/15/2014
	IN300167	10011040	FRANKLIN TEMPLETON MUTUAL FUND	PRIMA		MUT	190957	0	0	8/22/2014
	IN300167	10011040	A/C FRANKLIN INDIA	PLUS		MUT	232551	0	0	3/31/2015

Sl No.	DPID	Folio / client-Id	Name of the Share Holder	Jt1	Jt2	Category	Sold	bought	Cumulative Holding	Date
4	IN300167	10014132	BAJAJ ALLIANZ LIFE INSURANCE COMPANY LTD.			LTD	0	0	7331429	3/31/2014
	IN300167	10014132	BAJAJ ALLIANZ LIFE INSURANCE COMPANY LTD.			LTD	61579	0	7269850	4/4/2014
	IN300167	10014132	BAJAJ ALLIANZ LIFE INSURANCE COMPANY LTD.			LTD	561000	0	6708850	4/11/2014
	IN300167	10014132	BAJAJ ALLIANZ LIFE INSURANCE COMPANY LTD.			LTD	500000	0	6208850	4/25/2014
	IN300167	10014132	BAJAJ ALLIANZ LIFE INSURANCE COMPANY LTD.			LTD	400000	0	5808850	5/16/2014
	IN300167	10014132	BAJAJ ALLIANZ LIFE INSURANCE COMPANY LTD.			LTD	340000	0	5468850	5/30/2014
	IN300167	10014132	BAJAJ ALLIANZ LIFE INSURANCE COMPANY LTD.			LTD	200000	0	5268850	7/18/2014
	IN300167	10014132	BAJAJ ALLIANZ LIFE INSURANCE COMPANY LTD.			LTD	115094	0	5153756	7/25/2014
	IN300167	10014132	BAJAJ ALLIANZ LIFE INSURANCE COMPANY LTD.			LTD	722430	0	4431326	8/22/2014
	IN300167	10014132	BAJAJ ALLIANZ LIFE INSURANCE COMPANY LTD.			LTD	200000	0	4231326	8/29/2014
	IN300167	10014132	BAJAJ ALLIANZ LIFE INSURANCE COMPANY LTD.			LTD	348293	0	3883033	9/5/2014
	IN300167	10014132	BAJAJ ALLIANZ LIFE INSURANCE COMPANY LTD.			LTD	374396	0	3508637	9/12/2014
	IN300167	10014132	BAJAJ ALLIANZ LIFE INSURANCE COMPANY LTD.			LTD	50000	0	3458637	10/10/2014
	IN300167	10014132	BAJAJ ALLIANZ LIFE INSURANCE COMPANY LTD.			LTD	100000	0	3358637	11/7/2014
	IN300167	10014132	BAJAJ ALLIANZ LIFE INSURANCE COMPANY LTD.			LTD	160000	0	3198637	11/14/2014
	IN300167	10014132	BAJAJ ALLIANZ LIFE INSURANCE COMPANY LTD.			LTD	44000	0	3154637	11/28/2014
	IN300167	10014132	BAJAJ ALLIANZ LIFE INSURANCE COMPANY LTD.			LTD	130000	0	3024637	12/5/2014
	IN300167	10014132	BAJAJ ALLIANZ LIFE INSURANCE COMPANY LTD.			LTD	350000	0	2674637	12/12/2014
	IN300167	10014132	BAJAJ ALLIANZ LIFE INSURANCE COMPANY LTD.			LTD	60000	0	2614637	12/19/2014
	IN300167	10014132	BAJAJ ALLIANZ LIFE INSURANCE COMPANY LTD.			LTD	384243	0	2230394	2/13/2015
	IN300167	10014132	BAJAJ ALLIANZ LIFE INSURANCE COMPANY LTD.			LTD	77000	0	1262990	2/27/2015
	IN300167	10014132	BAJAJ ALLIANZ LIFE INSURANCE COMPANY LTD.			LTD	555326	0	707664	3/6/2015
	IN300167	10014132	BAJAJ ALLIANZ LIFE INSURANCE COMPANY LTD.			LTD	270000	0	437664	3/13/2015
	IN300167	10014132	BAJAJ ALLIANZ LIFE INSURANCE COMPANY LTD.			LTD	145664	0	292000	3/20/2015
	IN300167	10014132	BAJAJ ALLIANZ LIFE INSURANCE COMPANY LTD.			LTD	292000	0	0	3/27/2015
	IN300167	10014132	BAJAJ ALLIANZ LIFE INSURANCE COMPANY LTD.			LTD	0	0	0	3/31/2015
	IN300812	10000012	LIFE INSURANCE CORPORATION OF INDIA			IFI	0	0	6327823	3/31/2014
	IN300812	10000012	LIFE INSURANCE CORPORATION OF INDIA			IFI	0	0	6327823	3/31/2015
	IN300812	10000029	GENERAL INSURANCE CORPORATION OF INDIA			IFI	0	0	3341644	3/31/2014
	IN300812	10000029	GENERAL INSURANCE CORPORATION OF INDIA			IFI	0	0	3341644	3/31/2015
	IN300812	10000502	NATIONAL INSURANCE COMPANY LTD			IFI	0	0	1135751	3/31/2014
	IN300812	10000502	NATIONAL INSURANCE COMPANY LTD			IFI	100000	0	1035751	6/13/2014
	IN300812	10000502	NATIONAL INSURANCE COMPANY LTD			IFI	100000	0	935751	8/15/2014
	IN300812	10000502	NATIONAL INSURANCE COMPANY LTD			IFI	100000	0	835751	8/22/2014
	IN300812	10000502	NATIONAL INSURANCE COMPANY LTD			IFI	102422	0	733329	12/5/2014
	IN300812	10000502	NATIONAL INSURANCE COMPANY LTD			IFI	0	0	733329	3/31/2015
	IN300812	10000543	UNITED INDIA INSURANCE COMPANY LIMITED			IFI	0	0	1913334	3/31/2014
	IN300812	10000543	UNITED INDIA INSURANCE COMPANY LIMITED			IFI	0	0	1913334	3/31/2015
	IN300812	10001728	THE NEW INDIA ASSURANCE COMPANY LIMITED			IFI	0	0	3821060	3/31/2014
	IN300812	10001728	THE NEW INDIA ASSURANCE COMPANY LIMITED			IFI	0	0	3821060	3/31/2015
10	IN300812	10498007	LIC OF INDIA MARKET PLUS 1 GROWTH FUND			IFI	0	0	2318346	3/31/2014
	IN300812	10498007	LIC OF INDIA MARKET PLUS 1 GROWTH FUND			IFI	0	0	2318346	3/31/2015



