Tamilnadu Petroproducts Limited

e-mail: secy-legal@tnpetro.com

Secy / 32nd AGM / 2016-17

25th July 2017

The General Manager
Listing Department
BSE Limited
Corporate Relationship Department
1st Floor, New Trading Ring
Rotunda Building, PJ Towers
Dalal Street, Fort, Mumbai – 400 001

Scrip code: 500777

The Listing Department
National Stock Exchange of India Ltd
Exchange Plaza, 5th Floor
Plot No: C/1 'G' Block
Bandra – Kurla Complex
Bandra (E)
Mumbai – 400 051

Scrip Id: TNPETRO

Dear Sir,

Sub: Annual Report for the year 2016-17 – Under Regulation 34 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015.

With reference to the above, we are forwarding herewith the soft copy of the **ANNUAL REPORT FOR THE YEAR 2016-17** for your reference and records.

Thanking you,

Yours faithfully,
For Tamilnadu Petroproducts Limited

D Hem Senthil Raj
Company Secretary & Compliance Officer
M No: F8366

Encl: as stated

TAMILNADU PETROPRODUCTS LIMITED

32ND ANNUAL REPORT
2016-17

TPL

Board of Directors*

Atulya Misra, I.A.S	DIN:02210369	Chairman
Ashwin C Muthiah	DIN:00255679	Vice Chairman
C Ramachandran, I.A.S (Retd)	DIN:00050893	Director
N R Krishnan, IAS (Retd)	DIN:00047799	Director
Dhananjay N Mungale	DIN:00007563	Director
Dr K U Mada	DIN:00011395	Director
Kulbir Singh	DIN:00204829	Director
Sashikala Srikanth	DIN:01678374	Director
T K Arun	DIN:02163427	Director
R Karthikeyan	DIN:00824621	Director
D Senthikumar	DIN:00202578	Whole Time Director (Operations)
K T Vijayagopal	DIN:02341353	Whole Time Director (Finance) & CFO

* As on 16th May 2017

Company Secretary
D Hem Senthil Raj

Registered Office & Factory
Manali Express Highway
Manali, Chennai – 600 068
Tel: 25945588, Fax: 25945588
CIN:L23200TN1984PLC010931
E Mail: secy-legal@tnpetro.com, Website: www.tnpetro.com

Registrar & Share Transfer Agent (RTA)
Cameo Corporate Services Limited
"Subramanian Building", 1, Club House Road
Chennai – 600 002

Auditors
Deloitte Haskins & Sells
Chartered Accountants,
ASV N Ramana Towers,
52, Venkatanarayana Road,
T Nagar, Chennai – 600 017.

Cost Auditor
Krishnaswamy & Co
Flat 1K, Ramaniyam Ganga,
Door No: 27-30, First Avenue,
Ashok Nagar, Chennai – 600 083.

Secretarial Auditor
B Chandra
Company Secretaries,
AG3, Ragamalika,
No: 26 Kumaran Colony Main Road,
Vadapalani, Chennai – 600 026.

Internal Auditors
Sundar Srini & Sridhar
Chartered Accountants,
1st Floor, New No: 9 Rajamannar Street
T Nagar, Chennai – 600 017

Bankers
IDBI Bank Ltd
IndusInd Bank Ltd
State Bank of India
The Federal Bank Ltd

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DIRECTORS' REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS REPORT TO THE SHAREHOLDERS

Dear Shareholders,

Your Directors have pleasure in presenting the Thirty Second Annual Report on the business and operations of the Company and the audited Statement of Accounts for the year ended 31st March 2017.

FINANCIAL SUMMARY (STANDALONE OPERATIONS):

(INR In crore)

Particulars Description	**2016- 2017**	2015-2016
Earnings Before Interest and Depreciation	**67.06**	12.76
Interest	**34.35**	14.74
Depreciation	**15.76**	17.58
Exceptional Item	**25.00**	57.71
Profit Before Tax	**41.96**	38.15
Tax expenses	**32.40**	-
Profit after tax	**9.55**	38.15

OPERATIONAL HIGHLIGHTS AND PRODUCT-WISE PERFORMANCE

During the year under review revenue from operations was ₹1010.54 crore vis a vis ₹793.55 crore in FY 2015-16. Operating profit for the year was at ₹ 67.06 crore compared to previous year figure of ₹12.76 crore. Significant improvement in Operating profit was achieved mainly on account of managing optimum production, maintaining near zero inventory level of finished goods and reduction of costs through Normal Paraffin capacity revamp. Net profit for the year was at ₹9.55 crore Vis a Vis ₹38.15 crore in the previous year. It may be recalled that the profit for the year 2015-16 included exceptional items such as sale of property. Further the profit for the year under review is lower due to higher tax provision relating to earlier years.

Crude prices continued to remain volatile ranging from USD 55 per barrel to USD 45 per barrel impacting the topline as well the raw material costs. However through better strategy the Company managed to achieve higher margins compared to the previous year.

Linear Alkyl Benzene (LAB) product currently contributes to almost 90% of revenues for the Company and continous efforts are put in to improve both on production and marketing fronts. The Phase II of Normal Paraffin (NP) revamp work was completed in October 2016 which helped in increasing the feed processing rate and improved NP production.

The Chlor Alkali Division producing Caustic Soda and Chlorine had to be operated at a reduced load mainly on account of lower demand and disposal issues of Chlorine. Various cost cutting measures have been taken to bring down the cost of production. Despite the Chlor alkali division's operation remaining at lower levels, the caustic production was still 24% higher than the previous year.

During the month of December 2016, cyclonic storm 'Vardha' hit Chennai causing damages. Aportion of the roof sheets and insulation material in the columns were blown off in the factory. Many trees were uprooted causing obstruction to normal movement for a few days. Consequent to this, the Chlor Alkali division had to be shut-down for nearly 10 days due to non availability of power. However, LAB plant was operated at a lower capacity using captive power generators. The Company has made appropriate insurance claims for the damages..

ECH to PO Conversion:

The operation of ECH plant remains shut down since April 2013 on account of continuous losses incurred. As indicated in the earlier years' reports, steps have been taken to utilise the existing facilities available in the ECH Plant for manufacture of Propylene Oxide (PO), which is the input for Polyols. Environment Clearance form Ministry of Environment, Forest and Climate Change (MOEFCC) has already been obtained and Consent to Establish (CTE) has also been received from Tamilnadu Pollution Control Board (TNPCB).

The Basic Engineering and detailed engineering work has been completed. At present, civil works are in progress at the site. A project subcommittee has been constituted by the Board to monitor the progress of the project and aid in reduction of cost and timely completion. The project is expected to be commissioned by the end of the financial year 2017-18.

Financial Review

During the year while the finance cost for operations was much lower at ₹8.62 crore against the previous year's₹14.74 crore. However, the total finance cost is higher due to provision for interest on income tax relating to earlier years.

The company has been reaffirmed with ratings of CARE BBB- signifying 'low credit risk' for long-term bank facilities and short-term bank facilities with outlook stable and this is expected to improve further considering the performance achieved during the year.

DIVIDEND

In order to conserve resources, the Board of Directors had not recommended any dividend for the financial year 2016-17.

INDUSTRY STRUCTURE AND DEVELOPMENTS

Your Company has two manufacturing units viz., Linear Alkyl Benzene (LAB), Chlor Alkalis comprising Caustic Soda & Chlorine.

Linear Alkyl Benzene (LAB) is a family of organic compounds used in the manufacture of household and industrial cleaning agent.. It's appearance is colourless oily liquid with a density 0.8628 g cm-3 and boiling point of 282-302 °C. LAB, the material used to produce Linear Alkyl Benzene Sulfonate (LAS) and other applications, is derived exclusively from petroleum derivatives: benzene and linear paraffins. LAB are compounds that have significant commercial importance and enjoys a good demand from the detergent industry. The applications for LAS have been further segmented on the basis of end use namely heavy duty laundry liquids, light duty dish

washing liquids and laundry powders, industrial and household cleaners. Detergent industry is expected to grow at a fast pace due to both population increase and lifestyle changes. LAB are more easily biodegradable than branched alkyl benzenes. LAB have essentially replaced branched alkyl benzenes in detergents and other products. In particular long alkyl chains, such as chains having about 10 to 14 carbons are commonly used.

Historically, linear alkyl benzenes are manufactured commercially using classic Friedel-Crafts condensation employing catalysts such as aluminium chloride, or by using strong acid catalysts such as hydrogen fluoride, for example, to alkylate benzene with olefins. In 1995, a solid bed alkylation process, the Detal® process, using a solid non-corrosive acid catalyst was introduced. While such methods produce high conversions, the selectivity to the 2-phenyl isomer typically is about 30 percent or less.

Huntsman Corporation, CEPSA Quimica, S.A., Quimica Venoco, CA, Sasol North America and Repsol-YPF, Jin Tung Petrochemical, Unggul Indah Cahaya are some of the leading producers of LAB in the world.

