



**ONGC Petro additions Limited**  
*Redefining the Future*

# 10<sup>TH</sup> ANNUAL REPORT

2015-16



creating the building  
blocks for tomorrow

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# BOARD OF DIRECTORS

as on 23<sup>rd</sup> September, 2016



**Shri D. K. Sarraf**  
Chairman



**Shri T. K. Sengupta**  
Director



**Shri A. K. Srinivasan**  
Director



**Shri M. Ravindran**  
Director



**Shri M. M. Chitale**  
Director



**Shri S. Balachandran**  
Director



**Shri M. B. Lal**  
Director



**Ms. Suman Singh Gaur**  
Director



**Shri P. K. Gupta**  
Director



**Shri K. Satyanarayana**  
Chief Executive Officer



**Shri Subodh Prasad Pankaj**  
Company Secretary



**Shri Trinath Behera**  
Chief Finance Officer

## BOARD OF DIRECTORS

Shri D. K. Sarraf	:	Chairman
Shri T. K. Sengupta	:	Director
Shri A.K. Banerjee (upto 01.05.2015)	:	Director
Shri Atanu Chakraborty (upto 26.05.2015)	:	Director
Shri Prabhat Singh (upto 14.09.2015)	:	Director
Shri Ajay Kumar Dwivedi (upto 01.12.2015)	:	Director
Shri A. K. Srinivasan(From 01.12.2015)	:	Director
Shri M. Ravindran	:	Director
Shri M.M. Chitale	:	Director
Shri S. Balachandran	:	Director
Shri M. B. Lal	:	Director
Ms. Suman Singh Gaur	:	Director
Shri P.K. Gupta (From 22.09.2015)	:	Director

### CHIEF EXECUTIVE OFFICER

Shri K. Satyanarayana

### COMPANY SECRETARY

Shri Subodh Prasad Pankaj

### CHIEF FINANCE OFFICER

Shri Trinath Behera

## Key Managerial Personnel (KMP)

**BANKERS/LENDERS/DEBENTURE TRUSTEE**

Allahabad Bank	Punjab & Sind Bank
Andhra Bank	Punjab National Bank
Bank of Baroda	State Bank of Bikaner & Jaipur
Bank of India	State Bank of Hyderabad
Bank of Maharashtra	State Bank of Mysore
Canara Bank	State Bank of Patiala
Central Bank of India	State Bank of India
Corporation Bank	State Bank of Travancore
Dena Bank	Syndicate Bank
EXIM Bank	Vijaya Bank
Tata Capital Financial Services Ltd.	Housing and Urban Development Corporation Limited
ICICI Bank Limited	The Federal Bank Ltd.
IDBI Bank Ltd.	The Jammu & Kashmir Bank
Indian Bank	The South Indian Bank Limited
Indian Overseas Bank	UCO Bank
Karnataka Bank Limited	Union Bank of India
Karur Vysya Bank	United Bank of India
Oriental Bank of Commerce	SBICAP Trustee Company Limited (Debenture Trustee)

**STATUTORY AUDITOR**

M/s Shah Mehta and Bakshi  
Chartered Accountants, Vadodara

**REGISTERED OFFICE**

1<sup>st</sup> Floor, Omkara Building, Sai Chokdi, Manjalpur, Vadodara - 390011, Gujarat.

**NEW DELHI OFFICE**

Unit No: 701, 7<sup>th</sup> Floor, World Trade Tower, Barakhambha Lane, New Delhi - 110001.

**MUMBAI OFFICE**

Unit No: 881, 8<sup>th</sup> Floor, Building No. 8, Solitaire Corporate Park, Andheri Kurla Road, Andheri (East), Mumbai - 400 093.

**CHENNAI OFFICE**

Unit No 301, 3<sup>rd</sup> Floor, Sigma Wing, Raheja Towers, Anna Salai, Chennai - 600 002.

**LOCATION OF PLANT**

Plot No. Z-1, Z-83, C/o Dahej SEZ Limited P.O. Dahej - 392130, Taluka Vagra, District Bharuch, Gujarat.

Website : [www.opalindia.in](http://www.opalindia.in)

**BOARD'S REPORT**

**Dear Members,**

Your Directors take pleasure in presenting the Tenth Annual Report along with the Audited Statement of Accounts of the Company for the year ended 31<sup>st</sup> March, 2016 together with the Auditors' Report and Comments on the accounts by the Comptroller and Auditor General of India (C&AG).

**1. COMMERCIAL OPERATIONS**

Project has achieved overall progress of 98.60% as of July, 2016. Trial runs of equipment in units have been successfully completed. Polypropylene (PP) unit has started its commercial operation with bagging of PP pellets.

**2. PROJECT COST**

The Board had approved the revised project cost of ₹ 270,110 million on 26<sup>th</sup> July, 2014 with Debt Equity Ratio of 66:34 up to 31<sup>st</sup> December, 2015 and thereafter Debt Equity Ratio of 58:42, which has also been agreed by Lenders. The Project Cost has been revised due to shift in Commercial Operation Date (COD) along with inclusion of commissioning and production stabilization cost.

**3. FINANCIAL RESULTS**

The financial performance of your Company for the year ended 31<sup>st</sup> March, 2016 is summarized below:



Particulars	For the year ended on 31 <sup>st</sup> March, 2016 (₹ in millions)	For the year ended on 31 <sup>st</sup> March, 2015 (₹ in millions)
Revenue from operations	37.75	NIL
Revenue from Other Income	0.60	NIL
Expenses	664.42	7.74
Profit (Loss) before Taxation and prior period Adjustments	(626.07)	(7.74)
Prior period Adjustments	NIL	NIL
Profit (Loss) before Taxation	(626.07)	(7.74)
Tax Expenses:		
Current Tax	NIL	NIL
Deferred Tax	(414.13)	NIL
MAT Credit Entitlement	NIL	NIL
Excess Provision of Income Tax for earlier year written back	NIL	NIL
Profit (Loss) for the Year	(1040.20)	(7.74)

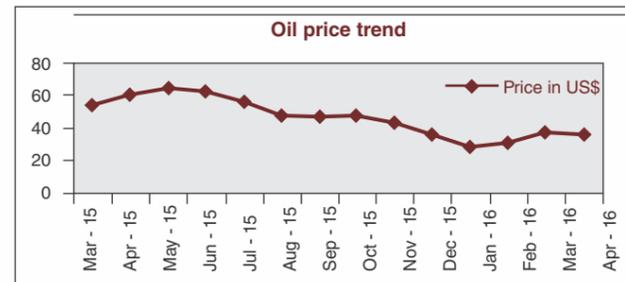
Cumulative expenses of ₹ 2,51,527.41 million (Previous Year ₹ 2,13,796.84 million) have been incurred up to 31<sup>st</sup> March, 2016 on cash basis.

# ONGC Petro additions Limited

## 4. ECONOMIC SCENARIO- GLOBAL AND INDIAN

### GLOBAL - CRUDE OIL AND PETROCHEMICALS

For most of 2015, oil prices traded in the range of US\$40-60/bbl. However, post-Christmas of 2015, Brent as well as WTI crude oil futures fell to levels seen in 2008-2009, on oversupply concerns.

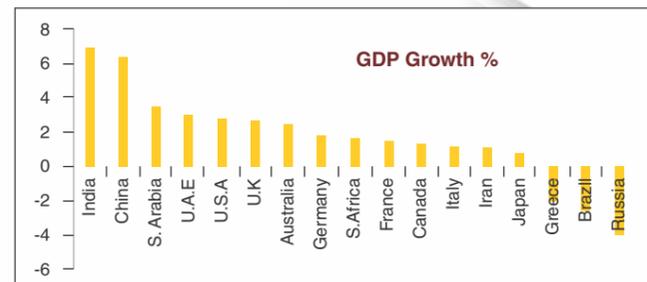


Source: OPEC

FY 2015-16 remained highly profitable year for petrochemical Industry. Crude prices dropped 42% over the previous year and naphtha followed the trend. However, due to strong demand and tight supply situations, coupled with huge and consistent gap between oil derivatives like Naphtha, Ethylene/Propylene and resins, led to very good margins almost throughout the year.

### INDIAN ECONOMY-PETROCHEMICALS

The economic outlook remains positive as the International Monetary Fund predicts growth to be 7.5 percent in the next two fiscal years. The Reserve Bank of India (RBI) also expects consistent growth rate for next two years. India leads the GDP growth chart with whopping 7.3% growth in 2015.



Source: Central Statistical Office

Low crude oil price outlook should benefit the Indian petrochemicals industry in becoming more competitive and profitable. Indian polymer industry recorded a phenomenal growth of 16% in PE and 20% in PP against the global growth of approx. 3-5%.

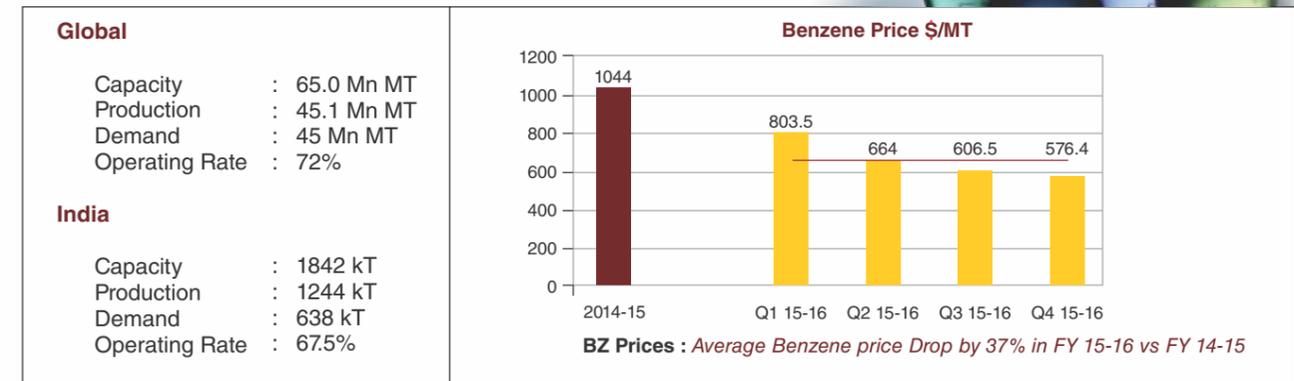
Increasing usage of plastics in automobiles, consumer packaging and impact of increased infrastructure spending, the Indian polymer industry is expected to continue double-digit growth beyond 2016-17.



## CHEMICALS

### BENZENE :

Global Benzene demand in 2015-16 was pegged at 45 Mn MT registering a growth of 1.6% Y-O-Y. Operating rates remained at the level of 70% Benzene is an excess commodity globally; Asia being largely surplus is suppliers to the rest of world.

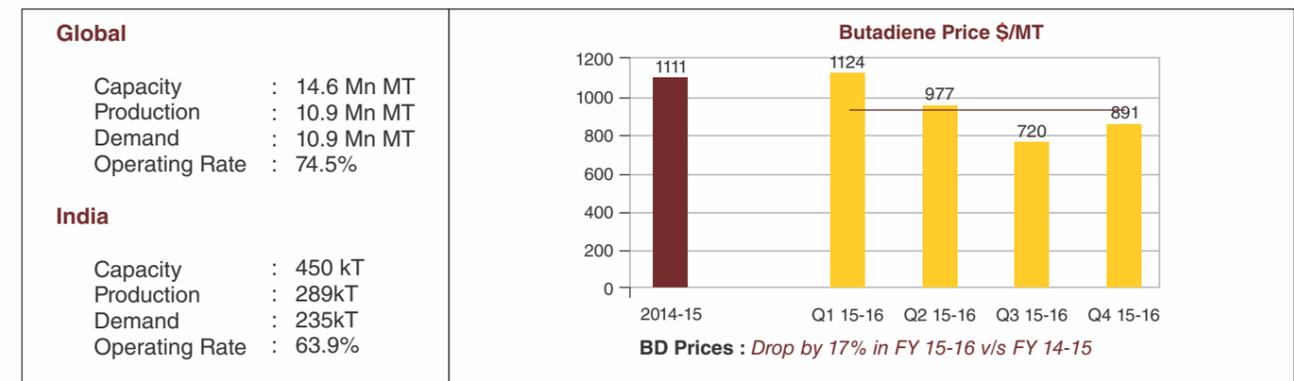


Source: Market Information

Indian Benzene demand is pegged at 638 kT while the production stands at 1244 kT. Hence, India is surplus in Benzene and exporting rest of the domestic produce.

### BUTADIENE :

Global Butadiene demand in 2015-16 was pegged at 10.6 Mn MT, a growth of 2.1% Y-O-Y. Global butadiene usage is dominated by the production of PBR and SBR accounting for 56% of the global demand. Indian Butadiene demand is pegged at 235 kT with a production of 289 kT exporting surplus quantity of 54 kT chiefly in NE Asia and SE Asia.



Source: Market Information

## PETROCHEMICAL INDUSTRY SCENARIO AT A GLANCE FOR 2015-16

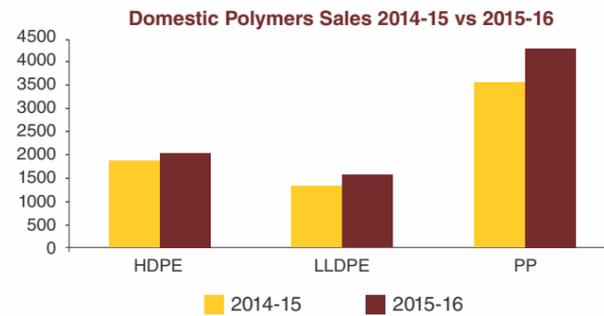
FY 2015-16 remained highly profitable year for polymer manufacturers. Industry recorded the phenomenal growth of 16% in Polyethylene (PE) and 20% in Polypropylene (PP) against the global growth of approx. 3-5%. China continued to add more coal based capacity in 2015 as new plants came on stream. This was particularly evident in the PP market, which pushed domestic PP prices to the same levels with or even below import offers in China for the most part of 2015. The same factor caused PP prices to post a larger decrease than that of PE both in Asia and the Middle East in the second half of the year. Accordingly, Chinese coal based PP showed up occasionally in Southeast Asia while overseas suppliers to China also started to seek new export outlets. China's homo PP imports for January-November also suggest a 7% decrease on a yearly basis, according to Chem Orbis Import Statistics, affirming the reduced appetite of China for PP imports.

European Polyolefins markets were hit by a significant number of production outages in H1-2015. Force majeure declarations were seen for both for Olefins and Polyolefins from many major producers including Ineos, Borealis, Sabic, Lyondell Basell, Total and Versalis. Severe production issues stemming from the absence of these suppliers caused triple digit hikes in the region for several consecutive months until July. Huge and consistent gap between oil derivatives like Naphtha, Ethylene/Propylene and resins led to very good margins almost throughout the year.

Currently, the Indian plastic industry is spread across the country employing about 4 million people and over 2000 exporters. It operates more than 30,000 processing units, of which 85-90% is small and medium enterprises.

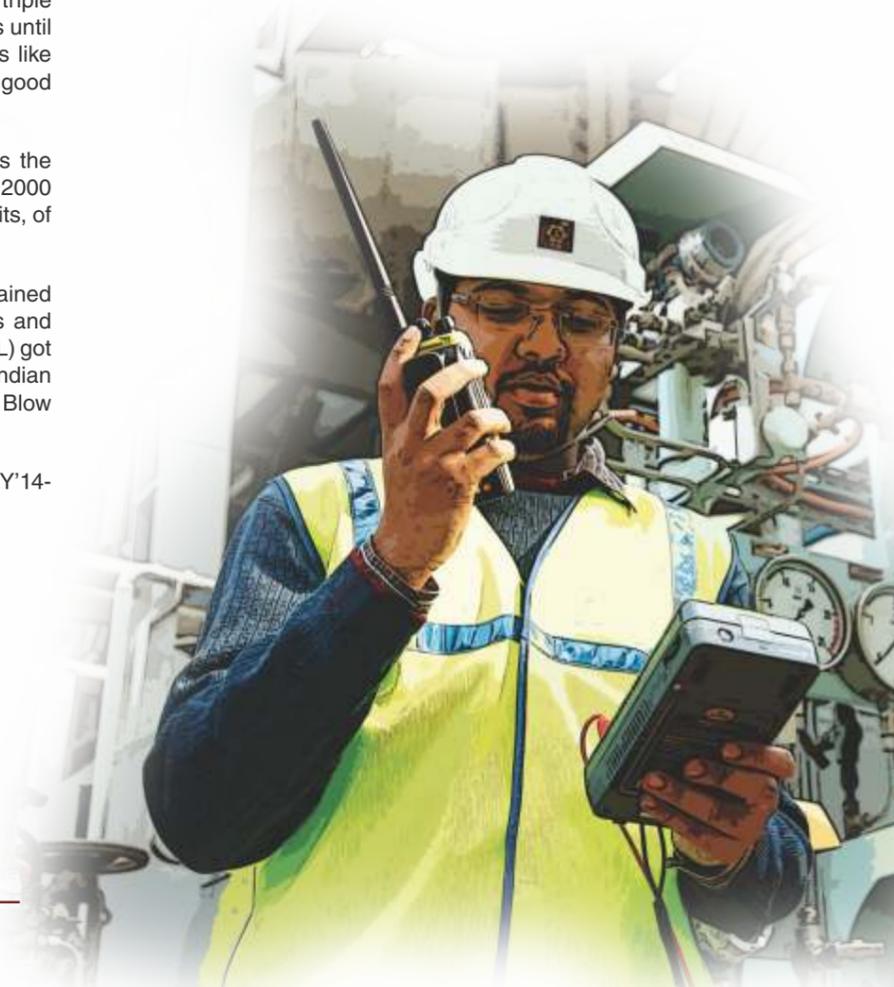
In India, Haldia Petrochemicals Limited (HPL) has regained its market share on the back of stabilized operations and Mangalore Refinery and Petrochemicals Limited (MRPL) got an easy entry in the market and captured South Indian market share in PP. Major growth observed in Raffia, Blow Moulding and Flexible packaging sectors.

Product wise growth in India market for FY'15-16 over FY'14-15 is as follows:



	HDPE	LLDPE	PP
<b>2015-16</b>	2037	1553	4281
<b>2014-15</b>	1863	1325	3558
<b>YoY Growth</b>	<b>9%</b>	<b>17%</b>	<b>20%</b>

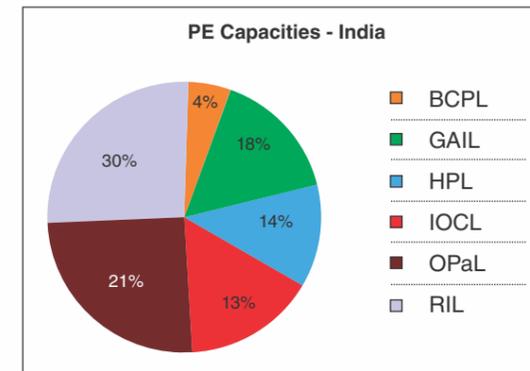
Source: Market Information



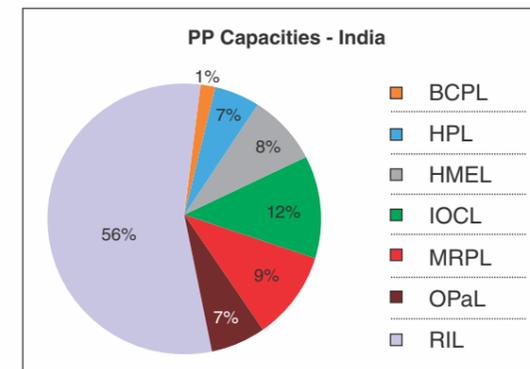
## OUTLOOK FOR FY 2016-17

- PE capacity in India is likely to get almost double in FY'16-17 as compared to capacity in FY'15-16.
- Major capacity additions by OPaL, RIL and GAIL lead to surplus material availability of PE in India.
- Addition of 340 kT capacities in PP by OPaL and BCPL will intensify the competition due to surplus capacity.
- Investments in plastic processing industry likely to increase in coming years due to ease in raw material availability and opportunities in Agriculture and Infrastructure sector.

- OPaL has added advantage being situated at western part of the country which is largest polymer consumption pocket. Export oriented units looking at OPaL as an alternate source (other than RIL) for procurement under Deemed Export.
- Phenomenal growth in polymer consumption (PE ~16% & PP ~20%) in last Financial Year will make room for new players.



	Existing	Addition	Total
BCPL	-	220	220
GAIL	500	400	900
HPL	700	-	700
IOCL	650	-	650
OPaL	-	1040	1040
RIL	950	550	1500
<b>TOTAL</b>	<b>2800</b>	<b>2210</b>	<b>5010</b>



	Existing	Addition	Total
BCPL	-	60	60
HPL	350	-	350
HMEL	440	-	440
IOCL	600	-	600
MRPL	220	220	440
OPaL	-	340	340
RIL	2750	135	2885
<b>TOTAL</b>	<b>4360</b>	<b>755</b>	<b>5115</b>

Source: IHS

All Fig. in kT

## View of PP Unit



## 5. PROGRESS IN IMPLEMENTATION OF THE PROJECT

Your Company has achieved 98.60% actual progress against scheduled progress of 100%, with regard to the Project execution as of July, 2016.

### Project Implementation

OPaL has obtained all necessary statutory approvals for the project:

Sl. No.	Approval	Date
1	Industrial Entrepreneurs' Memorandum (IEM) submitted with MoCI	6 <sup>th</sup> December, 2005
2	Certificate of Incorporation	15 <sup>th</sup> November, 2006
3	Certificate of Commencement of Business	12 <sup>th</sup> December, 2006
4	NOC/In-principle approval from Chief Controller of Explosive, Nagpur	27 <sup>th</sup> April, 2007
5	Approval for setting up the unit in Dahej SEZ from Development Commissioner, Kandla SEZ	16 <sup>th</sup> October, 2007 (Extended till 15.10.2015)
6	NOC from Gujarat Pollution Control Board	24 <sup>th</sup> October, 2007 (Extended till 23.10.2017)
7	Final Environment Clearance from MoEF	21 <sup>st</sup> November, 2007 (Extended till 20.11.2017)
8	Eligibility Certificate No. 001/2007-08 Exemption from Taxes, Cess, Duties, Fees	30 <sup>th</sup> June, 2008
9	Import-Export Code from DGFT, MOC	30 <sup>th</sup> January, 2009
10	SIA Approval for Cracker LSTK (Licensor + EPC)	25 <sup>th</sup> February, 2009
11	CST, VAT registration number	18 <sup>th</sup> March, 2009
12	Service Tax registration Number	9 <sup>th</sup> April, 2009
13	NOC for Height clearance for C3 splitter from AAI received	18 <sup>th</sup> January, 2011
14	Amendment to NOC from GPCB	31 <sup>st</sup> January, 2011
15	Plot plan approval from PESO	14 <sup>th</sup> June, 2011
16	Approval for helipad	17 <sup>th</sup> June, 2011
17	NOC for Captive Power Plant from GPCB	26 <sup>th</sup> March, 2013
18	Environment clearance from GPCB	7 <sup>th</sup> December, 2015 (valid upto 7 <sup>th</sup> July, 2020)
19	License to work a Factory (Form No. 4)	29 <sup>th</sup> June, 2016 (valid upto 31 <sup>st</sup> December, 2016)



Inauguration of PP unit by Shri D.K. Sarraf, Chairman, OPaL

## 6. FINANCING STRUCTURE

The Financing Structure of the current approved Project Cost of ₹ 270,110 million, with Debt Equity Ratio of 66:34 upto 31<sup>st</sup> December, 2015 and thereafter Debt/Equity Ratio of 58:42 is as follows:

Description	Upto 31 <sup>st</sup> December, 2015		Post 31 <sup>st</sup> December, 2015	
	Percentage	Amount	Percentage	Amount
Debt	66%	179,210	58%	157,810
Equity	34%	90,900	42%	112,300
<b>Total</b>	<b>100%</b>	<b>270,110</b>	<b>100%</b>	<b>270,110</b>

**Debt:** Based on the revised "As-Built" Project cost of ₹ 270,110 million, Supplemental and Amendatory Rupee Loan Agreement for ₹ 29,400 million has been executed on 23<sup>rd</sup> April, 2015 with a consortium of 34 Banks/Financial Institutions/NBFC led by State Bank of India. Total outstanding debt as on 31<sup>st</sup> March, 2016 is Rs. 2,12,786.85 million.