(v) Shareholding of Directors & KMP

Sl. No	For Each of the Directors & KMP	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No.of shares	% of total shares of the company	No.of shares	% of total shares of the company
1	S.Venkataramana	200	-	200	-

V INDEBTEDNESS

Rs Cr

Indebtedness of the Company including interest outstanding/ accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtness at the beginning of the financial year				
i) Principal Amount	3399.42	2200.20		5599.62
ii) Interest due but not paid				
iii) Interest accrued but not due	33.85	0.62		34.47
Total (i+ii+iii)	3433.27	2200.82	0	5634.09
Change in Indebtedness during the financial year				
Additions	4297.82	26672.38		30970.20
Reduction	4206.42	26964.34		31170.76
Net Change	91.4	-291.96	0	-200.56
Indebtedness at the end of the financial year				
i) Principal Amount	3490.82	1908.24		5399.06
ii) Interest due but not paid				
iii) Interest accrued but not due	32.18	0.26		32.44
Total (i+ii+iii)	3523.00	1908.50	0	5431.50

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole time director and/or Manager:

Rs.Lakhs

SLNo	Particulars of Remuneration	Name of the MD /WTD /Manager						TSR	Total Amount
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961. (b) Value of perquisites u/s 17(2) of the Income tax Act, 1961 (c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961 Stock option Sweat Equity Commission as % of profit others (specify) Others, please specify	MD	DT	DF	DO	A.S.Basu			
2		10.56	6.65	4.81	24.69	8.78		12.06	67.55
3		1.71	1.36	0.64	3.67	1.46		2.62	11.46
4									
5									
	Total (A)	12.27	8.01	5.45	28.36	10.24		14.68	79.01
	Ceiling as per the Act	Not Applicable to Government company							

B. Remuneration to other directors:

(Rs.Lakhs)

SLNo	Particulars of Remuneration	Name of the Directors			TOTAL
1	Independent Directors (a) Fee for attending board committee meetings (b) Commission (c) Others, please specify Total (1)	G.Ramaswamy 3.6	L.Sabaretnam 2.2	Venkatraman Srinivasan 1.4	7.2
2	Other Non Executive Directors (a) Fee for attending "board committee meetings (b) Commission (c) Others, please specify Total (2) Total (B)=(1+2) Total Managerial Remuneration Overall Ceiling as per the Act.	3.6	2.2	1.4	7.2 86.21 NA

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

Rs.Lakhs

SLNo	Particulars of Remuneration	Key Managerial Personnel				
1	Gross Salary	CEO	Company Secretary		CFO	Total
2	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.		20.80			20.80
3	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961		2.55			2.55
4	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961					
5	Stock Option Sweat Equity Commission as % of profit others, specify Others, please specify					
	Total		23.35			23.35

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority (RD/NCLT/Court)	Appeal made if any (give details)
A. COMPANY Penalty Punishment Compounding B. DIRECTORS Penalty Punishment Compounding C. OTHER OFFICERS IN DEFAULT Penalty Punishment Compounding		NIL			





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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.