The Indian industry made a modest beginning in 1978 with the commissioning of first LAB plant at Vadodara. Subsequently, Tamilnadu Petroproducts Limited (TPL), Reliance Industries Ltd (RIL) and Nirma Ltd set up facilities for the manufacture of LAB. Indian Oil Corporation Ltd (IOC) commissioned a plant of capacity of 120 KTA in August 2004. The 2017-18 production capacity of LAB in India is projected at 450KTA with demand pegged for 2017-18 at 579 KTA.

Growth in household detergents is driving demand for LAB produced from kerosene-derived normal paraffins. Some LAB also find minor use as solvent and binder in speciality applications, as for instance in cable oil, ink industry, paint, insulating and electricity.

All the major manufacturers of LAB in India, including TPL, have adopted the technology from UOP, USA, which is considered superior to the other processes involving chlorination. The cost of production of LAB in India had been relatively higher than the international standards mainly on account of higher cost of kerosene and quality issues relating to the feedstock.

Earlier, domestic demand for LAB was being met fully through indigenous sources and a substantial quantity was being exported. During the last three years, LAB imports in India were more than 2 lakh tons. The sudden spurt in LAB imports into India in the recent years is partly attributable to economic slowdown witnessed abroad and the creation of surplus capacities in the Middle East. The domestic players could not compete with the overseas suppliers who have modern facilities with large capacity build ups which ensured very low cost production as compared to the cost structure of TPL.

Caustic Soda, a most commonly used industrial chemical, finds wide applications in textile, pulp & paper, aluminium, soaps & detergents industries. The capacity in India is approximately35 lakh tons with a capacity utilization of around 70%. The demand is expected to grow by about 5 % year on year. India has enough capacity to meet the domestic demand but due to dumping from overseas, the capacity utilization has been low.

Chlorine, a co-product of Caustic Soda is widely used in sectors like Vinyl chloride, Chlorinated paraffin wax (CPW), pulp and paper, water purification, chlorinated solvents, etc. Chlorine demand will be a major driver for Chlor-alkali capacity utilisation and the reason for low capacity utilization is due to inadequate opportunity for Chlorine utilization, lack of integrated plants, and downstream chlorine utilization projects.

OPPORTUNITIES AND THREATS

Concern about hygiene and improved standard of living has helped in considerable improvement of market conditions. This has helped the detergent markets to reach remote areas, with the facility of visual advertisements. Moreover, consumers have the privilege of choosing from a wide variety of product range and hence the companies are constantly upgrading their products and make every effort to bring the innovative advertising campaign to increase their share in the global market. Since these companies target the bottom of the pyramid market, there is a huge potential for the LAB industry to grow.

However, India being an attractive market it is targeted by the overseas LAB players which has resulted in increased imports to India. Addition of new plants in the Middle East is a big threat to the LAB market in India. Also, a new plant set up in Bangkok about a year ago, is seen as a major threat to the Company in the form of increased imports. Chennai being the nearest port, these will have an impact on domestic pricing.

Crude prices continues to be volatile and uncertain. This had its own impact on the topline/revenue and as well raw material cost of the Company. Imports from China, Thailand and Middle East continue to be a threat. The Company through prudent inventory management is minimizing the risk associated with the crude price.

Caustic Soda continues to be an important industrial intermediary finding application in many industries. With the demand for textiles and apparels increasing on account of urbanization and larger spending on personal effects, the market for Caustic Soda is expected to grow further. However, unabated increase in cost of power is curbing the profitability of the domestic manufacturers. Because of the erratic weather conditions, salt prices are unpredictable. India has adequate capacity to meet domestic demand of caustic soda, because of the heavy imports at low price from other countries, the industry is operating at relatively low margin.

Significant capacity changes are expected in the caustic soda market at the end of the year 2017 with several large chlor alkali plants due to be closed as a result of phasing out of mercury cell technology in Dec 2017. Europe market is expected to be more tighter from late 2017, which could be balanced by higher plant run rates.

The per capita consumption of Chlorine in India is stated to be around 1.85 kg vis a vis 13 kg in China and hence there exists good growth opportunities. However, this could happen only if substantial investments are made in the vinyl industry, the key end-user of the product. Downstream PVC Industry in India is growing @ 10% (YOY in 2016-17) but not utilizing domestic chlorine on account non-availability of petro-chemical feedstock. In a year, nearly 30% of the PVC domestic demands are met by imports. India continues to be one of the largest importers of EDC & VCM i.e. indirect imports of chlorine leading to low utilization of domestic chlorine. The problems of storage and disposal of Chlorine during peak demand for Caustic Soda are the major limiting factors for both the products. “Mis-matched” demand for

Caustic and Chlorine sets the price trend for the product and the realisations are affected considerably.

OUTLOOK

LAB

TPL has established itself as a major contributor in the LAB market, despite increasing LAB imports year on year, TPL has been offering its best possible service to its customers and keeping the customer base intact. TPL has been able to sustain its market share across pan-India with a predominant role in southern part of India.

TPL during the year increased the N-Paraffin production capacity further to cut down imports and thereby reduced the operating costs significantly.

During the year, the Ministry of Commerce had approved Anti Dumping Duty for LAB arrivals into India originating from China, Qatar and Iran. This measure should be expected to improve the LAB prices in the near term. However the import volumes from Saudi Arabia are still a concern but it is not expected to have major impact in South India in terms of volumes.

Caustic Soda / Chlor alkali

The Global Caustic Soda growth is expected to be 3.2% by 2018. Alumina and pulp & paper sectors, major consumers of Caustic Soda, have been impacted by the global economic scenario. It has been stated that the growth in many of the developed regions would be slow. On the other hand, with the ongoing expansion projects abroad, the caustic soda availability from the USA, Asia and the Middle East will be further affected with likely increase in imports into India, which had already been affected by further large imports.

It has been reported that the Indian industry is capable of meeting its domestic demand but because of high input costs and poor infrastructure, it is not competitive internationally. It is also faced with the dumping of cheap imports from other countries like Iran, Saudi, Korea RP, Japan, etc. where power is available at a lower cost. In order to face this competition TPL is focusing on reduction of power consumption and power cost. However, under the present conditions TPL may not be able to go in for integration and hence the long-term prospect of the HCD would largely depend on the success of the cost cutting efforts taken by the Company. The Company is exploring the option to switch over from monopolar to bipolar technology which will result in saving by means of reduced power consumption.

RISK AND CONCERNS

As mentioned above, the import of LAB, Caustic Soda and indirect form of Chlorine is the major risk faced by TPL. Due to bulk discounts offered to the customers to ensure steady supply, LAB realisation could come down. The uncertainty emanating from the normal paraffin imports is yet another major risk to the company, but with the expansion of the in-house NP capacity, this risk has been mitigated to a larger extent However, the inconsistent TNP content of LABFS from CPCL and issues faced by refineries in evacuation of kerosene due to fall in consumption of PDS kerosene across the country is are posing a threat for availability of kerosene for n-paraffin production. This could result in higher import of normal paraffin for better productivity, although at a higher cost.

Chlor Alkali Division of TPL is a power intensive industry and hence the renewable purchase obligation, which is being challenged by the Company at the appropriate forum, could be a dampener in its efforts to bring down the power cost. Continuous dip in the chlorine prices, soaring cost of salt and transportation are adding to the woes.

SAFETY, HEALTH & ENVIRONMENT

Adequate safety standards have been prescribed and followed by the Company without compromise. Prime importance is given to protection of the employees, plant & machinery and environment at all times.

- There were no reportable incidents/accidents during the year 2016-17.
- Your Company celebrates National Safety Day every year with true spirit and several competitions were conducted for employees and contractors so as to enhance their awareness of the safety measures and Prizes were distributed to winners.
- World Environment Day is also celebrated each year and Tree Plantation programmes organised for planting saplings as part of green initiative to promote carbon offset. Some of the uprooted trees due to the impact of Vardah cyclone were replanted and their survival ensured.

SUBSIDIARIES

As at the year end, your Company had one Wholly Owned Subsidiary (WOS) and two Step Down Subsidiaries (SDS), all of which are incorporated outside India. The financials of all these subsidiaries have been consolidated and the financial and other information have been furnished in the Consolidated Financial Statement (CFS) attached to this Report.

Certus Investment and Trading Ltd., and its wholly owned subsidiaries

Your Company established Certus Investment and Trading Ltd. (CITL), Mauritius as its WOS to serve as a Special Purpose Vehicle (SPV) to set up LAB and NP projects in the Middle East and South East Asia.

CITL also established CITL (S) Pte. Ltd. in Singapore to function as a coordinator for TPL's overseas procurement and marketing activities.

Proteus Petrochemical Private Ltd. (Proteus) is a subsidiary of CITL formed for setting up a Normal Paraffin (NP) project in Singapore. The proposal is to establish a green-field NP project plant along with associated utilities and off-sites. The project has run into certain problems and hence there has been delay in completing it on schedule. The Company is examining further as to what action to be taken in this regard.

During the year the subsidiaries have not undertaken any major activity and the Company is exploring actions to be taken in this regard.

The policy on material subsidiaries is given in the website of the Company http://tnpetro.com/corporate-governance-policies /

HUMAN RESOURCES

Management strongly believes that the strength of your Company is directly proportional to the strength of its employees in terms of the knowledge, experience, analytical and decision making

skills. Your Company has been practising various HR initiatives such as recognition, empowerment, personality development, decentralization of delegation of powers etc., to retain the talents and to enhance their capabilities. A balanced staffing system has been adopted in your Company wherein competent fresh talents have been infused into the stream of experienced hands.