**Equity:** As against the envisaged Equity of ₹ 90,900 million upto 31<sup>st</sup> December, 2015 and ₹ 112,300 million post 31<sup>st</sup> December, 2015 the total equity proceeds of OPaL as on 31<sup>st</sup> March, 2016 stands at ₹ 38,958.80 million including proceeds from share warrant of ₹ 18,739.50 million.

**Warrants:** An amount of ₹ 9,610 million against the Right Issue of Warrants has been received as warrant subscription price (first payment) from Oil and Natural Gas Corporation Limited (ONGC) on 30<sup>th</sup> June, 2015. An aggregate amount of ₹ 4,805 million was received towards warrant subscription price (second payment) from ONGC on 17<sup>th</sup> November, 2015. Further the terms of payment with respect to warrant exercise price has been amended and accordingly an aggregate amount of ₹ 4,324.50 million was received towards warrant subscription price (third payment) from ONGC on 31<sup>st</sup> March, 2016. The warrant exercise price of ₹ 480.50 million is yet to be received from ONGC within 18 months from the date of allotment of warrants i.e. 25<sup>th</sup> August, 2015.

## 7. SOURCES AND APPLICATION OF FUNDS

As on 31<sup>st</sup> March, 2016, expenditure of ₹ 2,51,527.41 million has been incurred, on cash basis, and OPaL holds cash/cash equivalent of ₹ 218.24 million. The sources and application of funds, as on 31<sup>st</sup> March, 2016 are as below:

Particulars	Amount (₹ in Million)
<b>Sources :</b>	
Equity Share Capital (Including Share Warrant ₹ 18,739.50 million)	38,958.80
Rupee Long Term Loan	1,17,308.98
External Commercial Borrowing ( USD 220 million)	15,223.56
Medium Term Loan	21,400.00
Sub Debt	19,999.31
Short Term Loans	38,855.00
<b>Total Sources of Funds</b>	<b>2,51,745.65</b>
<b>Application of Funds :</b>	
Project Expense till 31 <sup>st</sup> March, 2016 (cash basis)	<b>2,51,527.41</b>
<b>Balance Cash and Bank Balance</b>	<b>218.24</b>

ONGC, GSPC and GAIL have contributed ₹ 9,979.56 million, ₹ 290.04 million and ₹ 9,949.45 million respectively, as Share Capital. Additionally, OPaL has received ₹ 18,739.50 million from ONGC up to 31<sup>st</sup> March, 2016 towards "Warrant" under Rights Issue in various tranches.

## 8. REFUND OF SHARE APPLICATION MONEY

Share Application Money of ₹ 7505.52 million received from ONGC under the Rights Issue in March, 2015 was refunded to ONGC on 13<sup>th</sup> June, 2015.

## 9. PUBLIC DEPOSITS

The Company has not accepted any deposit from the public during the year under review.

## 10. DIVIDEND

In the absence of profits during the financial year 2015-16, your Directors do not recommend any dividend.

## 11. TRANSFERTO RESERVES

In view of absence of profits during the current financial year, your Directors are unable to transfer any amount to the General Reserve Account.

## 12. CHANGE IN SHARE CAPITAL

Pursuant to the Shareholders Resolution dated March 16, 2016 the Authorised Share Capital of your Company was increased from ₹ 8,000,00,00,000/- (Rupees Eight Thousand Crore) to ₹ 15,000,00,00,000/- (Rupees Fifteen Thousand Crore) divided into 1500,00,00,000 (Fifteen Hundred Crore) Equity Shares of ₹ 10/- (Rupees Ten) each.

## 13. AUDIT AND AUDITORS'S REPORT

### I. Statutory Auditors

The Statutory Auditors of your Company are appointed by the Comptroller & Auditor General of India (C&AG). M/s Shah, Mehta and Bakshi, Chartered Accountants (Registration No. 103824W) were appointed as the Statutory Auditors for the Financial Year 2015-16. The Statutory Auditors have been paid a remuneration of ₹ 0.86 million (previous year ₹ 0.488 million) towards audit fee (including Limited Review). The above fees are exclusive of applicable service tax and reimbursement of reasonable travelling and out of pocket expenses actually incurred.

The Report given by the Statutory Auditors on the financial statements of the Company forms part of the Annual Report. The observations made in the Auditors' Report are self-explanatory and therefore do not call for any further comments.

The Comments of Comptroller & Auditor General of India (C&AG) and the reply of the management thereto form part of this report and are attached as **Annexure-I**.

### II. Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors appointed M/s Pranav Kumar & Associates, a firm of Company Secretaries in practice, to undertake the Secretarial Audit of your Company for the financial year 2015-16. M/s Pranav Kumar & Associates, Company Secretaries have submitted the Secretarial Audit Report dated 25<sup>th</sup> July, 2016 confirming compliance with the

applicable provisions of the Companies Act, 2013 and other applicable laws. The report in Form MR-3 is annexed herewith and marked as **Annexure-II** to this Report. The Secretarial Audit Report does not contain any qualification, reservation, adverse remarks or disclaimer. However, observations made by Secretarial Auditor have been noted by the Board for future compliance.

## 14. HUMAN RESOURCE (HR)

The employees are the most vital asset of the Company. OPaL is committed to creating an open and transparent organization with focus on overall employee development and fostering an environment that enables them to deliver superior performance.

As on 31<sup>st</sup> July, 2016, the total numbers of employees working on the company rolls were 587 nos. Company has been following attractive HR policies to attract and retain talent. In addition, substantial initiatives on nurturing cordial relations with locals were undertaken.

## 15. PARTICULARS OF EMPLOYEES

During the year no employee was in receipt of remuneration exceeding the limits set out under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.

## 16. AUDIT COMMITTEE

In compliance with Section 177 (8) of the Companies Act, 2013, the details regarding Audit Committee are provided elsewhere in the report. There has been no instance where recommendations of the Audit Committee have not been accepted by the Board.

## 17. OTHER MATERIAL CHANGES

Pursuant to Section 134(3)(l) and other applicable provisions of the Companies Act, 2013, save as aforesaid in this report, no material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year of the Company i.e., 31<sup>st</sup> March, 2016 and the date of this report.

## 18. COMPULSORY CONVERTIBLE DEBENTURES (CCDs)

In order to meet Equity requirement, the Company tied-up funds of ₹ 5,615 crore from ICICI Bank Limited through private placement of Debentures (Compulsorily convertible into Equity Capital of OPaL).

SBICAP Trustee Company Limited has been appointed as the debenture trustees ("Debenture Trustee") vide a debenture trustee appointment agreement dated June 30, 2016 between the Company and the Debenture Trustee. The

Debentures (Compulsorily Convertible) has been assigned rating of "AAA (SO)" by CARE Ratings based on backstopping from ONGC.

Pursuant to the execution of the Debenture Trust Deed entered into between OPaL and the Debenture Trustee on June 30, 2016 as amended by the Deed of Modification dated July 08, 2016 (Debenture Trust Deed) and the Option Agreement amongst ONGC, OPaL and the Debenture Trustee, OPaL tied-up funds of ₹ 5,615 crore from ICICI Bank (Compulsorily Convertible into Equity Capital of OPaL). The first tranche of ₹ 3,000 crore (Series A-₹ 615 crore and Series B-₹ 2,385 crore) received by OPaL on 2<sup>nd</sup> July, 2016 and the 2<sup>nd</sup> tranche of ₹ 2,615 crore (Series B-₹ 2,615 crore) received by OPaL on 12<sup>th</sup> July, 2016.

Further Company allotted 615 Series-A Debentures and 5000 Series-B Debentures to ICICI Bank and which were accordingly credited in the Demat account of ICICI Bank Limited.

## 19. DIRECTORS

19.01 In accordance with the provisions of the Companies Act and the Articles of Association of the Company, Shri Dinesh Kumar Sarraf, Director is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment.

19.02 Shri Prafulla Kumar Gupta (Nominee of GAIL) was appointed as an Additional Director on the Board of OPaL pursuant to provisions of Section 161 of the Companies Act, 2013 and Articles of Association of the Company with effect from 22<sup>nd</sup> September, 2015. Further, notice pursuant to Section 160 of the Companies Act, 2013 has been received from a member proposing his candidature for the office of Director.

19.03 Shri A. K. Dwivedi (Nominee of ONGC) ceased to be Director on the Board with effect from 1<sup>st</sup> December, 2015. The Board of Directors places on record their deep appreciation for the valuable advice and guidance provided by him during his tenure as Director.

19.04 Shri A. K. Srinivasan (Nominee ONGC) was appointed as an Additional Director on the Board of OPaL pursuant to provisions of Section 161 of the Companies Act, 2013 and Articles of Association of the Company with effect from 1<sup>st</sup> December, 2015. Further, notice pursuant to Section 160 of the Companies Act, 2013 has been received from a member proposing his candidature for the office of Director.

None of the Directors are disqualified from being appointed as Directors in term of provisions of the Companies Act, 2013.



**20. KEY MANAGERIAL PERSONNEL (KMP)**

In accordance with the provisions of Section 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the following persons act as Key Managerial Personnel (KMP) of the Company :-

- 20.01 Shri K. Satyanarayana was initially appointed as Chief Executive Officer (CEO) of the Company with effect from 7<sup>th</sup> May, 2014. As per Companies Act, 2013, he has been appointed as CEO as part of KMP with effect from 26<sup>th</sup> July, 2014.
- 20.02 Shri Subodh Prasad Pankaj was initially appointed as Company Secretary (CS) with effect from 11<sup>th</sup> January, 2010. Further as per Companies Act, 2013, he has been appointed as Company Secretary as part of KMP with effect from 26<sup>th</sup> July, 2014.
- 20.03 Shri Trinath Behera has been appointed as Chief Finance Officer (CFO) as part of KMP with effect from 1<sup>st</sup> July, 2015.

**21. DECLARATION OF INDEPENDENT DIRECTORS**

The Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

In compliance of above provisions, the Board received the declaration from the two Independent Directors namely Shri M. M. Chitale and Shri S. Balachandran confirming that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

No meeting of Independent Directors was held during financial year 2015-16.

**22. CORPORATE GOVERNANCE**

The provisions of the Companies Act, 2013 clearly pave the way for better corporate governance and protection of the interest of shareholders and other stake-holders. At OPaL Corporate Governance is the system of rules, practices and processes by which all the compliances are directed and controlled. Corporate governance essentially involves balancing the interests of a company's many stakeholders, such as shareholders, management, customers, suppliers, financiers, government, the community and policy makers. Thus in OPaL Corporate Governance includes the structures, processes, culture and systems that engender the successful operation of organization. A separate report on Corporate Governance is attached as **Annexure - III**.

**23. EXTRACT OF ANNUAL RETURN**

The extract of Annual Return in Form MGT-9 pursuant to the provisions of Section 92 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is appended as an **Annexure-IV** and is attached to this Report.

**24. RELATED PARTY TRANSACTIONS**

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. The particulars of Contracts or Arrangements made with related parties made pursuant to Section 188 of the Companies Act, 2013 and Rules made thereunder is furnished in the prescribed format AOC-2 forms part of the report as **Annexure-V**.

**25. RISK MANAGEMENT**

Board of Directors in its 63<sup>rd</sup> Meeting held on 25<sup>th</sup> July, 2016 approved the Risk Management Policy of ONGC Petro additions Limited.

The Board has implemented a Risk Management Policy for the Company including identification therein of elements of risk, if any, which in the opinion of the Board may threaten the existence of the Company. The main objective of this policy is to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business. In order to achieve the key objective, the policy establishes a structured and disciplined approach to Risk Management, in order to guide decision on risk related issues. The aim of the policy is not to have risk eliminated completely from Company's activities, but rather to ensure that every effort is made by the Company to manage risk appropriately to maximize potential opportunities and minimize the adverse effects of risk.

**26. VIGIL MECHANISM**

Board of Directors in its 57<sup>th</sup> Meeting held on the 17<sup>th</sup> September, 2015 approved and adopted the Whistle Blower Policy of the Company. The Company has established Vigil Mechanism/Whistle Blower System in the Company to safeguard against victimization of director(s)/employee(s) who shall avail the mechanism. The "Whistle Blower Policy of the Company" is also available on Company's website (www.opalindia.in). During the Financial Year 2015-16, no case of Whistle Blower has been reported in the Company.

**27. CORPORATE SOCIAL RESPONSIBILITY (CSR)**

Board has approved the Corporate Social Responsibility Policy of the Company pursuant to the provisions of Section 135 of the Companies Act, 2013. The CSR Policy is available on Company's website (www.opalindia.in).

Further your Company is maintaining cordial relations with the nearby villages around its Plant located at Dahej SEZ by doing CSR activities.

During the year your Company made contribution in the following activities as per details given below:

- Expenditure on upliftment of Education - ₹ 67,866/-.
- Expenditure on promotion of Health - ₹ 51,815/-.

**28. NOMINATION AND REMUNERATION POLICY**

The Company has in place a Nomination and Remuneration Policy for the Directors, Key Managerial Personnel and Senior Management/other employees of OPaL, pursuant to the provisions of the Companies Act, 2013 and rules made thereunder.

Board of Directors in its 62<sup>nd</sup> Meeting held on the 18<sup>th</sup> May, 2016 approved "Nomination and Remuneration Policy of the Company" based on the recommendation of the 4<sup>th</sup> Nomination and Remuneration Committee meeting held on 26<sup>th</sup> February, 2016.

**29. BOARD EVALUATION**

On the recommendation of 5<sup>th</sup> Nomination and Remuneration Committee Meeting held on 10<sup>th</sup> March, 2016 Board approved the "Board Evaluation Policy of OPaL" in its 63<sup>rd</sup> Meeting held on 25<sup>th</sup> July, 2016.

Nomination & Remuneration Committee constituted under Section 178 of the Companies Act, 2013 has been made responsible for carrying out evaluation of every director's performance. Pursuant to the provisions of Section 149(8) read with Schedule IV of the Companies Act, 2013, and the provisions of the Act, Board evaluation involving evaluation of the Board of Directors, its Committees and individual Directors, including the role of the Board Chairman, was carried out during the year.

**30. MANAGERIAL REMUNERATION**

The Company does not have any Managing Director, Whole-time Director and Manger during the Financial Year 2015-16. All the Directors in the Company are Non-Executive Directors. During the year there were two independent directors in the Company. The Independent Directors are paid sitting fees of ₹15,000/- per meeting for attending meetings of the Board and other Committee of Board.

**31. DISCLOSURE UNDER THE SEXUAL HARASSMENT AT WORKPLACE**

The following is a summary of Sexual Harassment complaints received and disposed off during the financial year 2015-16.

Number of complaints received : Nil  
Number of complaints disposed off : Nil

**32. DIRECTORS RESPONSIBILITY STATEMENT**

In terms of Section 134(5) of the Companies Act, 2013 the Directors of the Company hereby state and confirm that:

- a) in the preparation of the annual accounts for the year ended March 31, 2016, the applicable accounting standards have been followed and there are no material departures from the same;
- b) the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2016 and of the profit and loss of the Company for the year ended on that date;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a 'going concern' basis;
- e) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

**33. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES COMPANIES**

Your Company does not have any Subsidiaries and Joint Venture companies as on 31<sup>st</sup> March, 2016. However, OPaL is an associate company of ONGC and GAIL under Section 2 (6) of the Companies Act, 2013.

**34. HOLDING COMPANY**

Your Company is not a subsidiary of any Company.

**35. REPORT OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3) (m) of the Companies Act, 2013 read along with Rule 8 of the Companies (Accounts) Rules, 2014, is annexed herewith as **Annexure-VI**.

## ANNEXURE - I

### 36. HEALTH, SAFETY AND ENVIRONMENT (HSE)

Your Company's HSE policy is to conduct the business with a robust and integrated HSE management system focused on improving harmony with the environment through sustainable development aligning to regulatory framework. Safety and Health of its people is of paramount importance for your company and these attributes are embedded in the core organization values of your company. Employees and contract workers in your company are strongly encouraged to adopt safe working culture and behavior to ensure effective implementation of the HSE policy.



### 37. INTERNAL FINANCIAL CONTROL (IFC)

Your Company has a well-placed, proper and adequate IFC system which ensures that all assets are safeguarded and protected and that the transactions are authorised, recorded and reported correctly. The Company's IFC system also comprises due compliances with Company's policies, Standard Operating Procedures, Internal Audit and various transaction audits. The Internal Auditors independently evaluate the adequacy of internal controls and periodically audit the majority of the transactions in value terms. Independence of the audit and compliance is ensured by reporting of Internal Auditors to the Audit Committee of the Board. During the year the Internal auditors have also been engaged for reporting on Internal Financial Control and providing suggestion in improvising IFC framework (Preparation of Risk & Control Matrices for various processes).

### 38. PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED UNDER SECTION 186 OF THE COMPANIES ACT, 2013

During the year under review company has not made any loan, investment and guarantee.

### 39. ACKNOWLEDGEMENT

Your Directors place on record their sincere thanks to Rupee Loan Lenders, ECB Lenders, Government of Gujarat, Government agencies, Dahej SEZ, ONGC, GAIL and GSPC for their cooperation and continuous support extended to your Company's activities during the year under review. Your Directors gratefully acknowledge the shareholders and debenture holders for their support and confidence reposed in your Company and also wish to place on record their appreciation for the allround contribution made by employees at all levels.

on behalf of the Board of Directors  
for ONGC Petro additions Limited

Place : New Delhi  
Date : 23<sup>rd</sup> September, 2016

  
(D.K. Sarraf)  
Chairman

### COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(B) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF ONGC PETRO ADDITIONS LIMITED FOR THE YEAR ENDED 31 MARCH 2016 AND MANAGEMENT REPLY THERETO:

No.	Comments	Management Reply
	<p>The preparation of financial statements of ONGC Petro additions Limited for the year ended 31 March 2016 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 18 May 2016.</p> <p>I, on the 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 ONGC Petro additions Limited for the year ended 31 March 2016. 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. Based on my supplementary audit, I would like to highlight the following significant matters under section 143(6)(b) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related audit report:</p>	Statement of fact
1	<p><b>COMMENTS ON FINANCIAL POSITION</b></p> <p><b>Balance Sheet:</b> <b>Equity and Liabilities:</b> <b>4.Current Liabilities:</b> <b>Other current liabilities (N-12)-Rs.25802.19 million.</b></p> <p>The above does not include Rs. 146.95 million payable to M/s Gujarat Chemical Port Terminal Company Limited (GCPTCL) towards the storage rental charges for Naphtha for the period January 2015 to 31 March 2016. ONGC Petro Additions Ltd (OPaL) entered into agreement (25 December 2014) with M/s GCPTCL for the storage of the Naphtha. As per the Agreement OPaL has to pay the Minimum Guaranteed Throughput (MGT) charges. Accordingly M/s GCPTCL raised invoices for the MGT charges towards Naphtha for the period from January 2015 to 31<sup>st</sup> March 2016 amounting to Rs. 146.95 million. However, OPaL has recognized the said amount as contingent liability instead of clear liability. The recognition of the said amount as contingent liability instead of clear liability has resulted in understatement of liability and loss by Rs. 146.95 million for the year ended 31<sup>st</sup> March 2016.</p>	<p>ONGC Petro additions Limited (OPaL) has entered into a long-term agreement with M/s Gujarat Chemical Port Terminal Company Limited (GCPTCL) for the storage of Naphtha at the GCPTCL. During FY 2015-16 the facility was never used by OPaL as the commissioning of main OPaL plant was deferred.</p> <p>Definition of Contingent Liability as per AS 29 para 10.4 is as under:</p> <p>(a) a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise; or</p>



No.	Comments	Management Reply
		<p>(b) a present obligation that arises from past events but is not recognised because:</p> <p>(I) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or</p> <p>(ii) a reliable estimate of the amount of the obligation cannot be made</p> <p>In the light of above and considering the fact that the Company has not started utilising the facility, OPaL has not accepted the said liability and the Company management has raised the issue in various meetings with GCPTCL and GIDC for dropping the said storage tank rental claim. Further, the issue has also been discussed at the highest level with the concerned department of the State Government.</p> <p>The management consider that this obligation will not result into any outflow of resources and therefore is a contingent liability.</p> <p>In view of above, recognition of the said amount as contingent liability has not resulted in understatement of liability and loss by Rs. 146.95 million for the year ended 31 March 2016.</p>
2	<p><b>Assets-Non-current Assets:</b> <b>(a)Fixed Assets:</b> <b>(i) Tangible Assets (N-14)-Rs.35959.18 million.</b></p> <p>The above includes Rs.9586.41 million being the cost of the lease hold land including the expenditure on the land development. During the year the Company has revised the useful life of the land from 27 years to 57 years. Due to revision of the useful life the company has written back the differential depreciation Rs.494.89 million from the accumulated depreciation for the period 2011-12 to 2014-15.</p> <p>As per para 23 of Accounting Standard 6 on Depreciation Accounting where there is a revision of the estimated useful life of an asset, the unamortized depreciable amount should be charged over the revised remaining useful life. As such the depreciation of the asset where the life has been revised should be applied prospectively and not retrospectively. However, the Company has applied the depreciation retrospectively from 2011-12 and written back differential depreciation of Rs.494.89 million for the period from 2011-12 to 2014-15 through Prior Period Items (Note No .33). This has resulted in overstatement of lease hold land and understatement of Capital Work in Progress (CWIP) by Rs.494.89 million.</p>	<p>The primary lease period of the leasehold land as per agreement is 30 years. However company was in contact of DSL (Lessor) to clarify whether the period can be extended on same term and conditions. Initially as extra conservatism, company considered a period of 30 years for depreciation though there was a provision to extend for a period 30 years at the option of the lessee.</p> <p>However, it was realized that clarity on renewal terms and conditions was not forthcoming. The matter was discussed with the officials of Dahej SEZ Ltd. (DSL) and the company was informed that the decision about renewal terms and conditions would be taken at the appropriate time.</p> <p>The company management felt that since the agreement provides for an option of extending lease period by 30 years to the lessee, it is natural that the company would exercise that option and therefore it was felt appropriate to consider a period of 60 years for the purpose of write off of leasehold land development cost. The company therefore decided to pass the necessary entries in the books of accounts considering the lease period of 60 years from the first year itself since such an option was available from the beginning</p>