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 - II

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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<i>Statement of Profit and Loss Account</i>	→	87
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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		
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



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 March 31, 2015	March 31, 2014	Current Maturities 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

(₹ in Lakhs)

Particulars	Note	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		-	-		29806.53
Sundry Creditors - Projects		-	-		13505.73
Employee Liabilities & Others		-	-		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.

(₹ in Lakhs)

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

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/CENVAT, 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)

	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	1440.86
				1440.36	1440.36
Less : Provision for Doubtful Claims				-	0.50
b) From Others					
i) Unsecured, Considered Good		-	-	9616.78	9132.56
ii) Unsecured, Considered Doubtful		-	-	478.05	364.95
				10094.83	9497.51
Less : Provision for Doubtful Claims		-	-	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				-	-
(7) Materials given on loan to Related party - Unsecured, Considered Good	(iv)	360.04	230.83	60.23	7.96
(8) Advances against materials taken on loan from Related Party-Unsecured, Considered Good					
Less: Material taken on Loan	(iv)			-	9.21
				-	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

		(₹ in Lakhs)			
		LONG TERM		SHORT TERM	
PARTICULARS		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
	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
(ii)	Due from Officers	1.47	4.64	0.65	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
	Maximum amount outstanding during the year	Nil	Nil	Nil	Nil
2	Loans and advances in the nature of loans to associates	Nil	Nil	Nil	Nil
	Maximum amount outstanding during the year	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
4	Loans and advances in the nature of loans to firms/companies in which directors are interested	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
		3961.14	3999.26
TOTAL		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
		4789630.40	5395472.95
TOTAL		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)

	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	Tranferred to Fixed Assets (Capitalized)	Work-in-Progress as on 31.03.2015	Total Capital Expenditure
1	2	3	4	5	6 = (3+4-5)	7	8	9	10 = (7+8-9)	11 = (4+10-7)
	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	-	329.78

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



Ten Year Profile

Ten year profile

→ 122-123

WHAT WE OWE AND WHAT WE OWN

	(₹ in lakhs)									
	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
WHAT WE OWE										
Share Capital	14900	14900	14900	14900	14900	14900	14900	14900	14900	14900
Reserves	213051	248874	331552	291824	331308	361692	364413	187729	157345	150608
Networth	227951	263774	346452	306724	346208	376592	379313	202629	172245	165508
Borrowings	274789	183413	245045	154790	407789	422253	367234	590545	559962	539906
Deferred Tax Liability	56679	57352	60736	41400	57596	60447	63795	70710	70340	0
Total	559419	504539	652234	502915	811593	859292	810342	863884	802547	705413
What We Own										
Fixed Assets	476249	484796	506590	516390	544473	624627	688592	805568	816566	817604
Less: Depreciation	160627	181038	205410	230557	253579	282792	318460	349837	388159	410569
Fixed Assets (Net WDV)	315622	303758	301179	285833	290893	341835	370132	455731	428407	407035
Intangible Assets	6011	6011	6011	2563	3792	4215	4754	4754	4862	4862
Less: Amortisation	1107	1705	2303	1212	1773	2470	3241	3701	4082	4218
Intangible Assets (Net WDV)	4904	4306	3708	1351	2020	1745	1513	1053	780	644
Capital WIP	7067	18143	29598	71821	128074	115590	101945	17600	36448	83969
Investments	11553	11190	11047	2281	2343	2250	2363	2425	2482	2542
Working Capital	220273	167142	306702	141629	388263	397872	334390	387075	334430	211222
Total	559419	504539	652234	502915	811593	859292	810342	863884	802547	705413