The training needs of employees have been identified at regular intervals through performance appraisal systems and necessary training is being imparted through in-house and external programmes.

The manpower strength as on 31st March 2017 was 368.

Details of Loans, guarantees or investments

Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 form part of the Notes to financial statements provided in this Annual Report.

Fixed Deposits

Your company has not accepted any deposits from the public during the year under report.

Particulars of contracts or arrangements made with related parties

During the year under review, there were no transactions with related parties referred to in Section 188(1) of the Companies Act, 2013. The policy on transactions with related parties framed by the Audit Committee of the Company is published in the website of the Company viz.,http://tnpetro.com/corporate-governance-policies/.

Audit Committee

The details are furnished under the Corporate Governance Report (CGR) annexed to this Report. All the recommendations of the Committee were accepted by the Board.

Vigil Mechanism

As required under Section 177 of the Act and Regulation 22 of the SEBI (Listing Obligations & Disclosure Requirements)Regulations 2015, the Company has established a vigil mechanism for directors and employees to report genuine concerns through the Whistle Blower Policy of the Company as published in the website of the Company. As prescribed under the Act and the Listing Regulations, provision has been made for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases.

Risk Management Policy

The Company has over the years developed a frame work for risk management and laid down procedures to keep the Board members informed of the risk assessment and mitigation measures. A risk management plan has been framed,implemented and monitored by the Board. As required under Section 177 of the Act, the Audit Committee also reviews the risk management process periodically.

As part of the risk management plan, TPL has two employee-level Committees viz., a sub-committee and an Apex Committee which is headed by the Whole-time Director (Operations) to review and assess the risks that could affect the Company's business. The sub-committee brings out the matters that could affect the operations and they are reviewed by the Apex Committee, which determines issues that could become business risk. The mitigation actions are also suggested by the Committee and the report of the Risk Controller is submitted to the Risk Management Committee of Directors (RMC), constituted in compliance with the erstwhile listing regulations. Though it is not mandatory for the Company to have the RMC under the extant Regulations, considering the importance of the matter the Board has continued with the Committee, which comprises Ms. Sashikala Srikanth as Chairman and Mr. T K Arun and Mr. D Senthikumar as the Members. The RMC meets periodically reviews the report of the Risk Controller and the recommendations are presented to the Board for final decision/guidance.

In the opinion of the Directors, unabated import of LAB into India is a major risk for the Company that could affect its profitability. High cost of power coupled with policy interpretations related to power cost are yet another concern for the Company, especially for the Chlor Alkali Division.

Board of Directors and related disclosures

The Board comprises twelve directors of whom six are independent, including a woman director. All the Independent Directors have furnished necessary declarations under Section 149 (7) of the Act and as per the declarations they meet the criteria of independence as provided in Section 149 (6) of the Act.

The Board met six times during the year under review and the relevant details are furnished in the CGR

The Board has approved the Remuneration Policy as recommended by the Nomination and Remuneration Committee (NRC) which inter alia contains the criteria for determining the positive attributes and independence of a director as formulated by the NRC. The policy on remuneration is available in the website of the Company viz.,http://tnpetro.com/corporate-governance-policies/.

During the year under review, Mr. CV Sankar, IAS demitted his office as Chairman and Director effective 4th August 2016 consequent to his superannuation on 30th July 2016. Mr. Vikram Kapur, IAS was appointed as an Additional Director and Chairman effective 10th October 2016 and held office till 3rd April 2017. Mr. Atulya Misra, IAS has been appointed as the Chairman and Director effective 10th April 2017 and he holds office till the ensuing Annual General Meeting The proposal for his appointment as a Director of the Company and requisite notice and deposit have been received under Section 160 of the Act, for his appointment as a Director at the AGM.

The Board wishes to place on record its appreciation to Mr. CV Sankar, IAS and Mr. Vikram Kapur, IAS for their services during their tenure as Chairman and Director of the Company.

At the meeting held on 30th May 2016, Mr. R. Balaji was appointed as Chief Financial Officer of the Company under Section 203 of the Companies Act, 2013 who separated from the Company on 4th August 2016. Mr. K.T Vijayagopal, Wholetime Director (Finance) was designated as Chief Financial Officer in addition to his role as Wholetime Director (Finance) effective 5th August 2016.

Mr. D. Hem Senthil Raj was appointed as the Company Secretary in the place of Ms. R. Deepti from 1st June 2016.

In accordance with the provisions of the Act and Articles of Association of the Company, Mr. R Karthikeyan, (DIN 02163427) Director retires by rotation and being eligible offers himself for re-election at the ensuing Annual General Meeting of the Company. The Board recommends his re-appointment.

Annual Evaluation of the Board and Committees

Board evaluated its performance taking the following aspects into account viz., Structure, Meetings, Functions, Risk Evaluation process adopted, grievance redressal mechanism, stakeholder value and responsibility, corporate culture and ethics and other matters. Board also took into account facilitation to the Independent Directors to function independently and perform their roles as another important parameter for the evaluation.

The performance of each of the Committees was evaluated taking into account the clarity and disclosure of the composition, mandate & working procedures, effectiveness, structure and meetings, independence and contribution in decision making process.

The evaluation of the two Executive Directors was done based on their assigned roles and responsibilities. As regards the other Directors, including the independent directors, the evaluation was done taking into account the following parameters, viz., qualification, experience, competency, adequacy of knowledge about the Company and its sector of operation, understanding about the strategic direction, ethical behaviour, participation in the risk evaluation process, resolving conflict of interests, attendance and participation at the meetings, ability to work as a team player and voluntary sharing of information for the larger benefit of the Company and the like.

In compliance with the requirements of Schedule VII to the Act and the Regulations, a separate meeting of the Independent Directors was held during the year.

Directors' Responsibility Statement

Pursuant to the requirement of sub-sections 3 (c) and 5 of Section 134 of the Companies Act, 2013 it is hereby confirmed that

(a) in the preparation of the annual accounts for the financial year ended 31st March 2017, the applicable Accounting Standards had been followed along with proper explanation relating to material departures;

(b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profits of the Company for the year under review;

(c) the Directors had 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 had prepared the accounts for the financial year ended 31st March, 2017 on a "going concern" basis;

(e) the directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and

(f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Corporate Governance

Your Company has complied with the requirements of Corporate Governance stipulated under Regulation 27 of the SEBI Listing Regulations. A Report on Corporate Governance forms part of this Report and a Certificate from the Auditors regarding compliance with the requirements of Corporate Governance is given in **Annexure – I** to this report.

Auditors

The present Auditors of the Company, Deloitte Haskins & Sells, Chartered Accountants, Chennai hold office till the conclusion of the 32nd Annual General Meeting (AGM) of the Company.

In compliance with the provisions for rotation of auditors, the Company is required to appoint new Auditors at the ensuing AGM.

Based on the recommendation of the Audit Committee the proposal for appointment of M/s. RGN Price & Co., Chartered Accountants, Chennai having Firm Registration No. 002785S as the auditors of the Company on a remuneration of ₹ 20 lakh plus applicable taxes and reimbursement of out of pocket expenses is placed for consideration of the Members at the ensuing AGM. As per the extant provisions of the Act, they will hold office for a period of five years from the conclusion of 32nd AGM till the conclusion of 37th AGM to be held in the year 2022 subject to the ratification of the Members at each subsequent AGM.

Secretarial Audit Report

As required under Section 204 of the Act read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Secretarial Audit Report issued by Ms. B Chandra (CP No.7859), Company Secretary in practice, Chennai is given in **Annexure – II** to this report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

Cost Audit

Pursuant to the provisions of Section 148 of the Act, the Board had appointed M/s. Krishnaswamy & Co, Cost Accountants, the Cost Auditors of the Company for conducting the audit of cost records for the financial year 2016-17 on a remuneration of ₹ 2.00 lakh plus applicable taxes and reimbursement of out of pocket expenses.

As required under Section 148 of the Act, read with the relevant Rules, ratification of the members for the remuneration to the Cost Auditor for the year 2016-17 will be considered at the ensuing AGM of the Company for ratification by the members.

Adequacy of Internal Financial Controls

Your company has in place adequate internal financial control systems with periodical review of the process. The control system is also supported by ERP, internal audits and management reviews with documented policies and procedures. The system was also earlier reviewed by an external agency, and no major weaknesses were reported.

Conservation of Energy and other disclosures

As required under Section 134 of the Companies Act, 2013 ('the Act') read with Rule 8 of the Companies (Accounts) Rules, 2014, information on conservation of energy, technology absorption,

foreign exchange earnings and outgo, to the extent applicable are given in **Annexure - III** and form part of this Report.

Extract of the Annual Return

The extract of the Annual Return in prescribed Form MGT-9 is given in **Annexure – IV** in the prescribed format.

Particulars of Employees and other disclosures

The disclosures prescribed under Section 197(12) of the Companies Act, 2013, read with Rule 5(1) and Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given in **Annexure -V** to this Report. It is hereby affirmed that the remuneration to the employees are as per the remuneration policy of the company.