No.	Comments	Management Reply
		<p>but the clarity of the same was crystalized during the current period only. The first 3 years were required for levelling and development of land. Consequently the development cost of the land is being amortized over a period of 57 years.</p> <p>Thus it is clear that during the initial period the cost of land and the development thereof was being written off over a period of 30 years and 27 years respectively on the basis of interpretation that the clarity about terms and conditions of renewal of lease are not available and therefore it was considered appropriate to write off those cost accordingly.</p> <p>However the matter became clear during the current year where by the terms and conditions of the lease renewal would be known only in future and consequently company decided to take the period of 57 years for write off of land development cost. We consider this to be a better interpretation of the facts in this case.</p> <p>In view of above, there is no overstatement of lease hold land and understatement of Capital Work in Progress (CWIP) by Rs.494.89 million.</p>
3	<p>The above includes Rs.10879.60 million being the value of certain Assets i.e. Inert Air &amp; Plant Air, Raw Water Treatment Plant and Integrated Utilities and Offsites capitalized during the year 2015-16. The capitalized value includes Rs.2838.71 million towards building and Rs.8,040.89 million towards Plant &amp; Machinery. The lump sum contract value was bifurcated between Buildings, Plant &amp; Machinery. It is observed in audit that the Fabrication and the Erection &amp; Installation value of the Lump Sum Turn Key Plant and Machinery (LSTK) contract were totally considered as building. As such, the Fabrication and the Erection &amp; Installation value should have been bifurcated between building and Plant &amp; Machinery proportionately. The consideration of the total amount of Fabrication, Erection &amp; Installation as building has resulted in overstatement of building and understatement of Plant &amp; Machinery by Rs. 1,028.36 million for the year ended 31 March 2016.</p>	<p>The management has carried out capitalization of utility assets. These utility assets are capitalized on the account of four factors</p> <ol style="list-style-type: none"> <li>Company has taken over the utility assets from LSTK contractors after successfully testing.</li> <li>Company has taken operational insurance of these utility assets.</li> <li>The utility assets are ready for intended use as per AS 10.</li> <li>The said assets are duly certified and approved by competent authority of the company.</li> </ol> <p>Now the cost of these assets has been carved out from the LSTK contract and transferred to Companies Fixed Asset Register. The following input from Project Management Consultant and Project Group have been considered :</p> <ul style="list-style-type: none"> <li>The estimated value of major facilities commissioned / put to use have been prepared based on schedule of prices of contract</li> <li>Building cost have been considered on the basis of civil supply, fabrication, construction, erection / installation</li> </ul>

No.	Comments	Management Reply
		<ul style="list-style-type: none"> <li>Machinery cost have been considered on the basis of electrical, mechanical and instrumentation supply</li> <li>Spare and consumables have not been considered in Building and Machinery cost</li> </ul> <p>Accordingly, supply portion excluding cement, TMT bars and structural steel was considered as Plant &amp; Machinery and balance as Buildings (considering fabrication as a part of the buildings) on the basis of technical advice from PMC and project technical group.</p> <p>The related expenditure will be bifurcated and apportioned and reflected in the accounts of current financial year as pointed out by audit, since capitalisation of all project assets are expected in the current year with full commissioning of the plant.</p>
4	<p>The above includes Rs. 21,112.04 million being the value of the plant and machinery of certain assets (Cooling Water System, Inert Air Plant Air, Raw Water Treatment Plant, Product Ware House (PP Portion), C2, C3, C4 Pipeline, Distributed Control System, Captive Power plant and steam plant, Naphtha Pipeline from Gujarat Chemical Port Terminal Company Limited (GCPTCL) to OPaL, Terminal Facility, Utility and offsites). The Company has capitalized the said Assets under general Plant and Machinery whose estimated useful life is 15 years. As per the Part C of Schedule-II to the Companies Act 2013, the useful life of the above assets is different from the useful life adopted by the company. Adoption of incorrect useful life than prescribed in Part C of Schedule-II to the Companies Act 2013, has resulted in overstatement of Depreciation and loss by Rs. 54.37 million (Rs.161.59 million-Rs.107.22 million) for the year ended 31 March 2016.</p>	<p>During the year under consideration, the company has capitalized below assets under the head Plant and Machinery and Factory Buildings.</p> <ol style="list-style-type: none"> <li>Power Plant (partially)</li> <li>Cooling Water System (Partially)</li> <li>Distributed Control System (Partially)</li> <li>Raw Water Treatment Plant</li> <li>Instrument Air and Plant Air</li> <li>Integrated Utility &amp; Offsites (Partially)</li> <li>Naphtha Pipeline</li> <li>Product Ware House (Partially)</li> <li>C2,C3,C4 Pipeline</li> </ol> <p>These utility assets are capitalized as the company has taken over the same and has also insured them.</p> <p>Companies Act, 2013 Schedule II defines the useful life of 25 years is for special plant and machinery used in exploration, production and refining oil and gas industries. The company is not engaged in such exploration, production and refining oil and gas activity and hence, the company has considered useful life of 15 years as applicable to General Plant &amp; Machinery as per Schedule II to the Companies Act, 2013 (Sl. No. IV (i) – General Rate applicable to Plant &amp; Machinery not covered under special Plant &amp; Machinery). Further, the above assets capitalised are utility assets and not the core petrochemical plants.</p> <p>The contract for captive Power plant and STG includes 4 gas based units and 2 steam based units. Of the above 6 units 2 nos. of gas based units are in operation and capitalised in the books of OPaL valuing Rs. 9024.77 million.</p>

No.	Comments	Management Reply
		<p>The 40 years' life is prescribed for special plant and machinery used in generation, transmission and distribution by Power Industries. Since the company is not in the business of Power Generation, Transmission and Distribution, the assets are capitalized as General Plant &amp; Machinery only with estimated useful life of 15 years.</p> <p>Useful life of 15 years has been taken, as the related assets are utility assets such as pipelines, ware house, captive water and power plants and not special plant &amp; machinery and therefore considered under general plant &amp; machinery as per serial no.IV (I) Schedule-II to the Companies Act, 2013 and as per relevant industry practice.</p> <p>In view of above, there has been no overstatement of Depreciation and loss by Rs.54.37 million.</p>
5	<p><b>Assets-Non-current Assets:</b> <b>(b) Long Term loans and advances (N-17): Rs.18599.81 million</b></p> <p>The above includes Rs.350.50 million deposited with the Gujarat Industrial Development Corporation (GIDC) for laying the pipeline for supply of 13.6 Million Gallon per Day (MGD) water from the 366 MGD reservoir by the Gujarat Industrial Development Corporation (GIDC) on Deposit work basis. The said work was completed and the OPaL started drawing the water from 14 December 2015. In view of the completion of the pipeline and since it is put to use, the amount paid to GIDC for the execution of the said pipeline work should have been capitalized. However, the Company has not capitalized the said amount resulting in understatement of Fixed Assets and overstatement of Advance for the year ended 31 March 2016.</p>	<p>Pipeline Laying work for supply of 13.6 Million Gallon per Day (MGD) water from the 366 MGD reservoir was awarded by GIDC on behalf of OPaL. This pipeline is solely for use of OPaL Plant. For completion of this work OPaL has paid Rs. 350.50 million to GIDC. This amount includes payment in two phases. 1<sup>st</sup> payment of Rs. 315.00 million was released on 20<sup>th</sup> March 2014. And based on L1 tender 2<sup>nd</sup> instalment of Rs. 35.50 million was released to GIDC 7<sup>th</sup> October 2014. The revision in estimated amount by GIDC was based on tendering process. Estimate issued by GIDC has several components having values for uncertain items like contingency, Statutory payments, Quality Assurance/Quality Control (QA/QC) charges, Power connection charges etc., against which details of actual amount spent by GIDC is yet to be received. Further in the said estimate GIDC has charged agency charges @ 17.85 % of the total amount spent which will be finalised based on actual spent on account of final expenditure.</p> <p>Though the pipeline asset for supplying water to OPaL plant has been put to use, for capitalising the related asset, Company is yet to receive final Invoice from GIDC which is expected after finalisation of their accounts and ascertaining the completion cost of the project. Even after several reminders GIDC is yet to provide the required invoices.</p> <p>From the above it is clear that final value of asset depends on many contingencies, therefore without final invoice being raised by GIDC, it would not be prudent to capitalise the value in books of account.</p>

No.	Comments	Management Reply
		In view of above, there has been no understatement of Fixed Assets and overstatement of Advance for the year ended 31 March 2016.
6	The above includes Rs.65.00 million paid (05 March 2013) as deposit to Torrent Energy Limited for laying the HT service power line from the Torrent Energy. The said line has been completed and energized in April 2014. However, the amount of Rs.65.00 million was not charged to the Profit and Loss account under the head the assets not owned by the Company. Non-charging of the deposit amount of Rs.65.00 million to Profit and Loss account has resulted in overstatement of Assets and understatement of loss for the year by Rs.65.00 million.	<p>Total additional estimated expense on account of OPaL's 220 KV HT connections was Rs. 130 million. Out of total amount of Rs. 130.00 million, Torrent Energy has requested OPaL for release of 50% and balance 50% was to be contributed by Torrent.</p> <p>Torrent Energy vide mail dated 10<sup>th</sup> May 2016 has confirmed that the final settlement of bill of Loop in Loop Out (LILO) arrangement with GETCO is still pending. Regular follow ups with GETCO are made by Torrent.</p> <p>Therefore, in absence of work completion certificate and final invoice of GETCO, it would not be prudent to Charge Rs. 65.00 million in books of account. Treatment will depend upon the outcome of final Invoice from GETCO -Torrent.</p> <p>In view of above, there has been no overstatement of Assets and understatement of loss for the year.</p>
7	<p><b>Assets-Non-current Assets:</b> <b>(c) Other non-current assets (N-18)-Rs.56.69 million.</b></p> <p>The above includes Rs.42.99 million towards the share issue expenses. Since, the Company has declared the Commercial Operation Date (June 2015), the share issue expenses should have been amortised in 3 to 5 years from the date of commissioning. However, the Company has not amortised the share expenses resulting in overstatement of share issue expenses and understatement of loss for the year by Rs.6.45 million, being the proportionate share issue expenses for the 9 month period from July 2015 to March 2016 out of the normal five year period for such amortisations.</p> <p style="text-align: right;"><b>For and on the behalf of the</b> <b>Comptroller &amp; Auditor General of India</b></p> <p style="text-align: right;">Sd/-</p> <p style="text-align: right;"><b>Roop Rashi</b> <b>Principal Director</b> <b>of Commercial</b> <b>Audit &amp; Ex-officio</b> <b>Member, Audit Board-II,</b> <b>Mumbai</b></p> <p>Place : Mumbai Date : 21<sup>st</sup> September, 2016</p>	<p>The accounting treatment for share issue expenses is excluded under AS 26 (Intangible Assets) and the Companies Act, 2013 is also silent on this aspect.</p> <p>The company has taken over part of the utility assets only from LSTK Contractors. The full-fledged production of process plants DFCU, HDPE, PP and PE Swing is yet to commence.</p> <p>Based on the above, share issue expense amounting Rs. 42.99 million has been disclosed as "Other Non-Current Assets." The same will be amortised fully once the full-fledged Commercial operation commences.</p> <p style="text-align: right;"><b>For and on the behalf of</b> <b>ONGC Petro additions Limited</b></p> <p style="text-align: right;">Sd/-</p> <p style="text-align: right;"><b>D. K. Sarraf</b> <b>Chairman</b></p> <p>Place : New Delhi Date : 23<sup>rd</sup> September, 2016</p>



## PRANAV KUMAR & ASSOCIATES

COMPANY SECRETARIES

Mobile : +91-9810793994 • Ph : +91-120-4126564  
E-mail : services@pranavkumar.com • www.pkacs.in

Form No. MR-3

SECRETARIAL AUDIT REPORT

For The Financial Year ended 31<sup>st</sup> March, 2016

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,  
The Members,  
**ONGC Petro additions Limited,**  
**CIN-U23209GJ2006PLC060282**  
1<sup>st</sup> Floor, Omkara Building, Sai Chokdi,  
Manjalpur, Vadodara-390011,  
Gujarat, India.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by ONGC Petro additions Limited (hereinafter called the 'Company') for the audit period covering the financial year ended on 31<sup>st</sup> March, 2016. 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 and its officers, during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period generally 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 31<sup>st</sup> March 2016, according to the provisions of:

- (i) The Companies Act, 2013 (the 'Act') and the Rules made thereunder;

**HEAD OFFICE :** 3F CS 70, Third Floor, Ansal Plaza, Sector-1, Vaishali, Ghaziabad - 201010(U.P.)

**NOIDA :** Drishtee Development & Communication Limited, Knowledge Boulevard, Tower B, 8th Floor, Plot No. A-8 A, Sector 62, (Near Shipra Mall), Noida - 201301, U.P. India

**BHOPAL :** 10, Sector-2, Shanti Niketan, Gautam Nagar, Near Chetak Bridge, Bhopal-23 (M.P.)

**PATNA :** Kunti Sadan, Mahatma Buddh Path, Road No.14, Veer Kunwar Singh, Chowk, Patna (Bihar)

## Annexure-A

- (ii) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (iii) Other applicable laws including Labour laws Like Factories Act, Payment of Gratuity Act etc. for the year ended on 31<sup>st</sup> March, 2016 for the purpose required in it.
- (iv) All other specific laws applicable to the Company.

During the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above. A copy of our observation in this respect is attached herewith as **Annexure-A**.

During the period under review, provisions of the following regulations were not applicable to the Company:

- (i) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iii) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992;
- (iv) DPE Guidelines.

### **We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period 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 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 decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee(s) of the Board as the case may be.

### **We further report that-**

There are 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. The company has already appointed a consultant for establishment of Compliance Management System and the same is under process.

For Pranav Kumar & Associates  
Company Secretaries



Pranav Kumar  
(Partner)  
M. No.: 5013  
CP No.:3429

Date: 25<sup>th</sup> July, 2016  
Place: Vaishali, U.P.

## Secretarial Audit Observation for F.Y. 2015-16

### ONGC Petro additions Limited

- (a) The company has appointed the Woman Director on the board as required under proviso to Section 149(1) of the Companies Act, 2013 on 09<sup>th</sup> September, 2015.
- (b) The management has represented to comply with Clause VII of Schedule IV of the Companies Act, 2013 going ahead.
- (c) Attention of the management is being drawn towards the provisions of Section 177 and Section 178 of Companies Act, 2013 for necessary compliance. It was represented that Nomination and remuneration committee has been reconstituted in compliance with section 178 in the month of April 2016.

For Pranav Kumar & Associates  
Company Secretaries



Pranav Kumar  
(Partner)  
M. No.: 5013  
CP No.:3429

Date: 25<sup>th</sup> July, 2016  
Place: Vaishali, U.P.

## ANNEXURE - III to Board's Report CORPORATE GOVERNANCE REPORT

The basic objective of Corporate Governance is to enhance and maximize shareholder value and protect the interest of other stake holders. Corporate Governance is creation and enhancing long-term sustainable value for the stakeholders through ethically driven business process.

According to World Bank, Corporate Governance is Blend of law, regulation and appropriate voluntary private sector practices, which enables the corporation to attract financial

and human capital to perform efficiently, and prepare itself by generating long term economic value for its shareholders, while respecting the interests of stakeholders and society as a whole.

Corporate Governance envisaged the attainment of the highest level of transparency, accountability and equity which ensure that a company is governed in the best interest of Stakeholders.

### 1. BOARD OF DIRECTORS

The Company is managed by its Board of Directors, which formulates strategies, policies and reviews.

The following are the members of the Board as on 31<sup>st</sup> March, 2016:

Sl. No.	Name of Directors	Executive/Non-Executive/Independent
1	Shri D. K. Sarraf	Chairman & Non-Executive Director
2	Shri T. K. Sengupta	Non-Executive Director
3	Shri A.K. Srinivasan	Non-Executive Director
4	Shri M. Ravindran	Non-Executive Director
5	Shri M. M. Chitale	Independent & Non-Executive Director
6	Shri S. Balachandran	Independent & Non-Executive Director
7	Shri M. B. Lal	Non-Executive Director
8	Ms. Suman Singh Gaur	Non-Executive Director
9	Shri P.K. Gupta	Non-Executive Director

### 2. BOARD/COMMITTEES MEETINGS AND PROCEDURES:

(i) The meetings are convened by giving appropriate advance notice after obtaining approval of the Chairman of the Board/Committee. To address specific urgent needs, meetings are also called at a shorter notice. In case of exigency, Resolutions are passed by Circulation and noted at the next meeting.

(ii) The members of the Board/Committee have complete access to all information of the Company and are also free to recommend inclusion of any matter in the Agenda for discussion. Senior officials are called to provide additional inputs to the items being discussed by the Board/Committee, as and when required.

(iii) The Minutes of the proceeding of each Board/Committee meeting are recorded with all necessary details. These minutes are noted in the next Board/Committee Meeting. Minutes of the meetings of the Committees are also noted by the Board in its next meeting. The finalized minutes are entered in the respective Minutes Books.



### 3. BOARD MEETINGS

During the financial year 2015-16, seven (7) meetings of the Board of Directors were held and the maximum time gap between two consecutive meetings did not exceeded one hundred and twenty (120) days. The dates of the Board meetings and other details are as follows:

Sl. No.	No. of Meetings	Date of Meetings	Place of Meetings
1	55 <sup>th</sup>	21-05-2015	Board Room of ONGC, 6 <sup>th</sup> Floor, Jeevan Bharti Building, Tower-II, 124, Indira Chowk, New Delhi-110001
2	56 <sup>th</sup>	17-06-2015	Board Room of ONGC, 6 <sup>th</sup> Floor, Jeevan Bharti Building, Tower-II, 124, Indira Chowk, New Delhi-110001
3	57 <sup>th</sup>	17-09-2015	Conference Room of OPaL Plant, Plot No. Z-1, Z-83, C/o Dahej Sez Limited, P.O. Dahej – Distt. Bharuch, Gujarat-392130
4	58 <sup>th</sup>	08-10-2015	Board Room of ONGC, 6 <sup>th</sup> Floor, Jeevan Bharti Building, Tower-II, 124, Indira Chowk, New Delhi-110001
5	59 <sup>th</sup>	27-10-2015	Board Room of ONGC, 6 <sup>th</sup> Floor, Jeevan Bharti Building, Tower-II, 124, Indira Chowk, New Delhi-110001
6	60 <sup>th</sup>	30-12-2015	Board Room of ONGC, 6 <sup>th</sup> Floor, Jeevan Bharti Building, Tower-II, 124, Indira Chowk, New Delhi-110001
7	61 <sup>st</sup>	07-03-2016	Board Room of ONGC, 6 <sup>th</sup> Floor, Jeevan Bharti Building, Tower-II, 124, Indira Chowk, New Delhi-110001

The details of Director's attendance in the Board Meetings during 1<sup>st</sup> April, 2015 to 31<sup>st</sup> March, 2016 are as follows:

Sl. No.	Name of Directors	Executive/ Non-Executive/ Independent	No. of Meetings held	No. of Meetings Attended
1	Shri D. K. Sarraf (DIN:00147870)	Chairman & Non-Executive Director	7	7
2	Shri T. K. Sengupta (DIN: 06802877)	Non-Executive Director	7	7
3	Shri A. K. Dwivedi <sup>1</sup> (DIN: 07048874)	Non-Executive Director	5	4
4	Shri M. Ravindran (DIN: 02309551)	Non-Executive Director	7	4
5	Shri Prabhat Singh <sup>2</sup> (DIN: 03006541)	Non-Executive Director	2	0
6	Shri Atanu Chakraborty <sup>3</sup> (DIN: 01469375)	Non-Executive Director	1	0
7	Shri M. M. Chitale (DIN:00101004)	Independent & Non-Executive Director	7	6
8	Shri S. Balachandran (DIN: 01962996)	Independent & Non-Executive Director	7	7
9	Shri M. B. Lal (DIN: 00129965)	Non-Executive Director	7	7
10	Ms. Suman Singh Gaur <sup>4</sup> (DIN: 07284641)	Non-Executive Director	5	2
11	Shri P.K. Gupta <sup>5</sup> (DIN: 01237706)	Non-Executive Director	4	3
12	Shri A.K. Srinivasan <sup>6</sup> (DIN: 07168305)	Non-Executive Director	2	2

**Note:**

- Shri A.K. Dwivedi was appointed as a Director with effect from 7<sup>th</sup> May, 2015 and he ceased to be Director from the Board of OPaL with effect from 1<sup>st</sup> December, 2015.
- Shri Prabhat Singh was appointed as a Director with effect from 15<sup>th</sup> October, 2014 and he ceased to be Director with effect from 14<sup>th</sup> September, 2015.
- Shri Atanu Chakraborty was appointed as a Director with effect from 6<sup>th</sup> November, 2014 and he ceased to be Director with effect from 26<sup>th</sup> May, 2015.
- Ms. Suman Singh Gaur was appointed as a Director with effect from 9<sup>th</sup> September, 2015.
- Shri P.K. Gupta was appointed as a Director with effect from 22<sup>nd</sup> September, 2015.
- Shri A.K. Srinivasan was appointed as a Director with effect from 1<sup>st</sup> December, 2015.

## 4. BOARD COMMITTEES

The Board has constituted a set of Committees with specific terms of reference/scope, to focus effectively on the issues and ensure expedient resolution of diverse matters. The Committees operate as empowered agents of the Board as per their terms of reference. Shri Subodh Prasad Pankaj, Company Secretary of the Company acts as a coordinator to all the following Committees of the Board. The Company has following Committees of the Board:

### (I) AUDIT COMMITTEE

Composition of the Committee with effect from 23<sup>rd</sup> April, 2016 is as follows:

Sl. No.	Members of Committee	Executive/Non-Executive/Independent	Position in the Committee
1	Shri S. Balachandran	Independent & Non-Executive Director	Chairman
2	Shri T. K. Sengupta	Non-Executive Director	Member
3	Shri A.K. Srinivasan	Non-Executive Director	Member
4	Shri M. M. Chitale	Independent & Non-Executive Director	Member
5	Shri M.B. Lal	Non-Executive Director	Member
6	Shri P.K. Gupta	Non-Executive Director	Member

During the financial year 2015-16, five Audit Committee meetings were held.