WHAT WE EARNED AND WHAT WE SPENT

	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
WHAT WE EARNED										
Income										
Turnover	2540918	2934949	3288931	3648967	2918384	3812826	4538491	4684246	5392370	4787782
Interest	1252	2165	1472	1933	2285	2798	4435	1172	1393	2592
Miscellaneous Receipts	2931	4231	11374	3474	21224	8809	4111	2882	4445	2927
Inventory Difference	39996	38836	51001	(122443)	65799	44661	53739	20499	7211	(132081)
Adjustment - Prior Years	833	0	78	877	0	(7)	(921)	(60)	1346	(446)
Sub-Total	2585930	2980181	3352857	3532807	3007692	3869087	4599855	4708739	5406765	4660774
WHAT WE SPENT										
Expenditure										
Raw Materials	1978415	2314838	2590368	2980350	2395053	3155635	3973042	4270888	4746943	3955805
Manufacturing Expenses	449703	491725	511761	469283	453010	524272	485359	429211	488866	628721
Salaries & Benefits to Employees	9683	15063	14264	19294	27232	24022	25321	31543	29185	33871
Other Expenses	34806	27443	19660	75108	23570	31912	70474	62536	79112	53631
Interest	17403	18830	19481	22366	13736	25446	24938	46876	56797	40373
Depreciation	23584	24194	25161	25717	26714	31447	36542	37453	38958	22612
Sub-Total	2513594	2892093	3180695	3592118	2939316	3792735	4615676	4878508	5439861	4735013
Profit Before Tax	72336	88088	172163	(59311)	68376	76352	(15822)	(169769)	(33096)	(74239)
Provision for Taxation	24240	31561	59868	(19583)	8054	25199	(22004)	6915	(2711)	(70340)
Profit After Tax	48096	56527	112295	(39728)	60322	51152	6183	(176684)	(30385)	(3899)
Dividend	17871	17869	25315	0	17869	17869	2978	0	0	0
Dividend Distribution Tax	2506	3037	4302	0	2968	2899	483	0	0	0

FINANCIAL INDICATORS

	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
Debt Equity Ratio	1.21	0.70	0.71	0.50	1.18	1.12	0.97	2.91	3.25	3.26
Earnings per share (₹.)	32.29	37.96	75.41	(26.68)	40.51	34.35	4.15	(118.65)	(20.40)	(2.62)
Profit After Tax to										
Average Networkworth (%)	22.46	22.99	36.80	(12.16)	18.48	14.15	1.64	(60.72)	(16.21)	(2.31)
Dividend (%)	120	120	170	0	120	120	20	0	0	0
Dividend Payout (%)	42.37	36.98	26.37	0.00	34.54	40.60	55.99	0.00	0.00	0.00
(including Dividend Distribution Tax)										





E-COMMUNICATION REGISTRATION FORM
(exclusively meant for Shareholders holding shares in physical form)

To,

Karvy Computershare Private Limited

Unit: **CHENNAI PETROLEUM CORPORATION LIMITED**

Karvy Selenium Tower B, Plot No 31 & 32,

Gachibowli, Financial District, Hyderabad - 500 032.

RE:- Green Initiative in Corporate Governance

Regd. Folio No.	
Name of 1st Registered Holder	
Name of Joint Holder/s	
Registered Address	
E-mail ID to be registered (IN CAPITAL LETTERS)	

Date:

Signature

(First Holders)

1. On registration, all the communications, including the Annual Reports, will be sent at the registered e-mail address aforesaid.
2. Shareholders are requested to keep the Company / its Share Transfer Agent / Depository Participant informed of any change in their e-mail address.



Chennai Petroleum Corporation Limited

(A group company of IndianOil)

Regd. Office: 536, Anna Salai, Teynampet, Chennai 600 018.

Website: www.cpcl.co.in; Email id: shankarp@cpcl.co.in/ sld@cpcl.co.in

Tel: 044-24349833 / 24346807 Fax: 044-24341753

CIN: L40101TN1965GOI005389

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s)	
Registered Address	
Email Id	
Folio No. / Client Id *	
DP ID *	

* Applicable for members who are holding shares in dematerialized form.

I/We being the member(s) holding shares of the above named company, hereby appoint

- 1) of having e-mail id or failing him
- 2) of having e-mail id or failing him
- 3) of having e-mail id

and whose signature(s) are appended herewith as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 49th Annual General Meeting of the Company, to be held on Monday, 7th September 2015 at 03.00.p.m at Kamaraj Arangam, 492, Anna Salai, Chennai - 600 006 and at any adjournment thereof in respect of such resolutions as are indicated herewith:

[P.T.O.]



Chennai Petroleum Corporation Limited

(A group company of IndianOil)

Regd. Office: 536, Anna Salai, Teynampet, Chennai 600 018.