CSR Policy and related Disclosures

The brief outline of CSR policy of the Company and such other details and disclosures as per the prescribed format are furnished in **Annexure –VI** to this report.

Acknowledgement

Your Directors are grateful to the Government of India, the Government of Tamilnadu, financial institutions, banks, other lending institutions, promoters, technical collaborators, suppliers, customers, joint venture partners and marketing agents for their assistance, co-operation and support. The Directors thank the shareholders for their continued support.

The Directors also place on record their high appreciation for the contributions by all cadres of employees of the Company.

Disclaimer

The Management Discussion and Analysis contained herein is based on the information available to the Company and assumptions based on experience in regard to domestic and global economy, on which the Company's performance is dependent. It may be materially influenced by changes in economy, government policies, environment and the like, on which the Company may not have any control, which could impact the views perceived or expressed herein.

For and on behalf of the Board of Directors

D Senthikumar
DIN 00202578
Wholetime Director (Operations)

KT Vijayagopal
DIN 02341353
Wholetime Director (Finance)

16th May 2017
Chennai – 600 068

TPL

ANNEXURE - I TO DIRECTORS' REPORT

REPORT ON CORPORATE GOVERNANCE

1. Company's philosophy :

Tamilnadu Petroproducts Limited firmly believes in the implementation of best practices of corporate governance so that the Company achieves its corporate goals and further enhances stakeholders' value. A great deal of importance is attached to ensuring fairness, transparency, accountability and responsibility towards stakeholders, besides consistently implementing best possible practices by providing optimum level of information and benefits to the stakeholders.

This report covers the corporate governance aspects in your Company relating to the year ended 31st March 2017.

2. Board of Directors :

(i) Composition and membership in other Boards and Board Committees:

As on 31st March 2017, the Board comprised of twelve directors as detailed below:

Name	Membership	
	Other Boards	Other Board Committees
NON INDEPENDENT		
NON EXECUTIVE		
Mr Vikram Kapur IAS., Chairman (Nominee of TIDCO)	11 (8)	-
Mr Ashwin C Muthiah, Vice Chairman (Nominee of SPIC)	3 (3)	1(1)
Mr T K Arun (Nominee of TIDCO)	10	8 (1)
Mr R Karthikeyan (Nominee of TIDCO)	7	3
EXECUTIVE		
Mr K T Vijayagopal, Whole-time Director (Nominee of SPIC)	-	-
Mr D Senthikumar, Whole-time Director (Nominee of SPIC)	-	-
INDEPENDENT		
Mr C Ramachandran IAS (Retd)	7	3(2)
Mr N R Krishnan IAS (Retd)	7	5 (2)
Mr Dhananjay N Mungale	6	7 (2)
Dr K U Mada	1	2 (1)
Mr Kulbir Singh	2	2(1)
Ms Sashikala Srikanth	6	5(2)

Notes:

(a) Other Directorships exclude TPL, foreign companies, private companies, Section 8 companies and alternate directorships.

(b) Only Membership in Audit Committees and Stakeholders' Relationship Committee (other than in TPL) are reckoned for other Board Committee Memberships.

(c) Figures in brackets denote the number of companies/committees in which the Director is Chairman.

(d) None of the Directors hold any shares in the Company other than Dr K U Mada who holds 3500 equity shares and Mr K T Vijayagopal who holds 200 equity shares of the Company.

(e) None of the Directors have any inter-se relationship

(f) The details of familiarization programmes imparted to the Independent Directors are disclosed in the website of the Company at (http://tnpetro.com/corporate-governance-policies/).

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(ii) Board Meetings, Annual General Meeting (AGM) and attendance thereat

The Board of Directors met six times during the year 2016-17 viz., on 24th May 2016, 30th May 2016, 5th August 2016, 22nd September 2016, 7th November 2016 and 2nd February 2017.

The details of attendance of the Directors at the Board Meetings and AGM are as follows:-

Name	Period of Office held during the year	No of Meetings held during the period of office	No of Meetings attended	Attendance at the last AGM
Mr C V Sankar, IAS	Upto 24.08.2016	3	1	*NA
Mr Vikram Kapur IAS	From 14.10.2016	2	1	*NA
Mr Ashwin C Muthiah	Full Year	6	4	Yes
Mr C Ramachandran IAS (Retd)	Full Year	6	6	Yes
Mr N R Krishnan IAS (Retd)	Full Year	6	6	Yes
Mr Dhananjay N Mungale	Full Year	6	4	Yes
Dr K U Mada	Full Year	6	5	Yes
Mr Kulbir Singh	Full Year	6	5	Yes
Ms Sashikala Srikanth	Full Year	6	5	Yes
Mr T K Arun	Full Year	6	6	Yes
Mr R Karthikeyan	Full Year	6	5	Yes
Mr K T Vijayagopal	Full Year	6	6	Yes
Mr D Senthikumar	Full Year	6	6	Yes

3. Audit Committee:

(i) Terms of reference

An Audit Committee of the Board of Directors was constituted in 1987. The terms of reference of the Audit Committee covering the matters specified in respect of such Committee were modified in line with the then requirements of Clause 49 of the Listing Agreement with Stock Exchanges. Consequent to the enactment of the Companies Act, 2013 (the Act) at the Board meeting held on 12th August 2014, the terms of reference were aligned to the requirements of Section 177 of the Act and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

(ii) Composition, Meetings and Attendance

As on 31st March 2017, the Committee comprised of Mr C Ramachandran IAS (Retd.) as Chairman, Mr N R Krishnan IAS (Retd), Dr K U Mada and Mr T K Arun as the other Members. The Committee met six times during the year 2016-17 viz. 24th May 2016, 30th May 2016, 5th August 2016, 22nd September 2016, 7th November 2016 and 2nd February 2017. All the Members attended all the meetings except Dr K U Mada who attended five of these meetings. The Company Secretary is the Secretary to the Committee.

4. Nomination and Remuneration Committee:

(i) Terms of reference and Composition

In compliance with the requirements of Section 178 of the Act and Clause 49 of the erstwhile Listing Agreements, the Board constituted the Nomination and Remuneration Committee at the meeting held on 27th May 2014 with Mr C Ramachandran IAS (Retd) as the Chairman & Mr N R Krishnan, IAS (Retd), Mr Ashwin C Muthiah and Mr T K Arun as the other members. The terms of reference of the Nomination & Remuneration Committee comply with the matters specified in respect of such Committee were modified in line with the then requirements of Regulation 19(4) and Part D of Schedule II of the Securities Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

The terms of reference are to identify persons who are qualified to become directors and who may be appointed in Senior Management, Recommend to the Board appointment and removal of the Directors, evaluate the performance of the directors, formulate criteria for determining qualifications, positive attributes and independence of a Director, recommend to the Board a policy relating to the remuneration to the directors, key managerial personnel and other employees, devise policy on Board diversity and such other matter as may be prescribed under the Act, the Rules made there under and the Listing Regulations.

(ii) Meeting and Attendance

The Committee met three times during the year 2016-17 viz., 24th May 2016, 30th May 2016 and 5th August 2016 and the meetings were attended by all the members except Mr Ashwin C Muthiah who attended two of these meetings. The Company Secretary is the Secretary to the Committee.

(iii) Performance evaluation criteria for Independent Directors

During the previous year under the guidance of the Board of Directors, the Nomination & Remuneration Committee has formulated the criteria and framework for performance evaluation for every director on the Board, including the executive and independent directors and identified ongoing training and education programs to ensure the non executive directors are provided with adequate information regarding the business, the industry, and their legal responsibilities and duties. The details are available in the website of the company.

5. Remuneration to Directors

(a) Remuneration policy and criteria for making payments to Non Executive Directors:

The Remuneration Policy of the Company as approved by the Board inter alia, contains the criteria for appointment of Independent Directors, Executive Directors, Key Managerial Personnel and other employees, manner of appointment, remuneration policy for Executive and Non-Executive Directors, Guiding principles for fixing remuneration to employees who are not directors, etc. The following is the Remuneration Policy for Directors:

i. For Executive Directors

The remuneration of the Whole Time/Executive Directors shall comprise of a fixed component and a performance linked pay, as may be fixed by the Nomination and Remuneration Committee (NRC) and subsequently approved by the Board of Directors and Members. Performance Linked Pay shall be payable based on the performance of the individual and the Company during the year. Remuneration trend in the industry and in the region, academic background, qualifications, experience and contribution of the individual are to be considered in fixing the remuneration. These Directors are not eligible to receive sitting fees for attending the meetings of the Board and Committees.

ii. For Non-Executive Directors

The Non-Executive Directors will be paid sitting fees for attending the Board and Committee Meetings as per the stipulations in the Act, and the Articles of Association of the Company and as recommended by the NRC. Different scales of sitting fee may be fixed for each category of the directors and type of meeting. However, the fees payable to the Independent Directors and Woman Directors shall not be lower than the fee payable to other categories of directors. In addition to this, the travel and other expenses incurred for attending the meetings are to be met by the Company. Subject to the provisions of the Act and the Articles of Association, the Company in General Meeting may by special resolution sanction and pay to the Directors remuneration not exceeding 1% of the net profits of the Company computed in accordance with the relevant provisions of the Act. The Company shall have no other pecuniary relationship or transactions with any Non-Executive Directors.