### (II) PROJECT REVIEW COMMITTEE

Composition of the Committee with effect from 18<sup>th</sup> May, 2016 is as follows:

Sl. No.	Members of Committee	Executive/Non-Executive/Independent	Position in the Committee
1	Shri T. K. Sengupta	Non-Executive Director	Chairman
2	Shri A.K. Srinivasan	Non-Executive Director	Member
3	Shri S. Balachandran	Independent & Non-Executive Director	Member
4	Shri M.B. Lal	Non-Executive Director	Member
5	Ms. Suman Singh Gaur	Non-Executive Director	Member
6	Shri P.K. Gupta	Non-Executive Director	Member

During the financial year 2015-16, four Project Review Committee meetings were held.

### (III) HR COMMITTEE

Composition of the Committee with effect from 23<sup>rd</sup> April, 2016 is as follows:

Sl. No.	Members of Committee	Executive/Non-Executive/Independent	Position in the Committee
1	Shri S. Balachandran	Independent & Non-Executive Director	Chairman
2	Shri T. K. Sengupta	Non-Executive Director	Member
3	Shri M.B. Lal	Non-Executive Director	Member
4	Shri P.K. Gupta	Non-Executive Director	Member

During the financial year 2015-16, two HR Committee meetings were held.

### (IV) MARKETING COMMITTEE

Composition of the Committee with effect from 18<sup>th</sup> May, 2016 is as follows:

Sl. No.	Members of Committee	Executive/Non-Executive/Independent	Position in the Committee
1	Shri T. K. Sengupta	Non-Executive Director	Chairman
2	Shri A.K. Srinivasan	Non-Executive Director	Member
3	Shri S. Balachandran	Independent & Non-Executive Director	Member
4	Shri M.B. Lal	Non-Executive Director	Member
5	Ms. Suman Singh Gaur	Non-Executive Director	Member

During the financial year 2015-16, two Marketing Committee meetings were held.

### (V) FINANCIAL MANAGEMENT COMMITTEE

Composition of the Committee with effect from 23<sup>rd</sup> April, 2016 is as follows:

Sl. No.	Members of Committee	Executive/Non-Executive/Independent	Position in the Committee
1	Shri S. Balachandran	Independent & Non-Executive Director	Chairman
2	Shri T. K. Sengupta	Non-Executive Director	Member
3	Shri A.K. Srinivasan	Non-Executive Director	Member
4	Shri M. M. Chitale	Independent & Non-Executive Director	Member
5	Shri P.K. Gupta	Non-Executive Director	Member

During the financial year 2015-16, four Financial Management Committee meetings were held.

### (VI) NOMINATION AND REMUNERATION COMMITTEE

Composition of the Committee with effect from 23<sup>rd</sup> April, 2016 is as follows:

Sl. No.	Members of Committee	Executive/Non-Executive/Independent	Position in the Committee
1	Shri S. Balachandran	Independent & Non-Executive Director	Chairman
2	Shri T. K. Sengupta	Non-Executive Director	Member
3	Shri M. M. Chitale	Independent & Non-Executive Director	Member
4	Shri M.B. Lal	Non-Executive Director	Member

During the financial year 2015-16, two Nomination and Remuneration Committee meetings were held.

### (VII) SHARE ALLOTMENT COMMITTEE

Composition of the Committee with effect from 23<sup>rd</sup> April, 2016 is as follows:

Sl. No.	Members of Committee	Executive/Non-Executive/Independent	Position in the Committee
1	Shri T. K. Sengupta	Non-Executive Director	Chairman
2	Shri A.K. Srinivasan	Non-Executive Director	Member
3	Shri S. Balachandran	Independent & Non-Executive Director	Member
4	Shri P.K. Gupta	Non-Executive Director	Member

During the financial year 2015-16, one Share Allotment Committee meeting was held.

## ONGC Petro additions Limited

### (VIII) EMPOWERED COMMITTEE FOR COMMISSIONING OF PLANT

Composition of the Committee with effect from 23<sup>rd</sup> April, 2016 is as follows:

SI. No.	Members of Committee	Executive/Non-Executive/Independent	Position in the Committee
1	Shri S. Balachandran	Independent & Non-Executive Director	Chairman
2	Shri T. K. Sengupta	Non-Executive Director	Member
3	Shri A.K. Srinivasan	Non-Executive Director	Member
4	Shri M.B. Lal	Non-Executive Director	Member
5	Shri P.K. Gupta	Non-Executive Director	Member

During the financial year 2015-16, seven meetings of the Empowered Committee for Commissioning of Plant were held.

### (IX) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Composition of the Committee with effect from 18<sup>th</sup> May, 2016 is as follows:

SI. No.	Members of Committee	Executive/Non-Executive/Independent	Position in the Committee
1	Shri M.B. Lal	Non-Executive Director	Chairman
2	Shri S. Balachandran	Independent & Non-Executive Director	Member
3	Shri T. K. Sengupta	Non-Executive Director	Member
4	Shri P.K. Gupta	Non-Executive Director	Member
5	Ms. Suman Singh Gaur	Non-Executive Director	Member

During the financial year 2015-16, one meeting of the Corporate Social Responsibility Committee was held.

### (X) RISK MANAGEMENT COMMITTEE

The Company has constituted Risk Management Committee in the 63<sup>rd</sup> Board Meeting held on 25<sup>th</sup> July, 2016. The Risk Management Committee (RMC) comprises of five (5) members having one Independent Director, two Non-Executive Directors, CEO and CFO. Further Committee is headed by Shri M.B. Lal, Non-Executive Director. Composition of the Committee with effect from 25<sup>th</sup> July, 2016 is as follows:

SI. No.	Members of Committee	Executive/Non-Executive/Independent	Position in the Committee
1	Shri M.B. Lal	Non-Executive Director	Chairman
2	Shri M.M.Chitale	Independent & Non-Executive Director	Member
3	Shri P.K. Gupta	Non-Executive Director	Member
4	Shri K. Satyanarayana	Chief Executive Officer (CEO)	Member
5	Shri Trinath Behera	Chief Finance Officer (CFO)	Member

### 5. GENERAL BODY MEETINGS

Details of Annual General Meetings held during preceding three years are as under:

SI. No.	Year	No. of Meetings	Date of Meetings	Time	Venue	No. of Special Resolution
1	2012-13	7 <sup>th</sup> AGM	06-09-2013	13:00 hrs	The Gateway Hotel, Akota Gardens, Akota, Vadodara-390020	Nil
2	2013-14	8 <sup>th</sup> AGM	12-09-2014	13:00 hrs	Omkara Building, Sai Chokdi, Manjalpur, Vadodara-390011	Nil
3	2014-15	9 <sup>th</sup> AGM	17-09-2015	17:15 hrs	Omkara Building, Sai Chokdi, Manjalpur, Vadodara-390011	1

Attendance of Directors in the 9<sup>th</sup> Annual General Meeting held on 17<sup>th</sup> September, 2015 is as under:

SI. No.	Name of Directors	Executive/Non-Executive/Independent	Attendance at the Meeting
1	Shri D. K. Sarraf	Chairman & Non-Executive Director	Yes
2	Shri T. K. Sengupta	Non-Executive Director	Yes
3	Shri A.K. Dwivedi *	Non-Executive Director	Yes
4	Shri M. Ravindran	Non-Executive Director	No
5	Shri M. M. Chitale	Independent & Non-Executive Director	No
6	Shri S. Balachandran	Independent & Non-Executive Director	Yes
7	Shri M. B. Lal	Non-Executive Director	Yes
8	Ms. Suman Singh Gaur	Non-Executive Director	Yes

\* Shri Ajay Kumar Dwivedi ceased to be Director w.e.f. 1<sup>st</sup> December, 2015.

Details of Extraordinary General Meeting held during Financial Year 2015-16 are as under:-

SI. No.	No. of Meeting	Date of Meetings	Time	Place of Meetings
1	5 <sup>th</sup> Extra Ordinary General Meeting	16-03-2016	15:00 hrs	2 <sup>nd</sup> Conference Room of ONGC, 7 <sup>th</sup> Floor, Jeevan Bharti Building, Tower-II, 124, Indira Chowk, New Delhi-110001

Attendance of Directors in 5<sup>th</sup> Extraordinary General Meeting held on 16<sup>th</sup> March, 2016 is as under:

SI. No.	Name of Directors	Executive/Non-Executive/Independent	Attendance at the Meeting
1	Shri D. K. Sarraf	Chairman & Non-Executive Director	No
2	Shri T. K. Sengupta	Non-Executive Director	Yes
3	Shri A.K. Srinivasan *	Non-Executive Director	Yes
4	Shri M. Ravindran	Non-Executive Director	No
5	Shri M. M. Chitale	Independent & Non-Executive Director	No
6	Shri S. Balachandran	Independent & Non-Executive Director	No
7	Shri M. B. Lal	Non-Executive Director	No
8	Ms. Suman Singh Gaur	Non-Executive Director	No
9	Shri P. K. Gupta * *	Non-Executive Director	Yes

**Note:**

\* Shri A.K. Srinivasan was appointed as Director w.e.f. 1<sup>st</sup> December, 2015.

\*\* Shri P.K. Gupta was appointed as Director w.e.f. 22<sup>nd</sup> September, 2015.

ANNEXURE - IV to Board's Report

6. SHAREHODING PATTERNAS ON 31<sup>ST</sup> MARCH, 2016

Shareholding Pattern of the Company as on 31<sup>st</sup> March, 2016 is as follows:

Sl. No.	Name of Shareholders	No. of Equity Shares held @ ₹ 10/- each	% of Shares held
1	Oil and Natural Gas Corporation Limited	99,79,55,639	49.36 %
2	GAIL (India) Limited	99,49,45,000	49.21 %
3	Gujarat State Petroleum Corporation Limited	2,90,04,033	1.43 %
4	Others (Individuals)	24,999	0.00 %
	<b>Total</b>	<b>202,19,29,671</b>	<b>100 %</b>

on behalf of the Board of Directors  
for ONGC Petro additions Limited

Sd/-

(D.K. Sarraf)  
Chairman

Place : New Delhi  
Date : 23<sup>rd</sup> September, 2016

Form No. MGT-9  
EXTRACT OF ANNUAL RETURN  
(As on the financial year ended on 31<sup>st</sup> March, 2016)  
[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

Sl. No.	Particulars	Facts
(i)	CIN	U23209GJ2006PLC060282
(ii)	Registration Date	15 <sup>th</sup> November, 2006
(iii)	Name of the Company	ONGC Petro additions Limited
(iv)	-Category / -Sub-Category of the Company	Company Limited by Shares/ Non-Government Company
(v)	Address of the Registered office and contact details	1 <sup>st</sup> Floor, Omkara Building, Sai Chokdi, Manjalpur, Vadodara-390011, Gujarat. Telephone No. : 0265 - 6192600 Fax No: 0265 - 6192666 Email: secretarial@opalindia.in. Website: www.opalindia.in
(vi)	Whether Listed Company	No
(vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Beetal Financial & Computer Services (P) Ltd. Beetal House, 3 <sup>rd</sup> Floor, 99 Madangir, Behind LSC, New Delhi-110062 Telephone No. : 011-29961281-83. Fax No: 011-29961284 Email: beetal@beetalfinancial.com. Website: www.beetalfinancial.com <i>[In respect of Issue of 5615 no. of Compulsorily Convertible Debentures (CCDs) having face value of Rs. One Crore each]</i>

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 and Description of main products / services	*NIC Code of the Product / service	# % to total turnover of the Company
1	Petrochemicals	201	100%

\* As per National Industrial Classification 2008 - Ministry of Statistics and Programme Implementation  
# During Financial Year 2015-16 only Polypropylene was sold

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :

Sl. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Oil and Natural Gas Corporation Limited <b>Address:</b> Jeevan Bharti Building, Tower-II, 124 Indira Chowk, New Delhi-110001	L74899DL1993GOI054155	Associate	49.36%	2(6)
2	GAIL (India) Limited <b>Address:</b> 16, Bhikaji Cama Place, R K Puram, New Delhi-110066	L40200DL1984GOI018976	Associate	49.21%	2(6)

## IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

### (I) Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year (i.e. April 01, 2015)				No. of Shares held at the end of the year (i.e. March 31, 2016)				% of Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(A) Promoters</b>									
<b>(1) Indian</b>									
(a) Individual/HUF	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(b) Central Govt.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(c) State Govt. (s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(d) Bodies Corp.	Nil	202,19,04,672	202,19,04,672	100	Nil	202,19,04,672	202,19,04,672	100	Nil
(e) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(f) Any Other....	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Sub-Total (A) (1)</b>	Nil	202,19,04,672	202,19,04,672	100	Nil	202,19,04,672	202,19,04,672	100	Nil
<b>(2) Foreign</b>									
(a) NRIs- Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(b) Other- Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(c) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(d) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(e) Any Other....	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Sub-Total (A) (2)</b>	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Total Shareholding of Promoter (A) = (A) (1) + (A) (2)</b>	Nil	202,19,04,672	202,19,04,672	100	Nil	202,19,04,672	202,19,04,672	100	Nil
<b>(B) Public Shareholding</b>									
<b>(1) Institutions</b>									
(a) Mutual Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(b) Banks/FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(c) Central Govt.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(d) State Govt.(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(e) Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(f) Insurance Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(g) FIs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(h) Foreign Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(i) Others (Specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Sub-Total (B)(1)</b>	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>(2) Non-Institutions</b>									
<b>(a) Bodies Corp</b>									
<b>i. Indian</b>									
	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>ii. Overseas</b>									
	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>(b) Individuals</b>									
<b>i. Individual shareholders holding nominal share capital up to ₹ 1 lakh</b>									
	Nil	24,999	24,999	0.00	Nil	24,999	24,999	0.00	Nil
<b>ii. Individual shareholders holding nominal share capital in excess of ₹ 1 lakh</b>									
	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>(c) Others (Specify)</b>									
	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Sub-Total (B)(2)</b>	Nil	24,999	24,999	0.00	Nil	24,999	24,999	0.00	Nil
<b>Total Public Shareholding (B)=(B) (1)+ (B) (2)</b>	Nil	24,999	24,999	0.00	Nil	24,999	24,999	0.00	Nil
<b>(C) Shares held by custodian for GDRs &amp; ADRs</b>									
<b>Total (C)</b>	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Grand Total (A+B+C)</b>	Nil	202,19,29,671	202,19,29,671	100	Nil	202,19,29,671	202,19,29,671	100	Nil

### (II) Shareholding of Promoters :

Sl. No.	Shareholders' Name	Shareholding at the beginning of the year (i.e. April 01, 2015)			Shareholding at the end of the year (i.e. March 31, 2016)			% of Change during the Year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Oil and Natural Gas Corporation Limited (ONGC)	99,79,55,639	49.36 %	0.00 %	99,79,55,639	49.36 %	0.00 %	0.00 %
2	GAIL (India) Limited (GAIL)	99,49,45,000	49.21 %	0.00 %	99,49,45,000	49.21 %	0.00 %	0.00 %
3	Gujarat State Petroleum Corporation Limited (GSPC)	2,90,04,033	1.43 %	0.00 %	2,90,04,033	1.43 %	0.00 %	0.00 %
	<b>TOTAL</b>	<b>202,19,04,672</b>	<b>100 %</b>	<b>0.00 %</b>	<b>202,19,04,672</b>	<b>100 %</b>	<b>0.00 %</b>	<b>0.00 %</b>

### (III) Change in Promoters' Shareholding (please specify, if there is no change):

Sl. No.	Name of the Shareholders (Promoters)	Date	Reason for Increase/ Decrease (e.g. allotment/ transfer/ Bonus/ sweat equity etc.)	Shareholding at the beginning of the year as on 01-04-2015		Cumulative Shareholding during the year (April 1, 2015 to March 31, 2016)		
				No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company	
1	Oil and Natural Gas Corporation Limited (ONGC)							
		At the beginning of the Year	01.04.2015	-	99,79,55,639	49.36 %	99,79,55,639	49.36 %
		Increase during the Year	-	-	-	-	99,79,55,639	49.36 %
		Decrease during the Year	-	-	-	-	99,79,55,639	49.36 %
		At the end of the Year	31.03.2016	-	-	-	99,79,55,639	49.36 %
2	GAIL (India) Limited (GAIL)							
		At the beginning of the Year	01.04.2015	-	99,49,45,000	49.21 %	99,49,45,000	49.21 %
		Increase during the Year	-	-	-	-	99,49,45,000	49.21 %
		Decrease during the Year	-	-	-	-	99,49,45,000	49.21 %
		At the end of the Year	31.03.2016	-	-	-	99,49,45,000	49.21 %

Sl. No.	Name of the Shareholders (Promoters)	Date	Reason for Increase/ Decrease (e.g. allotment/ transfer/Bonus/ sweat equity etc.)	Shareholding at the beginning of the year as on 01-04-2015		Cumulative Shareholding during the year (April 1, 2015 to March 31, 2016)	
				No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
3	Gujarat State Petroleum Corporation Limited (GSPC)						
	At the beginning of the Year	01.04.2015	-	2,90,04,033	1.43 %	2,90,04,033	1.43 %
	Increase during the Year	-	-	-	-	2,90,04,033	1.43 %
	Decrease during the Year	-	-	-	-	2,90,04,033	1.43 %
	At the end of the Year	31.03.2016	-	-	-	2,90,04,033	1.43 %

**(IV) Shareholding Pattern of Top 10 Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs):**

Sl. No.	For each of the Top10 Shareholders	Shareholding at the beginning of the year as on 01-04-2015		Cumulative Shareholding during the year (April1, 2015 to March 31, 2016)	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	Shri Sunil Kumar Gupta				
	At the beginning of the Year	5000	0.00 %	5000	0.00 %
	Bought during the Year	0	0.00 %	5000	0.00 %
	Sold/Transfer during the Year	0	0.00 %	5000	0.00 %
	At the end of the Year	5000	0.00 %	5000	0.00 %
2	Shri Sidharatha Sur				
	At the beginning of the Year	0	0.00 %	0	0.00 %
	Bought on17.09.2015	5000	0.00 %	5000	0.00 %
	Sold/Transfer during the Year	0	0.00 %	5000	0.00 %
	At the end of the Year	5000	0.00 %	5000	0.00 %
3	Shri Neeraj Lal				
	At the beginning of the Year	0	0.00 %	0	0.00 %
	Bought on17.09.2015	5000	0.00 %	5000	0.00 %
	Sold/Transfer during the Year	0	0.00 %	5000	0.00 %
	At the end of the Year	5000	0.00 %	5000	0.00 %

Sl. No.	For each of the Top10 Shareholders	Shareholding at the beginning of the year as on 01-04-2015		Cumulative Shareholding during the year (April1, 2015 to March 31, 2016)	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
4	Shri Vijay N. Iyah				
	At the beginning of the Year	4999	0.00 %	4999	0.00 %
	Bought during the Year	0	0.00 %	4999	0.00 %
	Sold/Transfer during the Year	0	0.00 %	4999	0.00 %
	At the end of the Year	4999	0.00 %	4999	0.00 %
5	Shri A. Satish Kumar				
	At the beginning of the Year	0	0.00 %	0	0.00 %
	Bought on17.09.2015	4997	0.00 %	4997	0.00 %
	Sold/Transfer during the Year	0	0.00 %	4997	0.00 %
	At the end of the Year	4997	0.00 %	4997	0.00 %
6	Shri Vivek Chandrakant Tongaonkar				
	At the beginning of the Year	1	0.00 %	1	0.00 %
	Bought during the Year	0	0.00 %	1	0.00 %
	Sold/Transfer during the Year	0	0.00 %	1	0.00 %
	At the end of the Year	1	0.00 %	1	0.00 %
7	Shri Kotipalli Satyanarayana				
	At the beginning of the Year	1	0.00 %	1	0.00 %
	Bought during the Year	0	0.00 %	1	0.00 %
	Sold/Transfer during the Year	0	0.00 %	1	0.00 %
	At the end of the Year	1	0.00 %	1	0.00 %
8	Shri R. Banerjee				
	At the beginning of the Year	0	0.00 %	0	0.00 %
	Bought on17.09.2015	1	0.00 %	1	0.00 %
	Sold/Transfer during the Year	0	0.00 %	1	0.00 %
	At the end of the Year	1	0.00 %	1	0.00 %

## (V) Shareholding of Directors and Key Managerial Personnel as on 31<sup>st</sup> March, 2016 :

- During the Financial Year 2015-16, no Directors of the Company holds any shares in the Company.
- Shareholding of Key Managerial Personnel (KMP) during the Financial Year 2015-16 is as under:

Sl. No.	For each of the Directors and KMP	Shareholding at the beginning of the year as on 01-04-2015		Cumulative Shareholding during the year (April 1, 2015 to March 31, 2016)	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	<b>KMP</b>				
1	Shri Kotipalli Satyanarayana				
	At the beginning of the Year	1	0.00 %	1	0.00 %
	Bought during the Year	0	0.00 %	1	0.00 %
	Sold/Transfer during the Year	0	0.00 %	1	0.00 %
	At the end of the Year	1	0.00 %	1	0.00 %
2	Shri Subodh Prasad Pankaj				
	At the beginning of the Year	0	0.00 %	0	0.00 %
	Bought during the Year	0	0.00 %	0	0.00 %
	Sold/Transfer during the Year	0	0.00 %	0	0.00 %
	At the end of the Year	0	0.00 %	0	0.00 %
3	Shri Rajendra Kumar Parakh <sup>1</sup>				
	At the beginning of the Year	0	0.00 %	0	0.00 %
	Bought during the Year	0	0.00 %	0	0.00 %
	Sold/Transfer during the Year	0	0.00 %	0	0.00 %
	At the end of the Year	0	0.00 %	0	0.00 %
4	Shri Trinath Behera <sup>2</sup>				
	At the beginning of the Year	0	0.00 %	0	0.00 %
	Bought during the Year	0	0.00 %	0	0.00 %
	Sold/Transfer during the Year	0	0.00 %	0	0.00 %
	At the end of the Year	0	0.00 %	0	0.00 %

**Note:**

1. Shri Rajendra Kumar Parakh, General Manger (Finance) ceased as KMP with effect from 1<sup>st</sup> July, 2015.

2. Shri Trinath Behera appointed as CFO as part of KMP with effect from 1<sup>st</sup> July, 2015.

## V. INDEBTEDNESS :

Indebtedness of the Company including interest outstanding/accrued but not due for payment:  
(₹ in million)

	Secured Loans Excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year as on 01.04.2015</b>				
i) Principal Amount	168440.79	19460.00	-NIL-	187900.79
ii) Interest due but not paid	-NIL-	-NIL-	-NIL-	-NIL-
iii) Interest accrued but not due	143.00	-NIL-	-NIL-	143.00
<b>Total (i+ii+iii)</b>	<b>168583.79</b>	<b>19460.00</b>	<b>-NIL-</b>	<b>188043.79</b>
<b>Change in Indebtedness during the financial year</b>				
Addition	27543.77	60900.52	-NIL-	88444.29
Reduction	22193.87	41505.52	-NIL-	63699.39
<b>Net Change</b>	<b>5349.90</b>	<b>19395.00</b>	<b>-NIL-</b>	<b>24744.90</b>
<b>Indebtedness at the end of the financial year as on 31.03.2016</b>				
i) Principal Amount	173931.85	38855.00	-NIL-	212786.85
ii) Interest due but not paid	-NIL-	-NIL-	-NIL-	-NIL-
iii) Interest accrued but not due	1.84	-NIL-	-NIL-	1.84
<b>Total (i+ii+iii)</b>	<b>173933.69</b>	<b>38855.00</b>	<b>-NIL-</b>	<b>212788.69</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(₹ in million)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount
		---	---	---	
1	Gross salary				
	(a) Salary as per provisions contained in section 17 (1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17 (2) Income- tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under Section 17 (3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission				
	- as % of profit	-	-	-	-
	- others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	<b>Total (A)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Ceiling as per the Act *</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

\*The Company does not have any Managing Director, Whole-time Directors and/or Manager during the FY 2015-16.