Website: www.cpcl.co.in; Email id: shankarp@cpcl.co.in/ sld@cpcl.co.in

Tel: 044-24349833 / 24346807 Fax: 044-24341753

CIN: L40101TN1965GOI005389

ATTENDANCE SLIP

DP ID.*	CLIENT ID*	FOLIO NO.	NO. OF SHARE(S)

* Applicable for members who are holding shares in dematerialized form.

I/We hereby record my / our presence at the 49th Annual General Meeting of the Company, to be held on Monday, 7th September 2015 at 3.00.p.m. at Kamaraj Arangam, 492, Anna Salai, Chennai - 600 006.

Name of the Member _____

Signature of the Member _____

Name of the Proxy _____

Signature of the Proxy _____

NOTES:

1. Kindly sign and hand over the attendance slip at the entrance of the meeting hall.
2. Members / Proxy holders are requested to bring their copy of the Annual Report for reference at the meeting.

Sl No.	RESOLUTIONS
	ORDINARY BUSINESSES:
1	To receive, consider and adopt the Audited Financial Statement of Profit and Loss of the Company for the period from 1 st April 2014 to 31 st March 2015 and the Audited Balance Sheet as at 31 st March 2015, together with the Director's Report and the Auditor's Report.
2	To appoint a Director in place of Mr.S.Venkataramana (DIN:03282268) who retires by rotation and being eligible, offers himself for reappointment.
3	To appoint a Director in place of Mr.Sanjiv Singh (DIN:05280701) who retires by rotation and being eligible, offers himself for reappointment.
	SPECIAL BUSINESSES:
4	Appointment of Shri.Gautam Roy (DIN:06659522) as a Director of the Company.
5	Appointment of Shri.U.Venkata Ramana (DIN:07029234) as a Director of the Company.
6	Appointment of Shri.S.Krishna Prasad (DIN:03065333) as a Director of the Company.
7	Appointment of Ms.Perin Devi (DIN: 07145051) as a Director of the Company.
8	Ratification of remuneration of Cost Auditor for the year 2015-16.
9	Taking note of further reduction of more than 50% of the peak net worth of the Company.

Signed this day of 2015.

.....
Signature of Member

AFFIX
REVENUE
STAMP

.....
Signature of the first proxy holder Signature of the second proxy holder Signature of the third proxy holder

Note: This Proxy Form duly filled in must be deposited at the Registered Office of the Company at 536, Anna Salai, Teynampet, Chennai – 600018 not less than 48 hours before the commencement of the Annual General Meeting.



CPCL signed an MoU with IOCL for the year 2015-16 in New Delhi on March 31, 2015



"Petrofed Innovator of the Year-Team" award for the year 2013 was bagged by CPCL jointly with Indian Oil Corporation Limited (IOCL).



The Parliamentary Committee on Petroleum and Natural Gas, under the Chairmanship of Hon'ble Member of Parliament Dr. Bhola Singh, met the officials of CPCL in Chennai on February 14, 2015.



Mr. Sandeep Poundrik, I.A.S. Joint secretary (Refineries), Ministry of Petroleum and Natural Gas, Government of India visited CPCL's Manali Refinery on November 13, 2014.



The Highest Tax Payer Award 14-15 was presented by Mr.D.N.Panda (Member CESTAT) in the presence of Mr. S.Ramesh, Chief Commissioner (CE & ST), Chennai Zone, at the Excise Day celebrations on February 24, 2015.



Visit of Shri. B. Ashok, Chairman to Refinery. III Control Room



Swachh Bharat Mission at Manali Refinery



चेन्नै पेट्रोलियम कॉर्पोरेशन लिमिटेड
(इंडियन ऑयल की ग्रुप कम्पनी)

Chennai Petroleum Corporation Limited
(A group company of IndianOil)


536, Anna Salai, Teynampet, Chennai-600 018
Visit us at: www.cpcl.co.in

FORM A

(FORM FOR SUBMISSION OF UNQUALIFIED AUDIT REPORT ALONG WITH ANNUAL REPORT AS REQUIRED UNDER CLAUSE 31 (a) OF THE LISTING AGREEMENT)

1.	Name of the Company :	CHENNAI PETROLEUM CORPORATION LIMITED
2.	Annual financial statements for the year ended	31st March 2015
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Not applicable


(Gautam Roy)
Managing Director


(S. Krishna Prasad)
Director (Finance)


(G. Ramaswamy)
Chairman Audit Committee

STATUTORY AUDITORS




CHANDRAN & RAMAN
Chartered Accountants
S. Pattabiraman
Membership No.14309
FRN: 000571S




S. VENKATRAM & Co.
Chartered Accountants
R. Vaidyanathan
Membership No.18953
FRN: 004656S