(b) None of the non-executive directors had any pecuniary relationship with the Company other than receipt of sitting fees:

(c) Details of Remuneration paid to Executive Directors

i) Remuneration paid to Executive Directors for the year 2016-17 are as shown below: Rs in Lakhs

Sl. No	Description	Mr D Senthikumar, Whole-Time Director (Operations)	Mr K T Vijayagopal, Whole-Time Director (Finance) & CFO
01	Salary & Allowances	24.07	49.80
02	Performance Linked Pay	7.00	11.88
03	Perquisites	0.34	0.43
	Total	**31.41**	**62.11**

Note:

(1) In addition to the above contribution to Provident Fund and Super annuation Funds are made by the Company as per the applicable law/rules/terms of employment.

(2) The performance linked pay is determined as per the appraisal system in vogue.

(3) Both the above Directors are under contract of employment with the Company which stipulates a notice period of 3 months from either side for early separation. No severance fee is payable and no Employee Stock Option has been offered by the Company.

(4) No employee stock options has been offered by the Company to any of the Directors.

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ii) Remuneration paid to Non-Executive Directors:

During the year each of the Non-Executive Director was paid sitting fees as shown below:

Name	Amount (Rs in lakh)	Name	Amount (Rs in lakh)
Mr C V Sankar IAS *	0.50	Mr Kulbir Singh	2.50
Mr Vikram Kapur IAS	0.50	Ms Sashikala Srikanth	2.50
Mr Ashwin C Muthiah	2.00	Mr T K Arun*	3.00
Mr C Ramachandran IAS (Retd)	3.00	Mr R Karthikeyan*	2.50
Mr N R Krishnan IAS (Retd)	3.00		
Mr Dhananjay N Mungale	2.00	**TOTAL**	**24.00**
Dr K U Mada	2.50		

* Paid to TIDCO

The Company does not have any pecuniary relationship or transactions with the Non-Executive Directors and there are no such transactions during the Financial Year ended 31st March 2017.

6. Stakeholder's Relationship Committee

1. Chairman and Compliance Officer

The Chairman of the Committee is Mr C Ramachandran IAS (Retd) and Mr D Hem Senthil Raj Company Secretary is the Compliance Officer.

2. Details of Complaints received and pending

During the year 7 complaints were received, all of which are redressed by the Company / RTA. There were no pending complaints as at the end of the year.

7. General Body Meetings.

The particulars of Annual General Meetings held during the last three years and the Special Resolutions passed are as under:

Year	Date	Time	Venue	Special Resolutions considered thereof
2014	12.08.2014	02.45 PM	Tamil Isai Sangam, Raja Annamalai Mandram, Esplanade, Chennai - 600 108	1) Appointment of Mr M Pazhaniandy Pillai as Whole-time Director (Operations) for a period of three years from 27th May 2014 to 26th May 2017 and payment of remuneration. 2) Approval for borrowing money in the ordinary course of business not in excess of ₹1000 crore over and above the aggregate of the paid up capital and free reserves of the company on such terms and conditions as may be agreed to between the Company and the lenders.
2015	22.09.2015	10.35 AM		No Special Resolutions
2016	22.09.2016	10.30 AM		1) Appointment of Mr D Senthikumar, as Whole-time Director (Operations) of the Company for a period of three years from 18.02.2016 to 17.02.2019 and payment of Remuneration. 2) Appointment of Mr K T Vijayagopal, as Whole-time Director (Finance) of the Company for a period of three years from 01.02.2016 to 31.01.2019) and payment of Remuneration.

There were no resolutions requiring approval through postal ballot during the last year and at present no such resolution is being proposed to be passed through postal ballot. The procedure for postal ballot, if and when conducted will be as prescribed under the Act.

8. DISCLOSURES

i. There were no materially significant related party transactions that had potential conflict with the interests of the Company at large. Transactions in the ordinary course of business with the related parties are disclosed in the Notes to Financial Statements.

ii. As stipulated under the Act and the Listing Regulations the company has adopted a Whistle Blower mechanism for directors and employees a Whistle Blower Policy has been framed and the text of the same is uploaded in the website of the Company. The Policy, inter alia, provides for access to the Chairman of the Audit Committee in exceptional cases and no person has been denied access to the Chairman of the Audit Committee.

iii. As stipulated under the provisions of Listing Regulations a Policy for determining material subsidiaries has been framed and the policy is available on our website (http://tnpetro.com/corporate-governance-policies/).

iv. As stipulated under the provisions of Listing Regulations a Policy on dealing with related party transactions has been framed and the policy is available on our website (http://tnpetro.com/corporate-governance-policies/). Pursuant to Para A of Schedule V of SEBI (LODR) Regulations, 2015, disclosures pertaining to related party transactions are reported under the notes to financial statements which form part of this Annual Report.

v. The company has laid down procedures to inform the Board Members about the risk assessment and its mitigation, which is periodically reviewed to ensure that risk control, is exercised by the Management effectively. Employee level and Board level committees have been formed to analyze the issues relating to risk management and the action points arising out of the deliberations of the Committees are reviewed by the Board.

vi. As required under Regulation 17 of SEBI (LODR) Regulations, 2015, CEO/CFO Certification by Mr D Senthikumar, Whole Time Director (Operations) and Mr K T Vijayagopal, Whole Time Director (Finance) & Chief Financial Officer was placed before the Board at its meeting held on 16th May 2017 which also forms part of this Annual Report.

vii. As required by Schedule V of Listing Regulations, the Auditor's certificate on corporate governance is annexed to the Board's report..

viii. In compliance with Regulation 26(3) of Listing Regulations and Companies Act, 2013, the company has framed and adopted a Code of Conduct and Ethics ('the Code'). The code is applicable to the members of the Board, the executive officers and all the employees of the company and its subsidiaries. The code is available on our website, www.tnpetro.com. All the members of the Board, executive officers and senior financial officers have affirmed compliance of the code as on 31st March 2017. A declaration to this effect signed by WTD's and CFO, forms part of the CEO and CFO certification.

ix. A Management Discussion and Analysis Report has been presented as part of the Directors' Report.

x. The Company has complied with all the mandatory requirements stipulated under the Listing Regulations.

xi. There are no such instances with respect to non compliances with the requirements. And no penalty has been imposed by any stock exchange, SEBI or SEC, nor has there been any instance of non-compliance with any legal requirements, or on matters relating to the capital market over the last three years.

xii. All the requirements of Corporate Governance report specified in Sub-Paras (2) to (10) of Para C of Schedule V to the Regulations have been complied with.

xiii. The Company has complied with the Corporate Governance requirements specified in Regulations 17 to 27 and Regulation 46 (2) (b) to (i) of the Regulations.

xiv. Disclosure of Commodity Price risks and Commodity hedging activities:

The Company mainly sources its materials domestically and the exports are not substantial, there has been no major commodity price risks faced. Accordingly, there has been no commodity hedging activity undertaken by the Company. As regards the Foreign Exchange risks, the Company takes forward contracts based on the exposure and extant market conditions and details of hedging are available in the financial statements.

xv. Disclosure with respect to demat suspense account/unclaimed suspense account.

There are no such details pertaining to demat suspense account/unclaimed suspense account.

xvi. Compliance with Discretionary requirements

As stipulated under Regulation 27 read with Part E of Schedule II of Listing Regulations, the following discretionary requirements have been adopted / complied with by the Company

a) The Company has appointed separate persons for the post of Chairman and Managing Director.

b) There have been no modified opinions by the Auditors on the Stand Alone and Consolidated Financial Statements for the year 2016-17, and the Company is under the regime of unmodified audit opinions.

c) The Company has appointed a third party firm as the internal Auditors which carried out the audit and the report is presented to the Audit Committee for review and further directions.

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9. Means of Communication

As stipulated under Para A of Schedule V of Listing Regulations, the means of communications adopted by the company includes the following:

a) The Quarterly Results are intimated to the Stock Exchanges and published in one English National Newspaper (Financial Express) and one Tamil News Paper (Makkal Kural).

b) The results are also posted in the website of the Company viz. www.tnpetro.com.

In addition, official press / news release and several other details / information of interest to various stakeholders' are submitted to the Stock Exchanges and made available in the website.