## B. Remuneration to other Directors:

(₹ in million)

Sl. No.	Particulars of Remuneration	Name of Directors		Total Amount
		Shri S. Balachandran	Shri M.M.Chitale	
1	Independent Directors			
	• Fee for attending Board /Committee meetings	0.525	0.225	0.750
	• Commission	-	-	-
	• Others, please specify	-	-	-
<b>Total (1)</b>		<b>0.525</b>	<b>0.225</b>	<b>0.750</b>
2	Other Non-Executive Directors			
	• Fee for attending board / committee meetings	-	-	-
	• Commission	-	-	-
	• Others, please specify	-	-	-
<b>Total (2)</b>		<b>-</b>	<b>-</b>	<b>-</b>
<b>Total (B) = (1)+(2)</b>		<b>0.525</b>	<b>0.225</b>	<b>0.750</b>
<b>Total Managerial Remuneration</b>		<b>0.525</b>	<b>0.225</b>	<b>0.750</b>
<b>Overall Ceiling as per the Act</b>		<i>The sitting fees of Directors are not exceeding one lakh rupees per meeting as required under Section 197(5) of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014</i>		

## C. Remuneration to Key Managerial Personnel other than MD/MANAGER/WTD:

(₹ in million)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO*	Company Secretary	CFO	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	6.79	2.89	4.04	13.72
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.13	-	-	-
	(c) Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961	-	-	-	0.13
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission				
	- as % of profit - others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
<b>Total</b>		<b>6.92</b>	<b>2.89</b>	<b>4.04</b>	<b>13.85</b>

**\* Note :**

- During the FY 2015-16, Shri K. Satynarayana (CEO) was on deputation from ONGC from 1<sup>st</sup> April, 2015 to 31<sup>st</sup> October, 2015 and he was on OPaL rolls from 1<sup>st</sup> November, 2015 to 31<sup>st</sup> March, 2016.
- Includes retirement benefits received from ONGC.

## VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES :

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fee 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	-	-	-	-

on behalf of the Board of Directors  
for ONGC Petro additions Limited

Sd/-

Place : New Delhi  
Date : 23<sup>rd</sup> September, 2016

(D.K. Sarraf)  
Chairman

## ANNEXURE - V to Board's Report

Form AOC 2

Pursuant to Clause (h) of Sub section (3) of Section 134 of the Companies Act, 2013 and Rule 8 (2) of the Companies (Accounts) Rules, 2014

1. Details of contracts or arrangements or transactions not at arm's length basis : NIL  
2. Details of contracts or arrangements or transactions at arm's length basis:

Name (s) of the related party and nature of relationship (a)	Nature of contracts/ arrangements/ transactions (b)	Duration of the contracts/ arrangements/ transactions (c)	Salient terms of the contracts or arrangements or transactions including the value, if any (d)	Date (s) of approval by the Board (e)	Amount paid as advances, if any (f)
Oil & Natural Gas Corporation Limited (ONGC) (Joint Venturer)*	Reimbursement of Expenses on behalf of OPaL	01-04-2015 to 31-03-2016	Reimbursement of Salary to ONGC, for employees on deputation (Rs.118.10 million)	Does not require Board Approval	Nil
	Reimbursement of Expenses by ONGC	01-04-2015 to 31-03-2016	Reimbursement of Directors nomination fee and travelling expenses by ONGC, (Rs. 0.15 million)	Does not require Board Approval	Nil
	Share application money refunded	01-04-2015 to 30-03-2016	Share Application Money received from ONGC under the Rights issue approved by the Board on 20 <sup>th</sup> March, 2015 and lying pending allotment of shares, was refunded to ONGC on 13 <sup>th</sup> June, 2015 (Rs. 7505.52 million)	55 <sup>th</sup> Board Meeting held on 21 <sup>st</sup> May, 2015	NA
	Share Warrant money received	31-03-2015 to 31-03-2016	Share warrant money received under Rights issue (Rs. 9610.00 million) on 30 <sup>th</sup> June, 2015, (Rs. 4805.00 million) on 17 <sup>th</sup> November, 2015, (Rs. 4324.50 million) on 31 <sup>st</sup> March, 2016. (Total Rs.18739.50 as on 31.03.2016)	(i) 56 <sup>th</sup> Board Meeting held on 17 <sup>th</sup> June, 2015 (ii) 58 <sup>th</sup> Board Meeting held on 8 <sup>th</sup> October, 2015 (iii) 61 <sup>st</sup> Board Meeting held on 7 <sup>th</sup> March, 2016	NA
GAIL (India) Ltd. (GAIL) (Joint Venturer)	Reimbursement of Expenses on behalf of OPaL	01-04-2015 to 31-03-2016	Reimbursement of Salary to GAIL India Ltd. for employees on deputation (Rs. 5.10 million)	Does not require Board Approval	Nil
Gujarat State Petroleum Corporation Ltd. (GSPC) (Joint Venturer)	Purchase of Natural Gas	01-04-2015 to 31-03-2016	Purchase of Natural Gas from time to time at market determined price (Rs. 297.16 million)	Does not require Board Approval	-
Dahej SEZ Limited (DSL) (Common Directorship)	Lease Rental	01-04-2015 to 31-03-2016	Lease rent for land and DSL charges (Rs. 69.50 million)	Does not require Board Approval	Nil
Mangalore Refinery & Petrochemical (MRPL) (Common Directorship)	Reimbursement of Expenses on behalf of OPaL	01-04-2015 to 31-03-2016	Reimbursement of Salary to MRPL, for employees on deputation (Rs. 5.69 million)	Does not require Board Approval	Nil
Shri K. Satyanarayana (CEO)	On deputation from ONGC/ Employment *	01-04-2015 to 31-03-2016	Remuneration to KMP (Rs. 3.61 million)	-	Nil
Shri Trinath Behera (CFO from 1 <sup>st</sup> July, 2015 onwards)	Employment	01-07-2015 to 31-03-2016	Remuneration to KMP (Rs. 3.21 million)	-	Nil
Shri Rajendra Parakh (CFO from 1 <sup>st</sup> April, 2015 to 30 <sup>th</sup> June, 2015)	Employment	01-04-2015 to 30-06-2015	Remuneration to KMP (Rs. 0.83 million)	-	Nil
Shri Subodh Prasad Pankaj (Company Secretary)	Employment	01-04-2015 to 31-03-2016	Remuneration to KMP (Rs. 2.89 million)	-	Nil
Remuneration to Mr. Santosh Kotipali (Relative of KMP)	Employment	04-06-2015 to 31-10-2015	Remuneration to Relatives of KMP (Rs. 0.19 million)	-	Nil

\* Shri K. Satyanarayana (CEO) was on deputation from ONGC during the Financial Year 2015-16 from the period 1<sup>st</sup> April 2015 to 31<sup>st</sup> October 2015 and he was on OPaL rolls from 1<sup>st</sup> November 2015 to 31<sup>st</sup> March 2016.

on behalf of the Board of Directors  
for ONGC Petro additions Limited

Sd/-

(D.K. Sarraf)  
Chairman

Place : New Delhi  
Date : 23<sup>rd</sup> September, 2016

## ANNEXURE - VI to Board's Report

### Particulars of Conservation of Energy, Technology Absorption, Foreign Exchange Earnings & outgo

[In terms of Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014]

#### A. CONSERVATION OF ENERGY :

1. Recovery of condensate to minimize water wastage and heat recovery.
2. Plant lighting system is operated through on/off timers.
3. Utilisation of process heat energy in ethylene treaters to heat up cold inlet stream with hot treater outlet stream.
4. Regeneration of treater beds involves minimal hot gas discharge to atmosphere so that heat wastage is minimized.
5. Steps have been taken for utilities consumption in design phase. (Condensate recovery, cooling tower blow down recovery etc.). The plant has been in the process of commissioning and stabilization. Further energy conservation steps shall be taken up progressively.
6. Feasibility study is being done for alternate source of power through solar panels (approximately 5-10 MW).
7. Substitution of Natural Gas instead of Naphtha as fuel for the CPP and Cracker Unit.
8. Integrated approach for Fuel Gas Consumption i.e. Fuel Gas in excess of the Unit's internal demands shall be exported.
9. For large capacity pumps, an automatic minimum flow control is provided to save the Pumping energy.
10. Blow down from the Boiler area has been taken to cooling Tower make up.
11. In case of Lighting, electronic ballast instead of conventional ballast and CFL lamps has been used, installation of automatic timer for switch on/off.
12. Condensate loss has been reduced in a number of ways for e.g. Condensate recovery from steam traps within Process units, Segregation of suspect/clean condensate.
13. Back flush arrangement is provided for cooling water consumers to avoid excessive scaling and to improve HT efficiency.

14. Automatic Control which enables staggered recovery of Hydrocarbon rich Process vent to Cracker or/and Fuel Gas unit to avoid/reduce losses due to flaring.
15. Use of VSD for large electrical consumers like the Extruder and Gear Pump Motor. Total 37 VSDs are in plant.
16. Recovery of condensate has been considered from HP condensate to generate flash steam at LP level.
17. Refrigeration compressor is having capacity control and auto stop provision while plant heat load requirement is less to reduce energy consumption. Also economiser provided in refrigeration system to improve energy efficiency during high load requirement.
18. Timer based plant lighting systems are installed to reduce electrical energy consumption.
19. Recovered off gas with hydrocarbon is sent to DFCU for utilisation or put in Fuel gas network.
20. All furnace ID fan are equipped with Variable Frequency Drive (VFD) for very high energy efficiency.
21. Integration of C2 splitter and C2 refrigeration system together with Heat pump system for minimizing power consumption.
22. Heat integration in cold section using hot and cold streams of Hydrocarbons with highly efficient Plate Fin exchangers.
23. Flash steam generated from high pressure condensate and used as heat source at lower temperature level.
24. Designed for 100% recovery of Steam condensate generated in the plant.
25. All possible heat integration opportunities among process stream have been considered in design.
26. Recycle of regeneration gas to fuel gas for energy/material recovery.

#### B. TECHNOLOGY ABSORPTION :

1. Technology for HDPE/LLDPE (Swing) & Butene-1 plant has been absorbed and adapted as a licensed user.

2. HDPE/LLDPE (Swing) plant is licensed under M/s INEOS technologies (U.K.) and Butene-1 plant is licensed under M/s AXENS (France) for technical know-how and product specification guarantee.
3. The Utility units i.e. raw water system, RWTP (BHEL ,Ranipet), IAPA/Nitrogen (M/S BOC), CPP (M/S BHEL), Cooling towers (M/S GIL), DM Water (M/S Thermax) plant have been commissioned and utilities are supplied to process plants for their pre-commissioning/commissioning activities. Respective technologies are absorbed.
4. The INNOVENE-PP process is very energy efficient. Polymer powder mixing is provided by a mechanical agitator; mixing is not dependent on blowers with large vapour flow since fluidization is not required nor is large liquid pumps necessary. Electrical power consumption is among the lowest in the industry.
5. With the INNOVENE Gas Phase Process, No steam is used for separating liquid propylene (by vaporization) from the polymer powder. As a result, steam consumption is much lower than the consumption typical of some other bulk (liquid) phase technologies.
6. Mitsui slurry process is proven technology with bench mark product grades like Gas pipe, film, blow moulding application. It has wide product basket for different end use application.
7. CSTR with gas bubbling system to ensure uniform mixing and maximum conversion of input raw materials and homogeneity in final product.
8. Separate low polymer and oligomer separation system is unique for this technology than other technologies which enhance final product quality.
9. Close hexane and slurry drain system provided to minimise hexane loss, environmental and health impact.
10. Licensor training of key operational personnel at Licensor office have been completed.
11. The details of technology imported:
  - a) DFCU Unit- M/s Linde AG Germany
  - b) PGHU Unit - M/s Linde AG Germany
  - c) Benzene Unit -M/s Air Liquide GmbH (Formerly Lurgi GmbH), Germany
  - d) Butadiene Unit- M/s Air Liquide GmbH (Formerly Lurgi GmbH), Germany

## C. FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company has earned foreign exchange equivalent to ₹ 0.21 million (Previous Year ₹ 10.25 million) on account of interest income on short term deposits with banks and incurred foreign currency expenditure equivalent to ₹ 3611.35 million (Previous Year ₹ 3371.03 million) during the accounting period ended 31<sup>st</sup> March, 2016.

**on behalf of the Board of Directors  
for ONGC Petro additions Limited**

Sd/-

**Place : New Delhi  
Date : 23<sup>rd</sup> September, 2016**

**(D.K. Sarraf)  
Chairman**



2<sup>nd</sup> Floor, Prasanna House, Associated Society, opp. Radhakrishna park,  
Nr. Akota Stadium, Akota, Vadodara-390020

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Email: office@smb-ca.com



## INDEPENDENT AUDITORS' REPORT

To the Member of ONGC Petro additions Limited

### 1. Report on the Financial Statement

We have audited the accompanying financial statements of **ONGC Petro additions Limited** ("the Company"), which comprise the Balance Sheet as at March 31<sup>st</sup>, 2016, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### 2. Management's Responsibility for the Financial Statements for the Financial Statement

The Board of Director of the Company are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the act") with respect to the preparation and presentation 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 includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; design, implementation and maintenance of adequate internal financial controls, that are 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 free from material misstatement, whether due to fraud or error.

### 3. Auditor's Responsibility

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. We conducted our audit in accordance with the standards on auditing specified under Section 143 (10) of the Act. Those Standards required that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Board of Directors of the company, 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.

### 4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, standalone 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 31<sup>st</sup> March, 2016, its Loss and its cash flows for the year ended on that date.

### 5. Report on other Legal and Regulatory Requirements

- i. As required by the companies (Auditor's) order, 2016 ("the order"), issued by the Central Government of India in terms of the section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in the paragraphs 3 and 4 of the said order, to the extent applicable.
- ii. Based on the verification of books of account of the company and according to the information and explanations given to us, we give below the Directions/Additional Sub-Directions issued by the Comptroller and Auditor General of India in terms of section 143(5) of the Act:

**Shah Mehta & Bakshi  
Chartered Accountants**

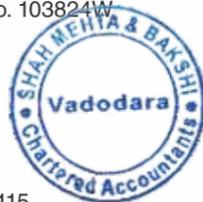
**Shah Mehta & Bakshi  
Chartered Accountants**

- a. In our opinion and according to the information and explanations given to us the company has executed lease deed for leasehold land and there is no leasehold land for which lease deed is pending.
- b. According to information and explanations given to us, there are no cases of waiver/write off of debts/loans/interest wherever applicable during the year.
- c. As per information and explanation given to us, no inventories are lying with the third parties and no gifts/grants are received from government or other authorities.
- iii. 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 the are in agreement with the books of account;
- d. In our opinion, the aforesaid financial statements comply with the applicable 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 31<sup>st</sup> March, 2016, and taken on record by the Board of directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2016 from being appointed as a director in terms of Section 164(2) of the Act;
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B", and
- g. In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - refer to Note No. 34 to financial statements.
- ii. The Company has made adequate provision as required under the applicable law or accounting standard, for material foreseeable losses if any on long term contracts. As per information and explanation given to us and based on records examined, the Company has not entered into any derivative contract.
- iii. As per information and explanation given to us and based on records examined, there are no amounts that are required to be transferred to the Investor Education and Protection fund by the Company.

**For Shah Mehta & Bakshi  
Chartered Accountants**

Firm Registration No. 103824W

  
**(J P Shah)**  
Partner



Membership No. 33115  
Place : Vadodara  
Date : 18/05/2016

## Annexure – A to the Independent Auditor's Report

The Annexure referred to in Independent Auditor's Report to the members of the company on the standalone financial statements for the year ended 31 March 2016, we report that:

- I. (a) The Company has in general maintained proper records showing full particulars, including quantitative details and situation of fixed asset;
- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner. In accordance with this programme, fixed assets having substantial value were verified during the year and no material discrepancy has been noticed. In our opinion this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to the information and explanations given to us and on the basis of the records of the Company the title deeds of the immovable properties are held in the mane of the Company.
- II. According to the information and explanations given to us, the inventories ware physically verified during the year by the managements at reasonable intervals and no material discrepancies were noticed on physical verification.
- III. The Company has not granted any loan to companies, firms or other parties covered in the register maintained under Section 189 of the Act.
- IV. The Company has not granted any loans, investment, guarantees and the securities as envisaged u/s 185 & 186 of the Act.
- V. In our opinion and according to information & explanation given to us, the Company has not accepted any deposits from the public as per the provisions of the Act.
- VI. According to information & explanation given to us the company, as the project is under implementation stage, this paragraph 3(vi) of the order relating to maintenance of cost records is not applicable.
- VII. According to the information and explanations given to us in respect of statutory dues;
- (a) The Company is generally regular in depositing the amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Income Tax, Value Added Tax, Service Tax, Custom Duty, Cess and any other statutory dues, as applicable, with the appropriate authorities. As explained to us, company did not have any dues on account of employees' state insurance and duty of excise.
- There was no amount payable in respect of undisputed statutory dues, including Provident Fund, Income Tax, Value Added Tax Service Tax Custom Duty, Cess and other statutory dues in arrears as on 31<sup>st</sup> March, 2016 for the period of more than six month from the date they become payable.
- (b) According to information and explanations given to us there are no disputed statutory dues as on 31<sup>st</sup> March, 2016 which have not been deposited except an amount of Rs. 2 million (Previous year Rs. 2 million) in respect of demand for stamp duty by the Deputy Commissioner of Revenue and Stamp, Mumbai for the year 2009.
- VIII. In our opinion and according to the information and explanation given to us, the Company has not defaulted in repayment of Loans or borrowings to financial institutions, bank & Government. The Company has not issued any debentures.
- IX. The Company raised money by way of term Loan issue of share warrants during the year and in our opinion and according to the information and explanations given to us the said funds were applied for the purposes for which those were raised. The Company has not raised any money either by way of initial public offer or further public offer (Including debt instrumrnts).
- X. According to the information and explanations given to us, no material fraud on or by the company has been noticed or reported during the course of our audit.
- XI. According to the information and explanation given to us and based on our examination of the records of the company, the company has paid/ provided for the managerial remuneration in accordance with the provision of Section 197 read with Schedule V to the Act.

Board's Report	05 16	Annexure to Board's Report (Annexure I to VI)	17 44	Independent Auditors' Report	45 50	Balance Sheet	52 52	Statements of Profit and Loss	53 53	Cash Flow Statement	54 54	Notes Forming Part of Accounts	55 77
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**Shah Mehta & Bakshi  
Chartered Accountants**

**Shah Mehta & Bakshi  
Chartered Accountants**

- XII. In our opinion and according to the information and explanations give to us, the Company is not a Nidhi Company, Accordingly, paragraph 3 (xii) of the order is not applicable.
- XIII. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with related parties are in compliance with Section 177 & 188 of the Act, where applicable and the details of such transactions have been disclosed in the financial statements as required by applicable accounting standards.
- XIV. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- XV. According to the information and explanation given to us and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3 (xv) of the order is not applicable.
- XVI. In our opinion and according to the information and explanations given to us the company is not required to be registered u/s 45 IA of the Reserve Bank of India Act, 1934.

**For Shah Mehta & Bakshi  
Chartered Accountants**

Firm Registration No. 103824W



**(J.P. Shah)  
Partner**



Membership No. 33115  
Place : Vadodara  
Date : 18/05/2016

## Annexure – B: Report on the Internal financial controls under Clause (i) of sub section 3 of section 143 of the Companies act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **ONGC Petro additions Limited** (“The Company”) as of 31<sup>st</sup> of March, 2016 in conjunction with our audit of the financial statements of the company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

The company's managements is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the guidance note on audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (The “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143 (10) of the Companies Act, 2013 to the extent applicable to an audit of Internal Financial Controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

### Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.





Balance Sheet as at 31<sup>st</sup> March, 2016

(Rs. in million)

Sl. No.	Particulars	Note No.	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
<b>I</b>	<b>EQUITY AND LIABILITIES :</b>			
<b>1</b>	<b>Shareholders' funds</b>			
	a) Share capital	3	20,219.30	20,219.30
	b) Reserves and surplus	4	(1,053.67)	(13.47)
	c) Money Received against Share Warrants	5	18,739.50	-
<b>2</b>	<b>Share application money pending allotment</b>	6	-	7,505.52
<b>3</b>	<b>Non-currents liabilities</b>			
	a) Long-term borrowings	7	1,28,130.65	1,46,347.27
	b) Deferred Tax Liability (net)	8	414.13	-
	c) Other Long term liabilities	9	1,546.65	711.04
	d) Long-term provisions	10	47.39	15.31
<b>4</b>	<b>Current liabilities</b>			
	a) Short term borrowings	11	60,255.00	40,859.86
	b) Other current liabilities	12	25,802.19	4,916.19
	c) Short-term provisions	13	8.64	2.62
	<b>TOTAL</b>		<b>2,54,109.78</b>	<b>2,20,563.64</b>
<b>II</b>	<b>ASSETS :</b>			
<b>1</b>	<b>Non-current assets</b>			
	a) Fixed Assets			
	(i) Tangible assets	14	35,959.18	9,459.23
	(ii) Intangible assets	15	139.08	143.04
	(iii) Tangible Capital work-in progress	16	1,90,241.05	1,78,524.30
	(iv) Intangible asset under development	16	8,132.01	7,818.64
	b) Long-term loans and advances	17	18,599.81	22,382.50
	c) Other non-currents assets	18	56.69	55.70
<b>2</b>	<b>Current assets</b>			
	a) Inventory	19	669.44	300.34
	b) Trade Receivable	20	8.34	-
	c) Cash and bank balance	21	218.24	1,828.77
	d) Other current assets	22	85.94	51.12
	<b>Significant accounting policies &amp; notes to financial statements</b>	1 to 53		
	<b>TOTAL</b>		<b>2,54,109.78</b>	<b>2,20,563.64</b>

Notes referred to above form an integral part of the Balance Sheet

For Shah Mehta and Bakshi Chartered Accountants

For and on behalf of the Board

(J P Shah) Partner  
M No: 033115  
FRN No: 103824W  
(Subodh Prasad Pankaj) Company Secretary

(Trinath Behera) Chief Finance Officer  
(K. Satyanarayana) Chief Executive Officer

(M. Ravindran) Director  
(D.K. Sarraf) Chairman

Place : New Delhi  
Date : 18<sup>th</sup> May, 2016

Statement of Profit and Loss for the year ended 31<sup>st</sup> March, 2016

(Rs. in million)

Sl. No.	Particulars	Note No.	For the Year Ended 31 <sup>st</sup> March, 2016	For the Year Ended 31 <sup>st</sup> March, 2015
<b>I</b>	Revenue from Operations	23	37.75	-
<b>II</b>	Other income	24	0.60	-
	<b>A: TOTAL INCOME</b>		<b>38.35</b>	<b>-</b>
<b>III</b>	<b>Expenses :</b>			
	Purchase of Traded Stock	25	42.41	-
	(Increase)/ decrease in Stock	26	(0.56)	-
	Employee Benefits Expense	27	-	-
	Finance Costs	28	311.70	-
	Power and Fuel	29	-	-
	Depreciation and Amortization Expense	30	302.14	-
	Rates Taxes and Duties	31	-	-
	Other Expenses	32	8.73	7.74
	Prior Period Items (Net)	33	-	-
	<b>B: TOTAL EXPENSES</b>		<b>664.42</b>	<b>7.74</b>
<b>IV</b>	<b>Profit/(Loss) Before Tax (A-B)</b>		<b>(626.07)</b>	<b>(7.74)</b>
<b>V</b>	<b>Tax Expenses</b>			
	Current Tax		-	-
	Deferred Tax		414.13	-
<b>VI</b>	<b>Profit (Loss) For the Period</b>		<b>(1,040.20)</b>	<b>(7.74)</b>
	Earning Per Share (Face Value of Share is Rs.10/-)			
	Basic		(0.51)	(0.01)
	Diluted		(0.36)	(0.01)
	Significant accounting policies & notes to financial statements	1 to 53		

Notes referred to above form an integral part of Statement of Profit and Loss

For Shah Mehta and Bakshi Chartered Accountants

For and on behalf of the Board

(J P Shah) Partner  
M No: 033115  
FRN No: 103824W  
(Subodh Prasad Pankaj) Company Secretary

(Trinath Behera) Chief Finance Officer  
(K. Satyanarayana) Chief Executive Officer

(M. Ravindran) Director  
(D.K. Sarraf) Chairman

Place : New Delhi  
Date : 18<sup>th</sup> May, 2016

Cash Flow Statement

(Rs. in million)

	For the Year Ended 31 <sup>st</sup> March, 2016	For the Year Ended 31 <sup>st</sup> March, 2015
<b>A. Cash flow from Operating Activities:</b>		
Net Profit/(Loss) before Tax, prior period and extraordinary items	(626.07)	(7.74)
<b>Adjustments for :</b>		
Depreciation	302.14	-
Interest Paid	311.70	-
<b>Operating profit before Working Capital Changes</b>	<b>(12.23)</b>	<b>(7.74)</b>
<b>Adjustments for :</b>		
Inventories	(369.10)	-
Trade Receivable	(8.34)	-
Other Current Assets	751.64	-
Trade Payable and Other liabilities	(2,815.52)	-
<b>Net Cash Flow from Operating Activities "A"</b>	<b>(2,453.55)</b>	<b>(7.74)</b>
<b>B. Cash flow from Investing Activities:</b>		
Project Development expenses	(12,030.12)	(45,555.99)
Fixed Assets (Incl. Transfer from CWIP)	(26,492.32)	(242.00)
Change in Other Non Current Assets	3,781.70	13,647.12
Change in Other Non Current Liabilities & provisions	867.69	(1,198.10)
Depreciation (to the extent included in Proj. Development Exp)	(305.81)	790.92
<b>Net Cash Flow from Investing Activities "B"</b>	<b>(34,178.86)</b>	<b>(32,558.05)</b>
<b>C. Cash Flow from Financing Activities:</b>		
Proceeds from Equity/Share Warrant	11,233.98	796.28
Proceeds from Borrowings (Long Term Loan)	5,490.92	6,301.24
Proceeds from Borrowings (Short Term Loan)	19,395.14	19,460.00
Interest Paid	(311.70)	-
<b>Net Cash Flow from Financing Activities "C"</b>	<b>35,808.34</b>	<b>26,557.52</b>
Net Increases/(Decrease) in Cash & Cash Equivalents (A+ B+ C)	<b>(824.07)</b>	<b>(6,008.27)</b>
Cash and Cash equivalents as at 1 <sup>st</sup> April, 2015	830.67	6,838.94
Cash and Cash equivalents as at 31 <sup>st</sup> March, 2016	<b>6.60</b>	<b>830.67</b>

Notes:

- The above Cash flow statement has been prepared under the indirect method as set out in the AS-3 on CashFlow Statements issued by the Institute of Chartered Accountants of India.
- Cash and Cash equivalent represents Bank Balances with Scheduled Bank as per Note No-21.
- Figures in bracket indicates Cash Outflow / Deduction.
- Previous Year figures have been regrouped when necessary to conform to the year's classification.

In the terms of our report attached

For Shah Mehta and Bakshi  
Chartered Accountants

  
(J P Shah)  
Partner  
M No: 033115  
FRN No: 103824W

  
(Subodh Prasad Pankaj)  
Company Secretary

For and on behalf of the Board

  
(Trinath Behera)  
Chief Finance Officer

  
(K. Satyanarayana)  
Chief Executive Officer

  
(M. Ravindran)  
Director

  
(D.K. Sarraf)  
Chairman

Place : New Delhi  
Date : 18<sup>th</sup> May, 2016

NOTES FORMING PART OF ACCOUNTS

1. CORPORATE INFORMATION :

ONGC Petro additions Limited (OPaL), a joint venture company, was incorporated in 2006, as a Public Limited Company under the Companies Act, 1956, promoted by Oil and Natural Gas Corporation (ONGC) and co-promoted by GAIL and GSPC. The company is developing a Greenfield Petrochemical complex at Dahej SEZ - Gujarat.

2. SIGNIFICANT ACCOUNTING POLICIES

I. Basis for Preparation of Financial Statements

These Financial Statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 and the provisions of the Act (to the extent notified). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The Accounting policies applied are consistent with those used in the previous year unless otherwise stated.

II. Use of Estimates

The Preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at that date of the financial statements and the results of the operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates and such differences are recognized in the period in which the results are known or materialized.

III. Fixed Assets

a) Tangible Assets

Tangible Fixed assets are stated at cost less accumulated depreciation/amortization and impairments, if any. Direct cost including the purchase price and any attributable cost of bringing the asset to its working condition for its intended use are capitalized when fixed assets are ready for use.

b) Intangible Assets

Intangible assets resulting in future economic benefits, where the cost can be reliably measured, are capitalized.

c) Capital Work in Progress (CWIP - Project Development Expenses)

i) CWIP includes all expenditure (net of any income) including administrative and general overhead expenses which are attributable to the project. Such expenses incurred upto the date of commencement of commercial operations are capitalized as part of the cost of fixed assets, based on proportionate cost of each asset.

ii) In respect of Dahej Project Turnkey contracts, the value of supplies received at site, accepted and settled is treated as Capital Work in Progress.

d) The capital contribution on enabling assets not owned by company is charged off to revenue in the year of completion of work.

IV. Depreciation & Amortization :

a) Depreciation on fixed assets is provided for under the straight line method over the useful life of Asset specified in Schedule II to the Companies Act, 2013 except Mobile which is depreciated considering estimated useful life of 3 years and 4 months.

b) I) Leasehold land is amortized over the primary lease period.

II) Expenditure on development of Leasehold land is amortised over extended lease period.

III) Depreciation on assets is provided, over the useful life of Asset specified in Schedule II to the Companies Act, 2013 or lease period (including extendable lease period), whichever is higher.

c) Intangible assets are amortized over the estimated useful life on SLM basis.

Intangible Asset	Estimated useful life (in years)
Computer Software	5 years

d) Depreciation on additions/deletions during the year is provided on pro rata basis with reference to the date of additions/deletions except low value items not exceeding Rs. 5,000/- which are fully depreciated at the time of addition.

V. Foreign Currency Transaction

a) Foreign currency transactions are recorded on initial recognition using exchange rate prevailing on the date of the transaction.

b) Gains and losses resulting from the settlement of such transactions and from the translation of foreign currency monetary items as at the Balance Sheet date are recognized in the financial statements.

## NOTES FORMING PART OF ACCOUNTS

### VI. Employee Benefits

a) All short term employee benefits are recognized at undiscounted amount in the accounting period in which they are incurred.

b) Defined contribution plan:

Company is registered under Provident Fund Act and monthly contributions are made by employees as per terms of the act. Matching contribution is made by the Company and the amount is deposited with provident fund authority. On retirement or separation, the contributions made are payable by the Provident Fund authority to the respective employees.

c) Defined Benefit Plan & Other Long term Employee Benefits:

Benefit Plans in respect of Leave encashment, Compensated absence and Gratuity are recognized based on the present value of defined benefit obligation, which is computed on the basis of actuarial valuation using the Projected Unit Cost Method. Liability in excess of respective plan asset is recognized during the year. Provision for Gratuity is funded with a separate trust fund.

c) Deferred tax assets relating to unabsorbed depreciation/business losses are recognized and carried forward to the extent that there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

d) Other deferred tax assets are recognized and carried forward to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

### X. Liquidated Damages

Liquidated damages, if any, are accounted for as and when recovery is made and the matter is considered settled by Management.

### XI. Provisions, Contingent Liabilities and Contingent Assets

Provisions involve a substantial degree of estimation in measurement and are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not accounted for and are disclosed by way of notes to accounts. Contingent assets are neither recognized nor disclosed in the financial statement.

### XII. Revenue Recognition

a) Revenue from sale of goods is recognized on accrual basis when the significant risks and rewards of ownership of goods are transferred to the customers, which generally coincides with the delivery of goods to customers. Sales are net of discounts, Value Added Tax, Central Sales Tax and Custom Duty. Excise Duty collected on sales are shown by way of deduction from sales.

b) Revenue with respect to Other Operating Income and Other Income is recognized when a reasonable certainty as to its realization exists.

### XIII. Inventories

a) Stock in Trade (Finished goods purchased) is valued at lower of cost and net realisable value.

b) Inventory of Raw material is valued at weighted average cost or net realisable value whichever is less.

c) Inventory of stores and spares is valued at weighted average cost or net realisable value whichever is less.

### VII. Borrowing Cost

Borrowing cost that are attributable to the acquisition, construction or production of qualifying asset are capitalized as part of the cost of such asset, till such time as the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily takes substantial period of time to get ready for its intended use or sale.

### VIII. Lease

Assets acquired on lease where a significant portion of risk and rewards of ownership are retained by the lessor are classified as operating leases. Lease rentals are recognized in the financial statements of the accounting period to which it relates.

### IX. Taxes on Income

a) Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act 1961.

b) Deferred tax is recognized on timing differences between the accounting income and the taxable income for the period and quantified using the tax rates and laws enacted or substantively enacted as on the balance sheet date.

## NOTES FORMING PART OF ACCOUNTS

(Rs. in million)

Note No. 3	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
<b>SHARE CAPITAL</b>		
<b>Authorised:</b>		
15,00,00,00,000 (PY 8,00,00,00,000) equity shares of Rs. 10/- each	1,50,000.00	80,000.00
	1,50,000.00	80,000.00
<b>Issued *</b>		
202,19,29,671 (PY 456,95,61,056) equity shares of Rs. 10/- each	20,219.30	45,695.61
<b>Subscribed &amp; Paid up</b>		
202,19,29,671 (PY 202,19,29,671) equity shares of Rs 10/- each fully paid up	20,219.30	20,219.30
<b>Total</b>	<b>20,219.30</b>	<b>20,219.30</b>

The difference between the share capital issued and subscribed and paidup is on account of right issue of shares approved by the company.

### I) Shares held by each shareholder holding more than 5% shares

Name of the shareholder	As at 31.03.2016		As at 31.03.2015	
	Numbers	%	Numbers	%
a) Oil and Natural Gas Corporation Ltd.	99,79,55,639	49.36%	99,79,55,639	49.36%
b) GAIL (India) Limited	99,49,45,000	49.21%	99,49,45,000	49.21%

\* The above shareholding is as per the legal ownership of shares as per records of the company.

### II) Reconciliation of number of Shares outstanding

Particulars	No. of Shares of Rs.10 each
As on 1 <sup>st</sup> April, 2015	2,02,19,29,671
Add : Shares issued during the year	0
Less : Reduction in number of shares issued	0
Balance as on 31 <sup>st</sup> March, 2016	2,02,19,29,671

### III) Terms/Rights attached to equity shares

The company has only one class of equity shares having a Par Value of Rs.10 per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholder.

(Rs. in million)

Note No. 4	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
<b>RESERVES AND SURPLUS</b>		
Profit and Loss A/c		
Opening Balance	(13.47)	(5.73)
Add: During the year transferred from statement of profit and loss	(1,040.20)	(7.74)
<b>Total</b>	<b>(1,053.67)</b>	<b>(13.47)</b>

(Rs. in million)

Note No. 5	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
<b>Money Received against Share Warrant</b>		
Oil and Natural Gas Corporation Ltd. (ONGC)	18,739.50	-
<b>Total</b>	<b>18,739.50</b>	<b>-</b>

### Disclosures

1. Money received against share warrant represent amounts received towards warrants which entails the warrant holders, the option to apply for and be allotted equivalent number of equity shares of the face value of Rs. 10 each.
2. Against issue of 192,20,00,000 no. of share warrants the balance amount payable is Rs. 480.50 million.
3. The equity shares to be issued up on the exercise of the warrant shall be subject to companies Memorandum of Association and Articles of Association of the company and shall rank paripasu in all respect with the existing equity shares including the right with respect to dividend.
4. The holder of the warrant would need to exercise the right to subscribe on or before 25<sup>th</sup> February, 2017.
5. Neither warrant nor the equity shares to be issued on exercise of the warrants shall be listed on any stock exchange.
6. The warrant subscription price will not be adjusted towards the warrant exercise price, if warrant is not exercised the warrant subscription price will stand forfeited.

NOTES FORMING PART OF ACCOUNTS

(Rs. in million)

Note No. 6	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
Share application money pending allotment		
Oil and Natural Gas Corporation Ltd. (ONGC)	-	7,505.52
<b>Total</b>	<b>-</b>	<b>7,505.52</b>

Disclosures

The share application money is refunded during the year upon cancellation of right issue.

Note No. 7	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
<b>Long Term Borrowing</b>		
<b>Term Loan (secured)</b>		
<b>From Banks</b>		
Rupee Loan	1,33,597.91	1,28,107.35
External Commercial Borrowings (ECB)	15,223.56	13,873.20
<b>From Others</b>		
Rupee Loan	3,710.38	5,060.38
<b>Sub total</b>	<b>1,52,531.85</b>	<b>1,47,040.93</b>
<b>Less : Current Maturity of Long Term Debt</b>	<b>24,401.20</b>	<b>693.66</b>
<b>Total</b>	<b>1,28,130.65</b>	<b>1,46,347.27</b>

1. Key Terms

Rupes Loan (Rs. in million)

Particulars	31 <sup>st</sup> March, 2016	31 <sup>st</sup> March, 2015	Rate of Interest	Terms of Repayment
1. Long Term Loans (Facility-I)	1,13,417.98	1,13,168.42	11.05 % (11.75 %)	Repayable in 41 equal quarterly instalments starting in Q4 FY 2016-17 and ending in Q4 FY 2026-27. (PY Q4 FY 2016-17 and ending in Q4 FY 2026-27)
2. Long Term Loans (Facility-II)	3,891.00	-	11.05 %	Repayable in 43 structured quarterly instalments starting in Q2 FY 2018-19 and ending in Q1 FY 2029-30. (PY Nil)
3. Sub Debt	19,999.31	19,999.31	*	Repayable after 3 Years from the date of first disbursement, i.e. Rs. 18999.33 million in Dec 2016 and Rs. 999.98 million in March 2017. (PY 18993.33 million in Dec 16 and Rs. 999.98 million March 2017)
<b>Total Rupee Loan</b>	<b>1,37,308.29</b>	<b>1,33,167.73</b>		

* Rate of Interest for Sub Debt	2015-16		2014-15	
	Rs. in Million	Rate of Interest	Rs. in Million	Rate of Interest
Bank of India	9999.62	10.45%	9999.62	10.95%
Bank of Maharashtra	4999.87	10.45%	4999.87	11.00%
Jammu & Kashmir Bank	1999.98	10.25%	1999.98	11.00%
Oriental Bank of Commerce	999.98	10.45%	999.98	11.00%
State Bank of Travancore	1999.86	10.70%	1999.86	10.90%
<b>Total</b>	<b>19999.31</b>		<b>19999.31</b>	

NOTES FORMING PART OF ACCOUNTS

(Rs. in million)

External Commercial Borrowings (ECB)

Particulars	31 <sup>st</sup> March, 2016	31 <sup>st</sup> March, 2015	Rate of Interest	Terms of Repayment
Facility – I	7,231.19	6,432.12	6 month USD LIBOR + 347 bps	As per schedule mentioned below
	4,820.79	4,288.08	6 month USD LIBOR + 352 bps	
Facility – II	3,171.58	3,153.00	6 month USD LIBOR + 324 bps	
<b>Total</b>	<b>15,223.56</b>	<b>13,873.20</b>		

2. Security

Rupee Term Loans and ECB :

- First ranking pari passu mortgage/charge on immovable and movable properties and assets, both present and future except Current Assets;
- First ranking pari passu mortgage/assignment on intangible assets relating to project both present and future; and
- Second ranking pari passu charge on any current asset with working capital lenders on reciprocal basis.

Sub debt :

- A subservient Charge by way of hypothecation in favour of/for the benefit of the Lenders over the movable fixed assets, owned by the Borrower, both present and future, located in SEZ Dahej, Gujarat.

3. Repayment terms of ECB

- Facility I : USD 190 million - Drawn till 31<sup>st</sup> March 2016 USD 190 million ( PY USD 250 Million Drawn till 31<sup>st</sup> March 2015 USD 170 million)
  - 4 half yearly instalments of USD 9.50 million (USD 12.50 Million) each commencing from March 2016
  - 4 half yearly instalments of USD 11.40 million (USD 15.00 Million) each commencing from March 2018
  - 4 half yearly instalments of USD 13.30 million (USD 17.50 Million) each commencing from March 2020
  - 2 half yearly instalments of USD 17.10 million (USD 22.50 Million) each commencing from March 2022
  - Last instalment of USD 19.00 million (USD 25.00 Million) in March 2023
- Facility I : USD 50 million. ( PY USD 50 million)
  - 2 half yearly instalments of USD 2.50 million (USD 2.50 million) each commencing from March 2016
  - 1 half yearly instalment of USD 3.00 million (USD 3.00 million) each Payable in March 2017
  - 1 half yearly instalment of USD 4.00 million (USD 4.00 million) each Payable in Sept 2017
  - 2 half yearly instalments of USD 6.00 million (USD 6.00 million) each commencing from March 2018
  - 1 half yearly instalment of USD 7.00 million (USD 7.00 million) each Payable in March 2019
  - 2 half yearly instalments of USD 9.50 million (USD 9.50 million) each commencing from Sept 2019

(Rs. in million)

Note No. 8	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
<b>Deferred tax asset (liability)</b>		
<b>On account of</b>		
-Current year losses	100.09	-
-Depreciation	(514.22)	-
<b>Total</b>	<b>(414.13)</b>	<b>-</b>

(Rs. in million)

Note No. 9	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
<b>Other Long Term Liabilities</b>		
Trade Payable	-	-
Others	1,546.65	711.04
<b>Total</b>	<b>1,546.65</b>	<b>711.04</b>

NOTES FORMING PART OF ACCOUNTS

(Rs. in million)

Note No. 10	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
<b>Long Term Provisions</b>		
<b>Provision for Employee Benefits</b>		
Leave	47.39	15.31
<b>Total</b>	<b>47.39</b>	<b>15.31</b>

(Rs. in million)

Note No. 11	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
<b>Short-Term Borrowings</b>		
<b>Secured</b>		
From Banks	21,400.00	21,249.86
From Others	-	150.00
<b>Unsecured</b>		
Loan repayable on demand (Short Term Loans)		
From Banks	38,100.00	19,460.00
From Others	755.00	-
<b>Total</b>	<b>60,255.00</b>	<b>40,859.86</b>

1. Security

Rupee Term Loans

- First ranking pari passu mortgage/charge on immovable and movable properties and assets, both present and future except Current Assets;
- First ranking pari passu mortgage/assignment on intangible assets relating to project both present and future; and
- Second ranking pari passu charge on any current asset with working capital lenders on reciprocal basis.

2. Medium Term Loan Rs. 21400 Million are repayable by 31.12.2016 (Rs. 21399.86 Million are repayable by 31.12.2015).

3. Repayment Schedule Unsecured Loan	As at 31 <sup>st</sup> March, 2016		As at 31 <sup>st</sup> March, 2015	
	Amount Rs. in Million	Repayment	Amount Rs. in Million	Repayment
Bank of India	5,000.00	Q1 2016-17	2,500.00	Q4 2015-16
Bank of India	0.00	-	5,000.00	Q2 2015-16
Union Bank of India	0.00	-	5,000.00	Q1 2015-16
Canara Bank	5,000.00	Q1 2016-17	4,100.00	Q2 2015-16
Allahabad Bank	5,000.00	Q2 2016-17	2,860.00	Q2 2015-16
Bank of Maharashtra	5,000.00	Q2 2016-17	0.00	-
Indian Bank	5,000.00	Q1 2016-17	0.00	-
Jammu & Kashmir Bank	5,000.00	Q2 2016-17	0.00	-
Andhra Bank	8,100.00	Q2 2016-17	0.00	-
	<b>38,100.00</b>		<b>19,460.00</b>	
TATA Capital	755.00	Q4 2016-17	-	-

NOTES FORMING PART OF ACCOUNTS

(Rs. in million)

Note No. 12	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
<b>Other Current Liabilities</b>		
<b>Interest accrued but not due on borrowings</b>	1.84	143.00
<b>Current maturities of long-term debt</b>		
- Secured Loans from Banks (Long Term Loan)	2,675.50	-
- Secured Loans from Others (Long Term Loan)	90.50	-
- Secured Loans from Banks (Sub Debt)	19,999.31	-
- External Commercial Borrowings	1,635.89	693.66
<b>Other payables</b>		
- Capital Contracts	662.74	3,693.05
- Employees	5.15	23.30
- Others	646.91	214.57
- Statutory Dues	84.35	148.61
<b>Total</b>	<b>25,802.19</b>	<b>4,916.19</b>

(Rs. in million)

Note No. 13	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
<b>Short term provisions</b>		
<b>Provision for employee benefits</b>		
- Leave	2.20	1.35
- Gratuity	6.44	1.27
<b>Total</b>	<b>8.64</b>	<b>2.62</b>

## NOTES FORMING PART OF ACCOUNTS

## Note No. 14 Fixed Assets (Tangible assets)

Sl. No.	Particulars	Gross Block (At Cost)			Depreciation & Amortisation			Net Block	
		As at 01-04-2015	As at 31-03-2016	As at 01-04-2015	As at 31-03-2016	As at 31-03-2016	As at 01-04-2015	As at 31-03-2016	As at 01-04-2015
	<b>TANGIBLE ASSETS</b>								
1	Leasehold Land	9,586.41	-	1,522.07	(372.28)	-	1,149.79	8,436.62	8,064.34
2	Leasehold improvement	3.32	-	2.74	0.58	-	3.32	-	0.58
3	Road, Culverts	504.27	-	328.42	22.48	-	350.90	153.37	175.85
4	Factory Building on Leasehold Land *	100.06	5,315.59	21.41	30.17	-	51.58	5,364.07	78.65
5	Other Buildings on Leasehold Land	684.66	2.26	102.40	50.98	-	153.38	533.54	582.26
6	Plant and Machinery **	515.32	21,131.95	115.61	200.39	-	316.00	21,331.27	399.71
7	Office Equipment	27.16	(3.19)	13.21	0.56	0.30	13.47	10.04	13.95
8	Computer	72.58	11.37	20.52	19.14	0.05	39.61	44.26	52.06
9	Furniture & Fixture	126.22	5.53	36.66	14.01	-	50.67	81.08	89.56
10	Vehicles	2.59	3.13	0.32	0.47	-	0.79	4.93	2.27
	<b>Total</b>	<b>11,622.59</b>	<b>26,466.64</b>	<b>2,163.36</b>	<b>(33.50)</b>	<b>0.35</b>	<b>2,129.51</b>	<b>35,959.18</b>	<b>9,459.23</b>
	Previous Year (As at 31-03-15)	11,522.92	100.15	1,375.97	787.69	0.30	2,163.36	9,459.23	10,146.95

\* Addition includes borrowing cost capitalised Rs. 1571.66 million (PY Nil) and Incidental Expenditure during construction period Rs. 377.98 million (PY Nil)

\*\* Addition includes borrowing cost capitalised Rs. 6242.20 million (PY Nil) and Incidental Expenditure during construction period Rs. 1501.22 million (PY Nil) Refer to Note No. 37 relating to capitalization of Tangible fixed asset.