10. General Shareholder Information

i Annual General Meeting

The thirty second AGM of the Company is scheduled to be held on 24th July 2017 at 10.30 AM at Rajah Annamalai Mandram, Esplanade, Chennai – 600 108.

ii. Book Closure

The Register of Members and Share Transfer Books of the Company will remain closed from 17th July 2017 to 24th July 2017 (both days inclusive).

iii Financial Calendar for the year 2017-18 (tentative)

Financial Year	1st April 2017 to 31st March 2018
First Quarter Results	Before 14th August 2017
Second Quarter Results	Before 14th November 2017
Third Quarter Results	Before 14th February 2018
Audited Results for the year 2017-18	Before 30th May 2018

iv Registrar and Share Transfer Agent:

All share registry work in respect to both physical and demat segments are handled by a single common agency M/s. Cameo Corporate Services Ltd., No.1 Club House Road, V Floor, "Subramanian Building" Chennai – 600 002, as the Registrars and Share Transfer Agent (RTA) of the Company for all aspects of investor servicing relating to shares.

v. Share Transfer System:

Requests for share transfer, transmissions, transpositions etc., are processed by the RTA and returned within the stipulated time, if the documents are found to be in order. The routine requests from shareholders like transfer, transmission, transposition, change of name etc., are approved by the Whole-time Director(s) and Company Secretary and the details are placed before the Stakeholder Relationship Committee and the Board.

vi Listing Details and Stock Code :

Name and Address of Stock Exchange	Stock Code
BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001	500777
National Stock Exchange of India Ltd (NSE) Exchange Plaza, C-1, Block G. Bandra Kurla Complex, Bandra East, Mumbai-400 051.	TNPETRO

Listing fees have been paid to the aforesaid exchanges up to FY 2017-18.

vii **Market Price Data and Share Price Performance vis a vis indices –**

Month & Year	BSE				NSE			
	Share price (₹)		Sensex		Share price (₹)		Nifty 50	
	High	Low	High	Low	High	Low	High	Low
Apr-16	24.10	19.50	26100.54	24523.20	23.90	19.45	7992.00	7526.70
May-16	23.50	20.05	26837.20	25057.93	23.75	19.65	8213.60	7678.35
Jun-16	21.55	18.90	27105.41	25911.33	21.50	18.75	8308.15	7927.05
Jul-16	23.60	20.35	28240.20	27034.14	23.60	20.40	8674.70	8287.55
Aug-16	23.90	20.30	28532.25	27627.97	24.00	20.25	8819.20	8540.05
Sep-16	24.85	20.75	29077.28	27716.78	24.95	20.70	8968.70	8555.20
Oct-16	32.30	22.40	28477.65	27488.30	32.25	24.20	8806.95	8549.80
Nov-16	33.20	21.00	28029.80	25717.93	33.25	21.10	8669.60	7938.15
Dec-16	26.50	22.10	26803.76	25753.74	26.50	22.15	8274.95	7893.80
Jan-17	30.40	23.40	27980.39	26447.06	30.40	23.35	8672.70	8133.80
Feb-17	33.70	26.50	29065.31	27590.10	33.70	26.25	8982.15	8537.50
Mar-17	37.90	28.75	29824.62	28716.21	38.00	29.55	9218.40	8860.10

viii **Distribution of Shareholding as on 31st March 2017**

Category (No. of Shares)	No. of Shareholders	Percentage	No. of Shares	Percentage
1 - 500	73,158	90.42	1,08,91,452	12.51
501 - 1000	4,508	5.57	37,15,720	4.12
1001 - 2000	1,676	2.07	26,17,298	2.90
2001 - 3000	529	0.65	13,72,939	1.52
3001 - 4000	221	0.27	7,93,736	0.88
4001 - 5000	223	0.27	10,70,168	1.18
5001 - 10000	329	0.40	24,85,875	2.76
10001 - And Above	261	0.32	6,70,24,286	74.49
Total :	**80,905**	**100**	**8,99,71,474**	**100**

ix **Dematerialization of Shares and liquidity :**

The Company's Equity shares are traded on BSE & NSE in compulsory demat form and the ISIN of the shares is INE 148A01019. The shares are traded regularly on BSE & NSE. About 92% of the 8,99,71,474 outstanding shares have been dematerialized up to 31st March 2017. Balance shares are held in physical mode.'

x The Company has not issued any convertible instruments.

xi **Location of Plant:** Manali Express Highway, Manali, Chennai-600068.

xii Address for Correspondence:

Investors may contact the Registrars and Transfer Agent for matters relating to shares, dividends, annual reports and related issues at the following address:

M/s. Cameo Corporate Services Limited,
No.1 Club House Road, V Floor, "Subramanian Building", Chennai – 600 002
Phone: 044-24860084/24860395/24860390(5 lines), Fax: 044-24860129,
E-mail: investor@cameoindia.com

For other general matters or in case of any difficulties /grievances investors may contact the Company Secretary and Compliance Officer at the Registered Office of the Company at

The Company Secretary & Compliance Officer
Post Box No.9, Manali Express Highway, Manali, Chennai – 600 068
Telefax No.044-25945588, E-mail: secy-legal@tnpetro.com, investorgrievance@tnpetro.com,
website: www.tnpetro.com.

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Declaration by CEO

This is to declare that pursuant to Regulation 26 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Code of Conduct as envisaged by the Company for Members of the Board and Senior management Personnel have been complied with by all the members of the Board and Senior Management Personnel of the Company respectively.

Chennai
16 May 2017

D. Senthikumar
DIN: 00202578
Whole Time Director (Operations)

INDEPENDENT AUDITORS' CERTIFICATE

TO THE MEMBERS OF
TAMILNADU PETROPRODUCTS LIMITED
INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

1. This certificate is issued in accordance with the terms of our engagement letter reference no. MKA/EL/TPL/2016-17 dated November 14, 2016.

2. We, Deloitte Haskins & Sells, Chartered Accountants, the Statutory Auditors of Tamilnadu Petroproducts Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31st March 2017, as stipulated in Regulations 17 to 27 and Clauses (b) to (i) of Regulation 46(2) and Para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

Managements' Responsibility

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's Responsibility

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

5. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and Clauses (b) to (i) of Regulation 46(2) and Para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2017.

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

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No.008072S)

M.K. Ananthanarayanan
Partner
(Membership No. 19521)

Chennai, May 16, 2017
MKA/TPL/ 01 / 2017-18

ANNEXURE - II TO DIRECTORS' REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2017

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

To
The Members,
Tamilnadu Petroproducts Limited,
Manali Express Highway,
Manali, Chennai - 600068, Tamil Nadu.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s Tamilnadu Petroproducts Limited bearing CIN L23200TN1984PLC010931 (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that, in my opinion, the company has, during the audit period covering the financial year ended on 31.03.2017, 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31.03.2017, according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) The Companies Act 1956 (to the extent applicable)

(iii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(v) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

  a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

  b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

  c. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

  d. The Securities and Exchange Board of India (Listing obligations and Disclosure requirements) Regulations 2015;

We are informed that the company, during the year, was not required to comply with the following regulations and consequently not required to maintain any books, papers, minute books or other records or file any forms/ returns under:

a. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009

b. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999

c. The Securities and Exchange Board of India (Issue and Listing of Debt securities) Regulations 2008

d. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

e. The Securities and Exchange Board of India (Buy back of Securities) Regulations, 1998;

(vii) Based on the study of the systems and processes in place and a review of the reports of (1) Occupier/Manager of the factories plant 1 & 2 located in Manali which manufacture Petrochemicals (2) Internal Audit Reports (3) the compliance reports made by the functional heads of various departments which are submitted to the Board of Directors of the Company, (4) a test check on the

licences and returns made available by the Company on other applicable laws, I report that the Company has complied with the provisions of the following statutes and the rules made there under to the extent it is applicable to them:

Factories Act, 1948, Explosives Act, 1884, The Public Liability Insurance Act, 1991, The Environment (Protection) Act, 1986, The Water(Prevention and Control of Pollution) Act, 1974 , The Air (Prevention and Control of Pollution) Act, 1981, The Insecticides Act, 1968, Drugs and Cosmetics Act, 1940, The Fertiliser (Control) Order, 1985, Industrial Disputes Act, 1947, The Payment of Wages Act, 1936, The Minimum Wages Act, 1948, Employees' State Insurance Act, 1948, The Employees' Provident Funds and Miscellaneous Provisions Act, 1952, The Payment of Bonus Act, 1965, The Payment of Gratuity Act, 1972, The Contract Labour (Regulation & Abolition) Act, 1970, The Maternity Benefit Act, 1961, The Child Labour (Prohibition & Regulation) Act, 1986, The Industrial Employment (Standing Order) Act, 1946, The Employees' Compensation Act, 1923, Workmens' Compensation Act 1923, The Apprentices Act, 1961, The Employment Exchange (Compulsory Notification of Vacancies) Act, 1959, Tamil Nadu Labour Welfare Fund Act 1972, Tamil Nadu Shops and Establishment Act, 1947, National and Festival Holidays Act, 1958, Conferment of Permanent Status Act, 1981, The Tamil Nadu Panchayats Act, 1994, The Legal Metrology Act, 2009, Industries (Development & Regulation) Act, 1951, Tamil Nadu Tax on Consumption or Sale of Electricity Act, 2003, Indian Electricity Act, 2003, The Energy Conservation Act, 2001, The Environmental Impact Assessment Notification, 2006, The Sexual Harrassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

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

I 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 Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, 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.
- Based on the minutes made available to us, we report that Majority decision is carried through and that there were no dissenting votes from any Board members that are required to be captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor, report deviations, if any, to the Board, take corrective actions and ensure compliance with applicable laws, rules, regulations and guidelines.