## ONGC Petro additions Limited

## NOTES FORMING PART OF ACCOUNTS

## Note No. 15 Fixed Assets (Intangible assets)

Sl. No.	Particulars	Gross Block (At Cost)			Depreciation & Amortisation			Net Block	
		As at 01-04-2015	As at 31-03-2016	As at 01-04-2015	As at 31-03-2016	As at 31-03-2016	As at 01-04-2015	As at 31-03-2016	As at 01-04-2015
	<b>INTANGIBLE ASSETS</b>								
1	Computer - Software	148.38	26.20	5.34	30.16	-	35.50	139.08	143.04
	<b>Total</b>	<b>148.38</b>	<b>26.20</b>	<b>5.34</b>	<b>30.16</b>	<b>-</b>	<b>35.50</b>	<b>139.08</b>	<b>143.04</b>
	Previous Year (As at 31-03-15)	6.05	142.33	1.78	3.56	-	5.34	143.04	4.27

NOTES FORMING PART OF ACCOUNTS

Note No. 16 Capital Work in Progress

Particulars	(Rs. in million)				
	As at 01.04.2015	Additions/ Adjustments	Deduction	Capitalised during the Year	As at 31.03.2016
<b>Tangible Capital Work in Progress</b>					
Dual Feed Cracker and Associated Units (DFCU)	47,760.45	2,957.84			50,718.29
Double Walled Storage Tank (DWST)	3,083.65	49.55			3,133.20
Distributed Control System (DCS)	207.62	51.74		24.21	235.15
Butene 1	1,690.88	22.16			1,713.04
Cooling Water System (CWS)	2,595.17	92.74		2,499.78	188.13
Effluent Collection & Treatment System (ECTS)	1,527.91	87.30			1,615.21
Integrated Utilities & Offsites (IU & O)	16,611.10	3,250.40		5,802.67	14,058.83
Pipeline and Associated work	291.43	47.86		339.29	-
Inert Gas and Compressed Air System (IA/PA)	784.14	3.61		787.75	-
Captive Power Plant (CPP)	15,762.91	707.12		5,667.64	10,802.39
Polyethylene (PE)	10,313.08	1,295.01			11,608.09
Polypropylene (PP)	5,899.54	502.86			6,402.40
Product Warehouse (PWH)	2,542.43	472.26		865.98	2,148.71
Central Laboratory	1,196.60	419.02			1,615.62
High Density Poly Ethylene (HDPE)	10,175.45	299.94			10,475.39
Capital Inventory	-	18.88	-	-	18.88
Naphtha Pipeline GCPTCL to OPaL	88.28	231.22		319.50	-
HDPE Pipeline from OPaL to GIDC	0.03	12.56			12.59
Raw Water Treatment Plant	233.75	52.17		285.92	-
Terminal Facility for GSPTCL	-	141.84		141.84	-
Temporary Warehouse	-	20.99			20.99
Atali Township	0.64	5.62			6.26
Product Application Research Center (PARC)	-	16.52			16.52
Other tangible Assets	1.21	2.11		1.21	2.11
Preservation Expenses	109.45	2.38			111.83
Finance and Interest Charges	52,491.85	21,551.73		7,813.86	66,229.72
Incidental Expenses During Construction	5,109.48	5,344.59		1,393.62	9,060.45
Green Belt Development Expenses	47.25	-			47.25
<b>Subtotal</b>	<b>1,78,524.30</b>	<b>37,660.02</b>	<b>-</b>	<b>25,943.27</b>	<b>1,90,241.05</b>
<b>Intangible Capital Work in Progress</b>					
Other Intangible Assets	1.20	0.66			1.86
License Fees	2,250.25	13.63			2,263.88
Consultancy	5,567.19	784.65		485.57	5,866.27
<b>Subtotal</b>	<b>7,818.64</b>	<b>798.94</b>	<b>-</b>	<b>485.57</b>	<b>8,132.01</b>
<b>Total</b>	<b>1,86,342.94</b>	<b>38,458.96</b>	<b>-</b>	<b>26,428.84</b>	<b>1,98,373.06</b>

Refer Note No. 37

NOTES FORMING PART OF ACCOUNTS

Note No 16.1 : Incidental Expenditure during Construction

	(Rs. in million)		
	Transferred from Note No.	For the Year Ended 31 <sup>st</sup> March, 2016	For the Year Ended 31 <sup>st</sup> March, 2015
<b>Incidental Expenditure during Construction Period</b>			
Employee Benefit Expenses	27	660.74	409.33
Power and Fuel	29	2,967.97	441.86
Depreciation and Amortization	30	189.43	792.00
Rates Duties and Taxes	31	4.05	1.87
Other Expenses	32	2,100.58	498.02
Prior Period Expense	33	(494.89)	(0.71)
<b>Less :</b>		5,427.88	2,142.37
Other Income		83.29	223.05
<b>Less : Transferred to CWIP ( Note No 16)</b>		<b>5,344.59</b>	<b>1,919.32</b>

Note No. 17	(Rs. in million)	
	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
<b>Long Term Loans and Advances</b>		
<b>Secured, Considered Good, unless otherwise stated</b>		
Capital Advance to contractors - against Bank Guarantee	1,030.17	1,333.96
<b>Unsecured, Considered Good, unless otherwise stated</b>		
<b>(i) Capital advance to Contractors against Supply of Goods</b>		
Inert Gas and Compressed Air System (IA/PA)	0.14	0.14
Pipeline and Associated work	-	5.07
Distributed Control System (DCS)	4.81	23.75
Product Warehouse (PWH)	7.52	150.69
Butene 1	66.76	66.76
Polyethylene (PE)	1,302.95	1,892.88
Polypropylene (PP)	384.89	488.36
Integrated Utilities & Off sites (IU & O)	-	1,290.70
Effluent Collection & Treatment Package (ECTS)	4.12	4.12
Captive Power Plant (CPP)	331.78	460.31
Cooling Water System (CWS)	37.16	41.08
Dual Feed Cracker And Associated Units	12,758.25	12,770.50
High Density Polyethylene (HDPE)	198.16	218.53
Optical Control System (Central Laboratory)	152.15	391.45
Double Walled Storage Tank (DWST)	8.55	11.25
Pipeline from GSPTCL to OPaL	-	61.29
Pipeline from OPaL to GIDC	-	6.08
<b>(ii) Other Capital advance</b>		
<b>Security Deposit</b>		
To Related Parties	2.25	2.25
To Others	331.37	204.54
<b>Other Long Term Advances</b>		
To Related Parties	0.73	0.91
To Others	1,978.05	2,957.88
<b>Total</b>	<b>18,599.81</b>	<b>22,382.50</b>



NOTES FORMING PART OF ACCOUNTS

(Rs. in million)

Note No. 18	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
<b>Other non-current assets</b>		
<b>Unamortised Expenses</b>		
Share Issue Expenses	42.99	42.99
<b>Income Tax</b>		
Tax Deducted at Source	13.61	9.99
Income Tax Refund Due	0.09	2.72
<b>Total</b>	<b>56.69</b>	<b>55.70</b>

(Rs. in million)

Note No. 19	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
<b>Inventory</b>		
Raw Materials	307.54	300.34
Stock in Trade	0.56	-
Stores and Spares	361.34	-
<b>Total</b>	<b>669.44</b>	<b>300.34</b>

(Rs. in million)

Note No. 20	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
<b>Trade Receivables</b>		
<b>Unsecured Considered Good</b>		
(a) Due For Period Not Exceeding Six Months from Due Date	-	-
(b) Due For Period Exceeding Six Months from Due Date	8.34	-
<b>Total</b>	<b>8.34</b>	<b>-</b>

(Rs. in million)

Note No. 21	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
<b>Cash and Bank Balance</b>		
Cash and Cash Equivalent		
<b>Balances with Bank</b>		
Current Account	6.51	30.65
Short Term Deposit	-	800.00
Imprest	0.09	0.02
<b>Cash and Cash Equivalent</b>	<b>6.60</b>	<b>830.67</b>
Other Bank Balance (Margin Money with Banks earmarked against LC and BG)	211.64	998.10
<b>Total</b>	<b>218.24</b>	<b>1,828.77</b>

(Rs. in million)

Note No. 22	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
<b>Other Current Assets</b>		
<b>Unsecured, Considered Good, unless otherwise stated</b>		
Advances	42.72	42.15
Service Tax Receivable	41.45	8.97
VAT	1.77	-
<b>Total</b>	<b>85.94</b>	<b>51.12</b>

NOTES FORMING PART OF ACCOUNTS

(Rs. in million)

Note No. 23	For the Year Ended 31 <sup>st</sup> March, 2016	For the Year Ended 31 <sup>st</sup> March, 2015
<b>Revenue from Operations</b>		
Sale of Traded Goods (Net of Custom duty)	37.75	-
Sale of Manufactured Goods (Refer Note No 41) ( Net of Custom duty)	6.57	-
<b>Total</b>	<b>44.32</b>	<b>-</b>
<b>Less : Transferred to Capital Work in Progress (PP Plant)</b>	<b>6.57</b>	<b>-</b>
<b>Net Transferred to Statement of Profit and Loss</b>	<b>37.75</b>	<b>-</b>

(Rs. in million)

Note No. 24	For the Year Ended 31 <sup>st</sup> March, 2016	For the Year Ended 31 <sup>st</sup> March, 2015
<b>Other Income</b>		
Recovery from Contractor/Tender Fee	15.86	111.33
Interest Income [TDS Rs 3.63 Million (PY Rs 9.99 million)]	63.24	110.52
Other Income [TDS Rs 0.06 (PY Nil)]	4.79	1.20
<b>Total</b>	<b>83.89</b>	<b>223.05</b>
<b>Less : Transferred to Incidental Expense During Construction Period (Note No 16.1)</b>	<b>83.29</b>	<b>223.05</b>
<b>Net Transferred to Statement of Profit and Loss</b>	<b>0.60</b>	<b>-</b>

(Rs. in million)

Note No. 25	For the Year Ended 31 <sup>st</sup> March, 2016	For the Year Ended 31 <sup>st</sup> March, 2015
<b>Purchase of Traded Stock</b>		
Domestic	42.41	-
<b>Total</b>	<b>42.41</b>	<b>-</b>
<b>Less : Transferred to Incidental Expense During Construction Period (Note No 16.1)</b>	<b>-</b>	<b>-</b>
<b>Net Transferred to Statement of Profit and Loss</b>	<b>42.41</b>	<b>-</b>

(Rs. in million)

Note No. 26	For the Year Ended 31 <sup>st</sup> March, 2016	For the Year Ended 31 <sup>st</sup> March, 2015
<b>(Increase)/decrease in Stock</b>		
Opening Stock	-	-
Closing Stock	0.56	-
Increase/decrease in Stock	(0.56)	-
<b>Total</b>	<b>(0.56)</b>	<b>-</b>
<b>Less : Transferred to Incidental Expense During Construction Period (Note No 16.1)</b>	<b>-</b>	<b>-</b>
<b>Net Transferred to Statement of Profit and Loss</b>	<b>(0.56)</b>	<b>-</b>

(Rs. in million)

Note No. 27	For the Year Ended 31 <sup>st</sup> March, 2016	For the Year Ended 31 <sup>st</sup> March, 2015
<b>Employee Benefits Expenses</b>		
Salary and Wages	613.07	387.59
Contribution to Provident Fund & Gratuity Fund	38.55	17.05
Staff Welfare Expense	9.12	4.69
<b>Total</b>	<b>660.74</b>	<b>409.33</b>
<b>Less : Transferred to Incidental Expense During Construction Period (Note No. 16.1)</b>	<b>660.74</b>	<b>409.33</b>
<b>Net Transferred to Statement of Profit and Loss</b>	<b>-</b>	<b>-</b>

NOTES FORMING PART OF ACCOUNTS

(Rs. in million)

Note No. 28	For the Year Ended 31 <sup>st</sup> March, 2016	For the Year Ended 31 <sup>st</sup> March, 2015
<b>Finance Costs</b>		
<b>Interest</b>		
- Banks & NBFC	21,750.88	18,787.42
- Others	0.08	0.08
Finance Charges	107.37	411.90
Bank charges	5.10	4.39
<b>Total</b>	<b>21,863.43</b>	<b>19,203.79</b>
<b>Less : Transferred to Incidental Expense During Construction Period (Note No.16)</b>	<b>21,551.73</b>	<b>19,203.79</b>
<b>Net Transferred to Statement of Profit and Loss</b>	<b>311.70</b>	<b>-</b>

(Rs. in million)

Note No. 29	For the Year Ended 31 <sup>st</sup> March, 2016	For the Year Ended 31 <sup>st</sup> March, 2015
<b>Power &amp; Fuel</b>		
Electricity Expense - Site	573.58	356.93
Consumption of Natural Gas	2,394.39	84.93
<b>Total</b>	<b>2,967.97</b>	<b>441.86</b>
<b>Less : Transferred to Incidental Expense During Construction Period (Note No 16.1)</b>	<b>2,967.97</b>	<b>441.86</b>
<b>Net Transferred to Statement of Profit and Loss</b>	<b>-</b>	<b>-</b>

(Rs. in million)

Note No. 30	For the Year Ended 31 <sup>st</sup> March, 2016	For the Year Ended 31 <sup>st</sup> March, 2015
<b>Depreciation and Amortization expense</b>		
Depreciation and Amortization ( Refer Note No 37)	491.57	792.00
<b>Total</b>	<b>491.57</b>	<b>792.00</b>
<b>Less : Transferred to Incidental Expense During Construction Period (Note No 16.1)</b>	<b>189.43</b>	<b>792.00</b>
<b>Net Transferred to Statement of Profit and Loss</b>	<b>302.14</b>	<b>-</b>

(Rs. in million)

Note No. 31	For the Year Ended 31 <sup>st</sup> March, 2016	For the Year Ended 31 <sup>st</sup> March, 2015
<b>Rates Duties and Taxes</b>		
Rates Duties and Taxes	4.05	1.87
<b>Total</b>	<b>4.05</b>	<b>1.87</b>
<b>Less : Transferred to Incidental Expense During Construction Period (Note No 16.1)</b>	<b>4.05</b>	<b>1.87</b>
<b>Net Transferred to Statement of Profit and Loss</b>	<b>-</b>	<b>-</b>

NOTES FORMING PART OF ACCOUNTS

(Rs. in million)

Note No. 32	For the Year Ended 31 <sup>st</sup> March, 2016	For the Year Ended 31 <sup>st</sup> March, 2015
<b>Other Expenses</b>		
Rent	27.30	35.01
DSL Lease rent & Other Charges	71.86	90.77
Conveyance, Tour & Travel	98.99	77.47
Repair to Building	2.94	2.96
Repairs to Machinery	34.56	17.33
Other Repairs	4.77	2.87
Insurance Expense	1.94	0.01
Internal Audit Fees	0.28	0.25
Business Development Expense	5.25	1.51
Training	0.20	0.03
Sponsorship	2.37	4.13
Corporate Social Responsibility	0.12	1.47
Sales and Dist. Expense	0.01	-
Loss, on Sale of Asset	-	0.03
Statutory Audit Fees	0.50	0.32
Security Expenses	49.79	21.74
Water and Electricity Charges	167.97	50.65
Printing and Stationery	2.04	2.36
Expense on assets not owned by Company	1,365.44	73.62
Caretaking Expenses	15.23	10.03
Foreign Exchange Loss	0.05	-
Consumption of Spares	50.51	11.68
Miscellaneous	207.19	101.52
<b>Total</b>	<b>2,109.31</b>	<b>505.76</b>
<b>Less : Transferred to Incidental Expense During Construction Period (Note No. 16.1)</b>	<b>2,100.58</b>	<b>498.02</b>
<b>Net Transferred to Statement of Profit and Loss</b>	<b>8.73</b>	<b>7.74</b>

(Rs. in million)

Note No. 33	For the Year Ended 31 <sup>st</sup> March, 2016	For the Year Ended 31 <sup>st</sup> March, 2015
<b>Prior Period Items</b>		
Depreciation (Refer Note No. 38)	(494.89)	(0.78)
Income Tax	-	0.07
<b>Total</b>	<b>(494.89)</b>	<b>(0.71)</b>
<b>Less : Transferred to Incidental Expense During Construction Period (Note No. 16.1)</b>	<b>(494.89)</b>	<b>(0.71)</b>
<b>Net Transferred to Statement of Profit and Loss</b>	<b>-</b>	<b>-</b>

Annexure to Note No. 32

(Rs. in million)

Miscellaneous Expenses	For the Year Ended 31 <sup>st</sup> March, 2016	For the Year Ended 31 <sup>st</sup> March, 2015
Inward Material Handling Related Expense	0.37	-
Others Factory Exp	0.59	0.19
Hiring Of Cranes	1.69	-
Repair - It Services	25.76	6.08
Operation & Maintenance Expenses	90.14	31.84
Safety Expenses	2.46	0.36
Gen Exp Office	5.65	2.52
Internet Expenses/Data/Dth Expenses	1.18	-
Out of Pocket Expense	1.84	1.55
Advertisement Expenses	27.41	7.03
Canteen Expenses	8.91	5.36
Postage & Telegraph Expenses	0.40	0.23
Telephone Expenses	8.66	5.81
Seminar & Conference Expenses	5.21	6.42
Director Sitting Fees	0.75	0.63
Recruitment Expenses	4.13	12.66
Stipend Expenses	0.39	0.31
Subscription & Membership Expenses	7.98	8.48
Relocation Expense	10.40	5.40
Miscellaneous Expenses	3.27	1.66
Consumption Chemicals Domestic	-	3.39
Consumption Packing Materials Domestic	-	1.60
<b>Total</b>	<b>207.19</b>	<b>101.52</b>

Notes forming integral part Accounts for the year ended 31<sup>st</sup> March, 2016

34. Contingent Liabilities and Commitments (to the extent not provided for)

(Rs. in million)

Particulars	2015-16	2014-15
<b>(I) Contingent Liabilities</b>		
(a) Claims against the company not acknowledged as debt		
- Demand for stamp duty of Rs. 2 million by Deputy Commissioner of Revenue & Stamps for foreign bank guarantee submitted by Samsung Engineering Co. Ltd. (South Korea) and Linde AG (Germany) which is considered as bond eligible for payment of stamp duty. The said stamp duty if ultimately becomes payable has to be paid with 2% penalty p.m. from the date of execution of the document till the date of payment	2.00	2.00
- Professional charges payable to Royal Bank of Scotland (now taken over by HSBC) and N M Rothschild & Sons.	43.50	43.50
- Storage rental charges including interest payable to M/s. GCPTCL for the period June 2015 to 31 March 2016.	383.33	-
- Technimont, SpA, Italy for quantum of loss suffered on different counts (PE swing unit)	2917.29	-
- Technimont, ICB Ltd. for quantum of loss suffered on different counts (PP unit)	1583.20	-
(b) Guarantees:		
- The company has executed a Performance Bond-cum-Legal undertaking in favor of the President of India acting through the Development Commissioner of Kandla, Special Economic Zone and the Specified Officer, binding itself to follow and accept the Special Economic Zone Act and Rules provided thereunder and also the terms, as prescribed in Development Commissioner's Letter of Approval No. KASEZ/P&C/6/28/07-08/7722 Dated.16.10.2007.	23000.00	23000.00
- Guarantees execution for financial obligation in form of Comfort Letters issued	147.62	607.35
<b>(II) Commitments</b>		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for.	11592.89	18238.67
(b) Uncalled liability of shares and other investments partly paid.	-	-
(c) Other Commitments	-	-

### 35. Expenditure incurred in foreign currency:

(Rs. in million)

Sr. No.	Particulars	2015-16	2014-15
1	Capital Goods (CIF basis)	2920.89	1894.02
2	Know - how, professional and consultation fees	19.89	886.98
3	Interest & Finance charges	629.57	574.92
4	Others	41.00	15.11
	<b>Total</b>	<b>3611.35</b>	<b>3371.03</b>

### Earning in foreign currency:

(Rs. in million)

Sr. No.	Particulars	2015-16	2014-15
1	Interest	0.21	10.25

### 36. Payment to the Auditor:

(Rs. in million)

Particulars	2015-16	2014-15
As Auditor	0.50	0.30
For Taxation Matters	-	-
For Company Law Matters	-	-
For Management Services	-	-
For Other Services	0.36	0.17
For Reimbursement of expenses	0.05	0.05

37. During the year, the company has capitalized certain assets under lump sum turnkey (LSTK) contracts as these assets were ready for its intended use. The company has taken over the said assets from the LSTK contractors and insured them pending certification from Project Management Consultant (PMC). For the purpose of capitalization, (direct cost including the impact of change orders) the company has adopted the basis of the contract value of LSTK contracts and has applied the same to the actual cost of respective assets recorded in the books of accounts for segregation between the mechanical part and civil works. In absence of certification by PMC, the completion and acceptance of the said assets is duly certified by Head-projects and approved by Chief Executive Officer of the company.

Accordingly the indirect cost being Incidental expenses during the construction period (IEDC) and interest cost have been capitalized based on the actual cost of respective LSTK assets as arrived above by the company.

38. The company has revised useful life of an asset "Leasehold Land (Development)" from 27 years to 57 years on a consideration that the company has option to extend the lease period for further period of 30 years over primary lease period of 30 years and that the expenditure on development such as land filling need not to be incurred once again. In view of this, the company has written back the excess depreciation of Rs. 494.89 million for the period FY 2011-12 to FY 2014-15. Consequently, the Lease hold Land (Development) for the year is higher by Rs. 494.89 million.

39. The depreciation in respect of asset capitalized has been charged to the Statement of Profit & Loss account from the Commercial Operation Date (COD), declared by the company except certain infrastructure assets in view of materiality concept.

40. The expenditure incurred after the Commercial Operation Date (COD) in respect of assets capitalized during the year is debited to capital work in progress, as the same is not material in nature.

41. During the year the company has sold 100 MT of Poly Propylene generated out of the materials received from the LSTK contractor (M/s Tecnimont). The cost of the same is included in the LSTK contract. Since the separate cost for Poly Propylene is not available in the contract, the sale value is credited to the CWIP value of PP project.

### 42. The disclosure required under Revised Accounting Standard 15 is given as below:

#### a) The total amount recognized in the financial statements is as follows:

(Rs. in million)

Sr. No.	Particulars	Gratuity		Earned Leave		HPL	
		2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
1	Current Service Cost	12.63	4.53	17.41	5.43	9.96	3.50
2	Interest on Obligation	0.80	0.51	0.81	0.33	0.43	0.16
3	Expected return on plan assets	(0.82)	(0.62)	Nil	Nil	Nil	Nil
4	Net actuarial Losses/(-) Gains recognized in year	2.62	0.78	4.85	1.91	0.11	(0.01)
5	Past Service Cost	Nil	Nil	Nil	Nil	Nil	Nil
6	Losses/(Gains) on curtailments and settlement	Nil	Nil	Nil	Nil	Nil	Nil
7	Total included in 'employee benefit expense'.	15.23	5.20	23.07	7.67	10.50	3.65

#### b) The amounts recognized in the balance sheet for post-employment benefit plans are as under:

(Rs. in million)

Sr. No.	Particulars	Gratuity		Leave		HPL	
		2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
1	Present Value of Funded Obligation	26.39	10.70	Nil	Nil	Nil	Nil
2	Present Value of Unfunded Obligation	Nil	Nil	33.30	10.88	16.29	5.78
3	Fair Value of Plan Assets	19.95	9.43	Nil	Nil	Nil	Nil
4	Unrecognized Past Service Cost	Nil	Nil	Nil	Nil	Nil	Nil
5	Net Obligation	6.44	1.27	33.30	10.88	16.29	5.78
6	Liability for Retired employees	Nil	Nil	Nil	Nil	Nil	Nil
7	Total Provision	6.44	1.27	33.30	10.88	16.29	5.78

#### c) Reconciliation showing the movements during the period in the net liability recognized in the balance sheet:

(Rs. in million)

Sr. No.	Particulars	Gratuity		Leave		HPL	
		2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
1	Opening defined benefit obligation	10.70	6.82	10.87	4.35	5.78	2.13
2	Current Service Cost	12.63	4.53	17.41	5.44	9.96	3.50
3	Past Service Cost	Nil	Nil	Nil	Nil	Nil	Nil
4	Interest Cost	0.80	0.51	0.82	0.32	0.43	0.16
5	Actuarial losses/(gains)	2.97	0.65	4.85	1.91	0.12	(0.01)
6	Exchange differences on foreign plans	Nil	Nil	Nil	Nil	Nil	Nil
7	Benefits paid	(0.72)	(1.81)	(0.65)	(1.14)	Nil	Nil
8A	Current Obligation	0.53	0.48	1.15	0.75	1.05	0.60
8B	Non-Current Obligation	25.85	10.22	32.15	10.13	15.24	5.18
	Total (8A+8B)	26.38	10.70	33.30	10.88	16.29	5.78

#### d) Statement of Reconciliation of balance of Fair Value of Plan Assets in respect of Gratuity:

(Rs. in million)

Particulars	2015-16	2014-15
Fair Value of Plan Asset at Beginning	9.43	7.04
Expected Return on Plan Assets	0.83	0.62
Contribution by employer	10.23	3.75
LIC Charges	(0.17)	(0.04)
Benefits Paid	(0.72)	(1.82)
Actuarial (gain)/loss on Plan Assets	0.35	(0.13)
Fair Value of Plan Asset at the end of the year	19.95	9.43

## e) Principal actuarial assumption at the balance sheet date (expressed as weighted average) :

(Rs. in million)

Sr. No.	Particulars	Gratuity	Earned Leave and HPL
1	Discount rate (%)	8.00	8.00
2	Expected return on plan assets (%)	8.35	-
3	Annual Increase in Salary (%)	10.00	10.00

## f) Other Disclosures

(Rs. in million)

Gratuity Provision	2015-16	2014-15	2013-14	2012-13	2011-12
Experience adjustment on plan liabilities (loss)/gain	(2.97)	(0.65)	(0.20)	0.06	0.06
Experience adjustment on plan assets (loss)/gain	0.35	(0.15)	0.08	0.03	0.08

Leave Provision	2015-16	2014-15	2013-14	2012-13	2011-12
Experience adjustment on plan assets (loss)/gain	7.03	(1.91)	(0.92)	0.43	0.71

Category of Plan Assets of Gratuity Trust	% of Investment as at	
	As at 31.03.16	As at 31.03.15
Administered by Life Insurance Corp. (LIC)	100.00	100.00
Total	100.00	100.00

## 43. Details of Goods Traded

Description of Goods	Purchase		Sale	
	Quantity MT	Rs. in million	Quantity MT	Rs. in million
Poly Propylene	500	42.41	492	37.75

## 44. Segment reporting

Since the company is in project stage, the company does not have any reportable segment.

## 45. Related Party Disclosures

### Related parties

Name of the Party	Nature of Relationship
Oil & Natural Gas Corporation Limited (ONGC)	Joint Venturer
Gail (India) Ltd. (GAIL)	Joint Venturer
Gujarat State Petroleum Corporation Ltd. (GSPC)	Joint Venturer
Dahej SEZ Limited (DSL)	Common Directorship
Mangalore Refinery & Petrochemical (MRPL)	Common Directorship
Mr. K. Satyanarayana(CEO)	Key Managerial Person (KMP)
Mr. Trinath Behera (CFO) (1 <sup>st</sup> July15 to 31 <sup>st</sup> March16)	Key Managerial Person (KMP)
Mr. Rajendra Parakh (CFO) (1 <sup>st</sup> April 15 to 30 <sup>th</sup> June 15)	Key Managerial Person (KMP)
Mr. Subodh Prasad Pankaj (Company Secretary)	Key Managerial Person (KMP)
Mr. Santosh Kumar Kotipali	Relative of Key Managerial Person

## Transactions with related parties

### a) With Joint Venture

(Rs. in million)

Particulars	ONGC		GAIL		GSPC	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
Reimbursement of Expenses on behalf of OPaL	118.10	125.87	5.10	4.57	Nil	Nil
Reimbursement of Expenses by ONGC	0.15	Nil	Nil	Nil	Nil	Nil
Share application money received	Nil	7505.52	Nil	Nil	Nil	Nil
Share application money Refunded	7505.52	6709.24	Nil	Nil	Nil	Nil
Purchase of Gases	Nil	Nil	Nil	23.87	297.16	11.01
Money received against Share Warrant	18739.50	Nil	Nil	Nil	Nil	Nil

### b) With Key Managerial Person (KMP)

(Rs. in million)

Details of Transaction with KMP	FY 2015-16	FY 2014-15
Remuneration of CEO (K. Satyanarayana)	3.61	3.10
Remuneration of CEO (Dr.P.S.V. Rao)	0.00	0.76
Remuneration of CFO (Trinath Behera 01.07.2015 to 31.03.2016)	3.21	0.00
Remuneration of CFO (Rajendra Parakh 01.04.2015 to 30 <sup>th</sup> June 2015)	0.83	0.38
Remuneration of CFO (S P Bandhopadhyay)	0.00	4.54
Remuneration of Company Secretary (Subodh Prasad Pankaj)	2.89	2.30

### c)

#### 1. Dahej SEZ

(Rs. in million)

Details of Transaction	FY 2015-16	FY 2014-15
Lease Rent & DSL Charges	69.50	93.37
Other Advance	0.00	0.57
<b>Total</b>	<b>69.50</b>	<b>93.94</b>

#### 2. Other

(Rs. in million)

Details of Transaction	FY 2015-16	FY 2014-15
Mangalore Refinery & Petroleum Ltd. (Reimbursement for Manpower)	5.69	5.96
Mrs. Dipti Benerjee (Veh Hire Chrg)	0.00	0.35
Remuneration of Mr. Santosh Kotipali (Relative of KMP)	0.19	0.00

## Related Party Balances :

### Oil & Natural Gas Corporation Limited

(Rs. in million)

Particulars	2015-16	2014-15
Balance of Share Application Money Pending Allotment	Nil	7505.52
Balance of Share Warrant Pending Allotment	18739.50	Nil
Balance of reimbursement of Expenses	48.65	67.10

### Gail (India) Ltd.

(Rs. in million)

Particulars	2015-16	2014-15
Payable on account of reimbursement of Expenses	14.08	1.12
Balance of Security Deposit paid by OPaL	1.80	1.60
Other Advances paid by OPaL	Nil	0.01

## Dahej SEZ Limited

(Rs. in million)

Particulars	2015-16	2014-15
Advance rent paid by OPaL for ROU	0.73	0.90
Balance of Security Deposit paid by OPaL	0.45	0.65
Provision for Lease Rent payable to DSL	64.03	63.38

## Mangalore Refinery and Petrochemicals Limited

(Rs. in million)

Particulars	2015-16	2014-15
Liability for reimbursement of Expense	0.45	0.43

## Gujarat State Petroleum Corporation Limited

(Rs. in million)

Particulars	2015-16	2014-15
Liability for purchase of Gas	128.32	0.00

## 46. Disclosure under Accounting Standard - 19 on "Leases":

The company has certain office/residential premises on Operating Lease which are cancellable by giving appropriate notice as per the respective agreements. During the year Rs. 27.40 million (Previous year Rs. 35.01 million) had been paid towards cancellable operating Lease.

## 47. Earnings Per Share :

The company reports basic and diluted earnings per equity share in accordance with AS-20, 'Earning per Share'. Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity share outstanding during the year.

Diluted earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the year after adjusting for the effects of all dilutive potential equity shares.

Particulars	Unit	2015-16	2014-15
Net Profit/(Loss) after Tax	Rupees in million	(1,040.20)	(7.74)
Weighted average number of Equity Shares	No. of Shares	2021929671	2021929671
Basic Earnings Per Share	Rupees	(0.51)	(0.01)*
Net Profit/(Loss) after Tax	Rupees in million	(1,040.20)	(7.74)
Weighted average number of Equity Shares	No. of Shares	2021929671	2021929671
Weighted average number of Potential Equity Shares	No. of Shares	904416530	6711421589
Total Weighted average number of Equity Shares	No. of Shares	2926346201	8733351260
Diluted Earnings per Share	Rupees	(0.36)	(0.01)*

\* Less than Rupee 0.01 per share, hence shown as 0.01

## 48. Disclosure under Micro, Small and Medium Enterprise Development Act, 2006 :

Company had sought confirmation from the vendors whether they fall in the category of Small and Medium Enterprises. Based on information available, the disclosure under Small and Medium Enterprise Development Act, 2006 is given below.

(Rs. in million)

Particulars	2015-16	2014-15
a) Principal amount remaining unpaid but not due as at year end	15.96	10.89
b) Interest due thereon as at year end	Nil	Nil
c) Interest paid by the company in terms of section 16 of Micro, Small and Medium Enterprise Development Act, 2006 along with the amount of the repayment made to the supplier beyond the appointed day during the year.	Nil	Nil
d) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	Nil	Nil
e) Interest accrued and remaining unpaid at the end of the year	Nil	Nil
f) Further Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise	Nil	Nil

49. The expenditure which are not directly attributable to project have been charged to statement of Profit and Loss. Further, variances on account of foreign currency transaction / translation arising in respect of contracts awarded by Company for specific capital works, the same has been considered as cost of respective contract to which it relates.

50. In the opinion of the Management and to the best of its knowledge and belief, the value on realization of current assets, loans, advances and payment for currency liabilities and provisions in the ordinary course of business would not be less/ more, than the amount at which they are stated in the Balance Sheet.

51. The company has formed a Corporate Social Responsibility (CSR) committee. In absence of profit, the company is not required to spend any amount towards the same. However, the company has spent Rs. 0.12 million (Rs. 1.47 million) during the year.

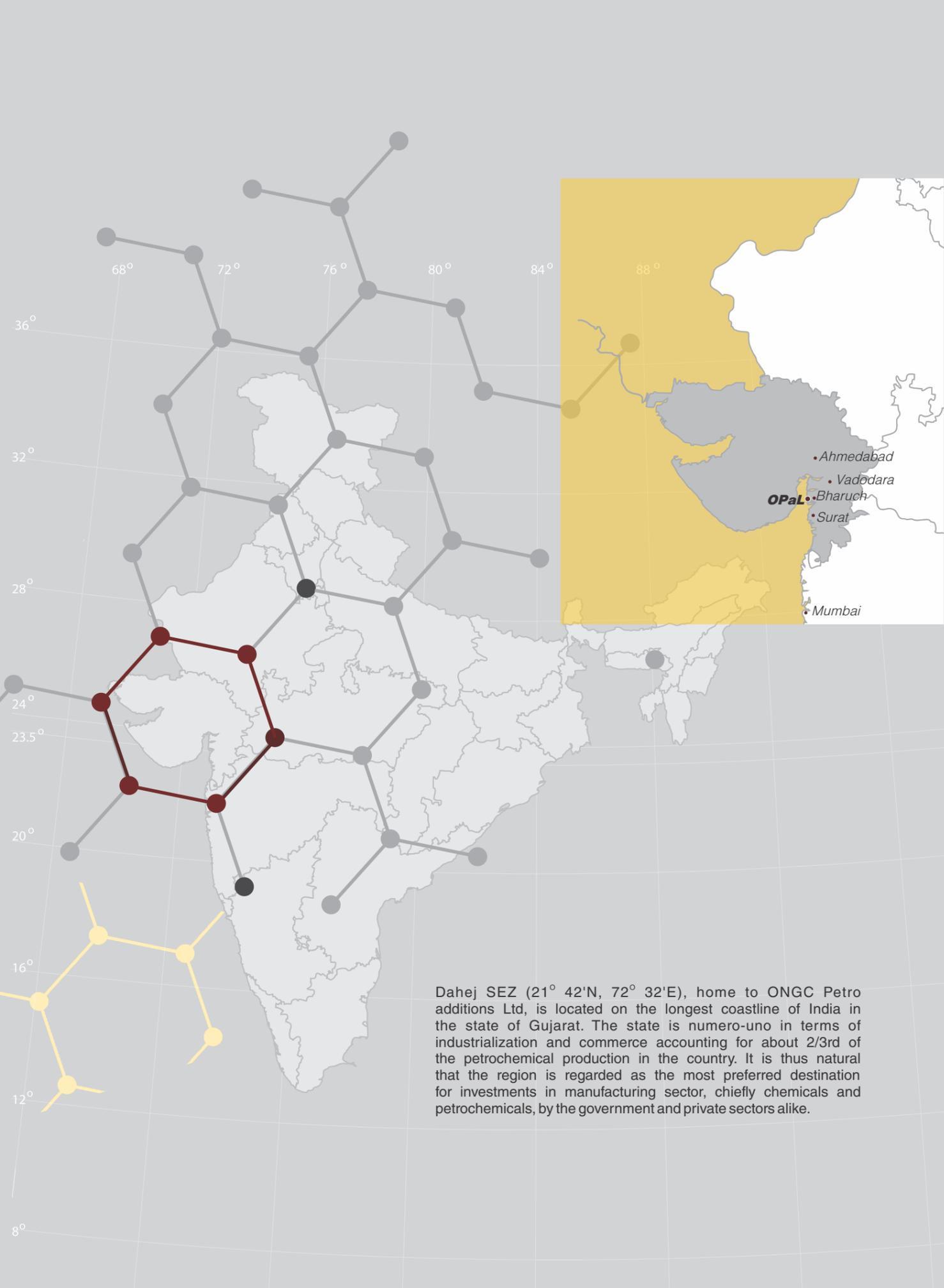
52. In view of expected sales in foreign currency in ensuing years, being natural hedge, the foreign currency exposure as detailed below are not hedged by derivative instruments or otherwise.

(Rs. in million)

Particulars	As at 31 <sup>st</sup> March, 2016		As at 31 <sup>st</sup> March, 2015	
	Foreign Currency	Equivalent INR	Foreign Currency	Equivalent INR
<b>Import Creditors</b>				
USD	2.83	188.70	12.11	763.66
GBP	0.11	10.30	0.21	19.63
Euro	2.41	182.63	5.38	368.10
JPY	-	-	22.22	11.69
<b>Total</b>		<b>381.63</b>		<b>1163.08</b>
<b>ECB</b>				
USD	228.00	15223.56	220.00	13873.26
Less: Bank Balance	0.01	0.85	0.00	0.00
<b>Total</b>		<b>15222.71</b>	<b>220.00</b>	<b>13873.26</b>

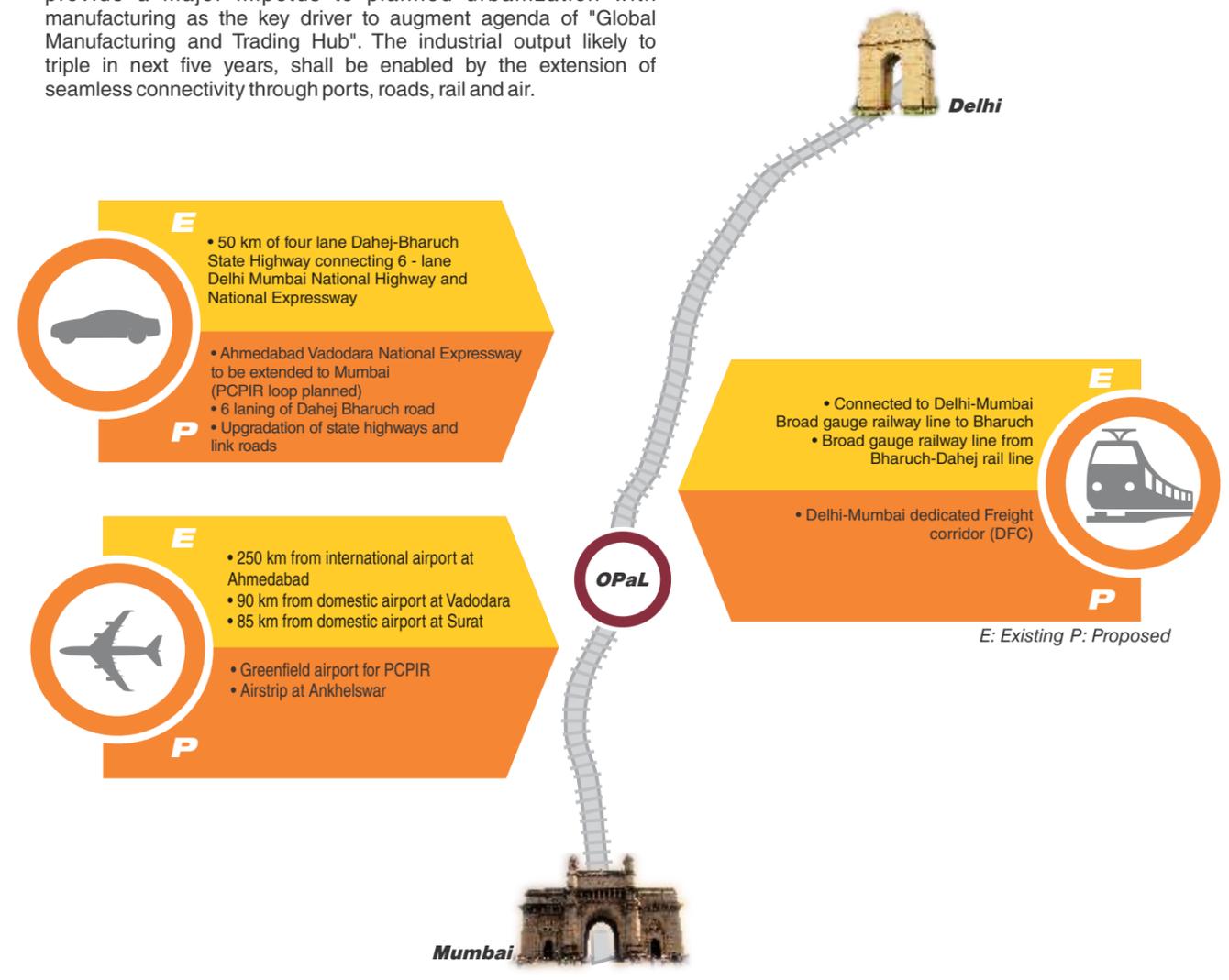
53. a) Previous year's figures have been regrouped /reclassified wherever necessary to conform to current year's presentation

b) Figures in bracket as given in Notes to Accounts relates to the previous year.



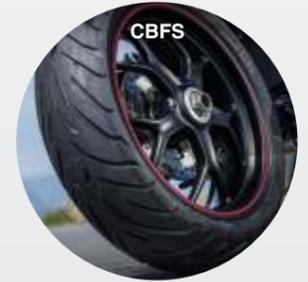
Delhi - Mumbai Industrial Corridor (DMIC), India's most ambitious infrastructure project aims to develop 'Smart Cities' converging next generation technologies across manufacturing and infrastructure sectors. The project, in partnership with Japan, will provide a major impetus to planned urbanization with manufacturing as the key driver to augment agenda of "Global Manufacturing and Trading Hub". The industrial output likely to triple in next five years, shall be enabled by the extension of seamless connectivity through ports, roads, rail and air.

### Seamless Connectivity





# The capacity to lead the Polymer Revolution



ONGC - Naphtha Hazira & Uran



PLL - Rich LNG



ONGC C2/C3 Extraction Plant

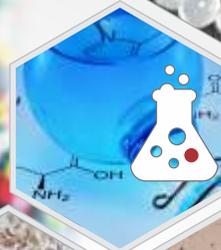


OPaL Petrochemical Complex





**POLYPROPYLENE**  
(340 KTPA)



**PyGas**  
(165 kTPA)



**DEDICATED  
HIGH DENSITY  
POLYETHYLENE**  
(340 kTPA)



**CBFS**  
(70 kTPA)



**SWING HIGH /LINEAR  
LOW DENSITY  
POLYETHYLENE**  
(720 kTPA)



**BENZENE**  
(150 kTPA)



**BUTADIENE**  
(115 kTPA)



## ONGC Petro additions Limited

**CIN: U23209GJ2006PLC060282**

### REGISTERED OFFICE

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Phone : 0265-6192600, Fax No. 0265-6192666

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