Place : Chennai
Date : 16.05.2017

For B CHANDRA
Company Secretaries

B CHANDRA, B.COM, AICWA, ACS
ACS No.: 20879, C P No.: 7859
Proprietrix

ANNEXURE - III TO DIRECTORS' REPORT

Particulars as required under Rule 3 of the Companies (Accounts) Rules, 2014 for the year ended 31st March 2017, are furnished below to the extent applicable:

A) Conservation of Energy

i) Steps taken or impact on conservation of energy

a) Four numbers of VFD's installed in HCD & one number in LAB and energy savings of about 930 units per day was achieved (3.25 Lac units per year).

b) High capacity pumps were replaced in HCD with low capacity pumps and high efficiency motor there by achieved energy savings of 985 units per day (3.45 Lac units per year)

ii) Steps taken for utilizing alternate sources of energy

Anode coating were done on electrolysers and membranes replacement carried out in HCD there by energy saving of around 20 units /MT of caustic was achieved (4.8 lakh units per year).

iii) Capital investment in conservation of energy

About ₹ 8 Lac capital investment was made during the year 2016-17.

B) Technology Absorption

i) Efforts made in technology absorption and benefits derived like product improvement, cost reduction, product development or import substitution

Technology absorption was fully made in the initial years. In the recent past, there was no new technology imported by the Company.

Steps for process improvement and the like to bring down the cost are being taken for catering wide customer base.

ii) Expenditure on Research & Development

No expenditure on research & development incurred during the year under review.

C) Foreign Exchange Earnings and outgo:

i) Foreign exchange in terms of actual inflows: 2667.82 lakh

ii) Foreign exchange in terms of actual outflows: 7182.97 lakh

For and on behalf of the Board of Directors

	D Senthikumar	**KT Vijayagopal**
16th May 2017	DIN 00202578	DIN 02341353
Chennai – 600 068	Wholetime Director (Operations)	Wholetime Director (Finance)

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ANNEXURE - IV TO DIRECTORS' REPORT

Form No. MGT-9

Extract of Annual Return as on the financial year ended on 31st March 2017

[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:

i)	CIN	L23200TN1984PLC010931
ii)	Registration Date	22nd June 1984
iii)	Name of the Company	Tamilnadu Petroproducts Limited
iv)	Category / Sub-Category of the Company	Public Company limited by shares
v)	Address of the Registered office and contact details	Manali Express Highway, Manali, Chennai - 600 068
vi)	Whether listed company	Yes, listed with BSE and NSE
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Cameo Corporate Services Limited, "Subramaniam Building", No. 1, Club House Road, Chennai – 600 002 Ph: 044 -2846 0390; E-mail: cameo@cameoindia.com

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	Linear Alkyl Benzene	381710	91.14
2	Caustic Soda lye	281512	8.86

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name of the Company	Holding/Subsidiary/Step Down Subsidiary Associate	% of Shares Held	Applicable Section
1	**Certus Investment & Trading Ltd** IFS CourtTwentyEight Cybercity Ebene Mauritius.	Subsidiary	100%	S.2(87)(i) & (ii)
2	**Certus Investment & Trading (S) Pte Ltd** 31 Cantonment Road, Singapore – 089747.	Step Down Subsidiary	NIL	Explanation (a) to S.2(87)
3	**Proteus Petrochemicals Private Limited** 31 Cantonment Road, Singapore 089747	Step Down Subsidiary	NIL	Explanation (a) to S.2(87)

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

(i) Category-wise Shareholding

Sl. No.	Category of Shareholders	No. of Shares held at the beginning of the year (As on 01-04-2016)				No. of Shares held at the end of the year (As on 31-03-2017)				% Change
		Demat	**Physical**	**Total**	**% of Total Shares**	**Demat**	**Physical**	**Total**	**% of Total Shares**	
A.	**Promoter**									
1.	**Indian**									
a)	Bodies Corporate	15234375	Nil	15234375	16.93	15234375	Nil	15234375	16.93	Nil
b)	Banks / FI	15843751	Nil	15843751	17.61	15843751	Nil	15843751	17.61	Nil
2.	**Foreign**	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Total Shareholding of Promoter(A)= (A)(1)+ (A)(2)	31078126	Nil	31078126	34.54	31078126	Nil	31078126	34.54	-
B	**Public Shareholding**									
1.	**Institutions**									
a)	Mutual Funds	600	15000	15600	0.017	600	7700	8300	0.009	-0.008
b)	Banks / FI	1625	11400	13025	0.014	52438	18700	71138	0.079	0.064
c)	Insurance Companies	4459429	300	4459729	4.956	4459429	300	4459729	4.956	0.000
d)	Foreign Institutional Investors	0	0	0	0	1143616	0	1143616	1.271	1.271
	Sub-total (B)(1)	4461654	26700	4488354	4.988	5656083	26700	5682783	6.316	1.327
2.	**Non-Institutions**									
	Bodies corporate	11333418	30650	11364068	12.630	12266901	30250	12297151	13.667	1.037
	Individual shareholders holding nominal share capital upto Rs 2 lakh	16369951	4829959	21199910	23.562	15378806	4704629	20083435	23.322	-1.240
	Individual shareholders holding nominal share capital in excess of Rs 2 lakh	15326244	0	15326244	17.034	13927290	0	13927290	15.479	-1.554
	Others	4457466	2057326	6514772	7.240	4859863	2042826	6902689	7.672	0.431
	Sub-total(B) (2)	47487059	6917935	54404994	60.469	46432860	6777705	53210565		
	Total Public shareholding (B)=(B)(1)+ (B)(2)	**51948713**	**6944635**	**58893348**	**65.457**	**52088943**	**6804405**	**58893348**	**65.457**	**0.000**
	Shares held by Custodian for GDRs &ADRs	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Grand Total (A+B+C)	**83026839**	**6944635**	**89971474**	**100.000**	**83167069**	**6804405**	**89971474**	**100.000**	**0.000**

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(ii) Shareholding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year (As on 01-04-2016)			Shareholding at the end of the year (As on 31-03-2017)			
		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	% change in shareholding during the year
1	Tamilnadu Industrial Development Corporation Ltd	15843751	17.61	Nil	15843751	17.61	Nil	Nil
2.	Southern Petrochemical Industries Corporation Limited	15234375	16.93	Nil	15234375	16.93	Nil	Nil

Note: There was no change in Promoters' Shareholding during the year.

(iii) Shareholding Pattern of top ten Shareholders: (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year		At the End of the year	
	Date wise Increase/ Decrease in Shareholding during the year	No. of shares	%	No .of shares	%	No. of shares	%
01	SRI KESAVAN ADVISORY SERVICES PRIVATE LIMITED	6682862	7.43	6682862	7.43	6682862	7.43
02	SHREYANS SHANTILAL SHAH	4199427	4.66	4199427	4.66	4199427	4.66
03	LIFE INSURANCE CORPORATION OF INDIA	3850404	4.27	3850404	4.27	3850404	4.27
04	HITESH RAMJI JAVERI	2379700	2.64				
	Purchase 17-Feb-2017	18000	0.02	2397700	2.66	2379700	2.66
05	HARSHA HITESH JAVERI	1800000	2.00	1800000	2.00	1800000	2.00
06	PURICO (IOM) LIMITED	1377800	1.53	1377800	1.53	1377800	1.5313
07	NATHU RAM PURI	1675600	2.62	1675600	2.62	1675600	2.62
08	TPL EMPLOYEES WELFARE FOUNDATION	997831	1.11	997831	1.11	997831	1.11
09	JIGAR CHANDRAKANT SHAH	845579	0.93				
	Purchase – 20th May 2016	337805	0.37	1183384	1.31		
	Sale – 27th May 2016	-4969	0.00	1178415	1.31		
	Sale – 03rd June 2016	-88939	0.09	1089476	1.21		
	Purchase – 24th June 2016	5768	0.00	1095244	1.21		
	Purchase – 08th July 2016	15265	0.01	1110509	1.23		
	Sale – 15th July 2016	-273696	0.30	836813	0.93		
	Sale – 22nd July 2016	-3901	0.00	832912	0.92		
	Sale – 29th July 2016	-64351	0.07	768561	0.85		
	Sale – 12th August 2016	-14900	0.01	753661	0.84		
	Sale – 9th September 2016	-253661	0.28	500000	0.55		
	Sale – 23rd September 2016	-280000	0.31	220000	0.24		
	Sale – 30th September 2016	-160000	0.17	60000	0.06		
	Sale – 21st October 2016	-60000	0.06	0	0.00	0	0.00

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year		At the End of the year	
10	SAMRAT B SHAH	678207	0.75	678207	0.75		
	Sale – 15th April 2016	-1471	0.00	676736	0.75		
	Sale – 22nd April 2016	-214293	0.23	462443	0.51		
	Sale – 29th April 2016	-462443	0.51	0	0.00		
		0	0.00	0	0.00	0	0.00
11	ARES DIVERSIFIED	0	0.00	0	0.00		
	Purchase – 21st October 2016	1548	0.00	1548	0.00		
	Purchase – 28th October 2016	264082	0.29	265630	0.29		
	Purchase – 04th November 2016	150524	0.16	416154	0.46		
	Purchase – 11th November 2016	201550	0.22	617704	0.68		
	Purchase – 18th November 2016	319724	0.35	937428	1.04		
	Purchase – 25th November 2016	100000	0.11	1037428	1.15		
	Purchase – 16th December 2016	77688	0.08	1115116	1.23		
	Purchase – 23rd December 2016	28500	0.03	1143616	1.27	1143616	1.27
12	MUTHIAH.A.C	622194	0.69	622194	0.69	622194	0.69

Shareholding of Directors and KMP

Sr. No	Shareholder's Name	Shareholding at the beginning of the year (As on 01-04-2016)			Shareholding at the end of the year (As on 31-03-2017)			
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	(As on 31-03-2017)	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	% change in shareholding during the year
1.	Dr. K.U.Mada	3500	0.00	Nil	3500	0.00	Nil	Nil
2.	K.T.Vijayagopal	200	0.00	Nil	200	0.00	Nil	Nil

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	Nil	986.67	Nil	986.67
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	**Nil**	**986.67**	**Nil**	**986.67**
Change in Indebtedness during the financial year				
Addition	Nil	Nil	Nil	Nil
Reduction	Nil	460.15	Nil	460.15
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount	Nil	526.52	Nil	526.52
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	**Nil**	**526.52**	**Nil**	**526.52**

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Vi. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

The details of remuneration paid to the Whole-time Director (Operations) and Wholetime Director (Finance) & CFO was ₹ 93.52 lakhs as per details furnished in the Report on Corporate Governance in Annexure I of Director's Report (excluding contribution to provident and other funds). No stock option, sweat equity or commission is given to these Directors.

B. Remuneration to other directors:

The Non- Executive Directors, including the Independent Directors are paid sitting fees details of which have also been furnished in the Report on Corporate Governance in Annexure I of Board's Report. No commission or other payments are made to any of the directors.

C. Remuneration to other Key Managerial Personnel

Sl. no.	Particulars of Remuneration	CS
1.	Gross salary	INR In lakh
(a)	Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	12.10
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	0.40
	Total	**12.50**

a. There was a revision in the remuneration of WTD (O) during the year 2016-17. The details of the same are provided under Annexure V to Director's Report.

b. There was no stock option, sweat equity or commission to the above persons.

c. The remuneration shown above is exclusive of contributions to provident and other funds.

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES : NIL

For and on behalf of the Board of Directors

	D Senthikumar	**KT Vijayagopal**
16th May 2017	DIN 00202578	DIN 02341353
Chennai – 600 068	Wholetime Director (Operations)	Wholetime Director (Finance)

ANNEXURE – V TO DIRECTORS' REPORT

Disclosures under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

a.	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;	Mr. K.T. Vijayagopal, WTD (Finance) : 11.00 Mr.D. Senthikumar, WTD (O) : 07.00
b.	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	Percentage of increase in remuneration of Director/CEO/CFO/CS in the FY 2016-17 : Nil Percentage of increase in remuneration of WTD(O) in the FY 2016-17 :33.33%
c.	The percentage increase in the median remuneration of employees in the financial year;	22.50% increase for unionized category of employees.
d.	The number of permanent employees on the rolls of company;	As at the year end there were 368 permanent employees, including WTD's but other than trainees and probationers.
e.	The explanation on the relationship between average increase in remuneration and company performance;	The average increase in remuneration to the unionized personnel was in terms of the wage agreement. For other employees no increase was considered in view of the poor performance of the Company for the past few years.
f.	Comparison of the remuneration of the Key Managerial Personnel against the performance of the company;	Various parameters like qualification, experience, contribution of the individual, prevailing remuneration scales to similarly placed persons in other companies and the like are taken into account for payment of remuneration to KMP. Considering these factors, remuneration to KMP is deemed to be reasonable.
g.	Variations in the market capitalization of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer.	**Description** / **2016-17** / **2015-16** Market Capitalization (₹ crore) / 332.44 / 180.84 Price Earnings Ratio: / 28.21 / 4.74 Closing share price (₹/share) / 36.95 / 20.10 Last public offer price / ₹ 30/- per share. Share price increase/decrease / There is an increase of 23.16% over the last public offer price owing to considerable improvement in the performance of the company during the current year.
h.	Average percentile increase already made in the salaries of employees other than the key managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	There has been no increase in the remuneration to the managerial personnel other than the WTD (Operations). WTD (Operations) is a qualified chemical engineer having two decades of rich experience and expertise in the petrochemical industry. The remuneration paid was not commensurate with the duties and responsibilities and his performance. As recommended by the Nomination & Remuneration Committee the remuneration of WTD (O) was revised.
i.	Comparison of the each remuneration of the Key Managerial Personnel against the performance of the company;	As stated above.
j.	The key parameters for any variable component of remuneration availed by the directors;	The annual performance pay is determined based on a structured appraisal system in vogue for all employees including the working directors. The parameters include the performance of the individual in key result areas, self-appraisal, review by the immediate supervisor and the performance of the Company.
k.	The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year	None of the employees was in receipt of remuneration in excess of the highest paid director during the year.
l.	The Information required under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014	Enclosed.

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DISCLOSURES UNDER RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:

Details of Top 10 employees in terms of remuneration received during the year

S. No.	Name	Designation	Remuneration (In Rupees)	Qualification	Exp. in TPL	DOJ in TPL	DOL from TPL	Age	Last Employment
1	KT VIJAYAGOPAL	WTD (F)	3,442,391	B.com, FCA	1 year 7 Months	21-Aug-15	In service	52	Managing Director - EDAC Industrial Services Limited
2	N KALYANASUNDARAM *	AVP (O) - HCD DIVISION	2,089,115	B.Sc., AMIE - Chemical Engineering	11 Months	2-May-16	In service	54	Senior Vice president - Chemfab alkalis limited
3	D SENTHIKUMAR	WTD (O)	1,878,354	B.Tech	1 yr 1 mth	18-Feb-16	In service	53	VP (Projects) - Cetex Petrochemicals Limited
4	N. MURALIDHARAN	SENIOR GM - MARKETING	1,261,950	B.TECH (CHEM)	1 year	8-Mar-16	In service	57	AGM - MPL
5	M. VENKATAKRISHNAN	AGM (Finance)	1,250,859	B.com, ACA	1 year 1 month	15-Feb-16	In service	49	RM (Finance) - Crompton Greaves Limited
6	M KARTHIKEYAN M	AVP (O) - LAB DIVISION	1,133,741	B.Tech	27 yrs 3 mths	7-Jan-90	In service	50	EMS Trainee - Tamilnadu Petroproducts Limited
7	S KUMARAGURUBARAN	Manager (IT)	969,377	M.Sc.(IT)	1 yr 10 mths	2-Jun-15	In service	46	Sr. Manager (IT) - Thirumalai Chemicals Limited
8	NJ VENKATESH	Manager (Mech)	873,765	DME., AMIE,, MBA	29 yrs 3 mths	16-Dec-87	In service	50	ESS Trainee - Tamilnadu Petroproducts Limited
9	VIJAY KRISHNA NIGAM	Manager (O&M)	861,238	B.E.	22 yrs 8 mths	2-Jan-95	In service	48	EMS Trainee - Tamilnadu Petroproducts Limited
10	D HEM SENTHIL RAJ *	Company Secretary	794,117	B.com, LLB, MBA, FCS	11 Months	05-May-16	In service	30	Company Secretary & Legal Officer - Surana Industries Limited

* Joined during middle of the Financial Year

Notes:

1. The above appointments are contractual
2. As per the disclosures available with the Company, none of the above employees are related to any director and also do not hold any shares in the Company except Mr. K.T. Vijayagopal who holds 200 equity shares of the Company.
3. The remuneration shown above includes contributions to Provident and other Funds

For and on behalf of the Board of Directors

D Senthikumar
DIN 00202578
Wholetime Director (Operations)

KT Vijayagopal
DIN 02341353
Wholetime Director (Finance)

16th May 2017
Chennai – 600 068

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ANNEXURE VI TO DIRECTOR'S REPORT

ANNUAL REPORT ON CSR ACTIVITIES DURING THE YEAR 2016-17

1. Brief outline of the Company's CSR Policy and related information

The Policy

TPL appreciates that in any society inclusive growth of all the segments is of paramount importance. The Business Community owes its existence and growth to the other components of the Society at large. TPL is committed to contribute its mite for the sustained growth of the Society through various plans and programmes. TPL also believes that as a responsible organization, it can, together with similar such entities, transform the neglected sections of the Society through concerted efforts.

TPL also endeavours to ensure environmental sustainability by adopting best environmental practices and encourages conservation/ judicious use of natural resources.

TPL looks beyond mere financial resources and aims to undertake such of the activities which will provide long term benefits to the weaker sections and make them competent to face off the challenges in life.

The detailed CSR Policy is available in the website of the Company at http://tnpetro.com/corporate-governance-policies/

Overview of projects or programmes

During the year under review no CSR projects or programmes were taken-up by the Company.

2. Composition of the CSR Committee

The CSR Committee comprises Mr. Ashwin C Muthiah as Chairman [Non-Executive Director] and Mr. C. Ramachandran IAS (Retd.), [Independent Director] and Mr. T K Arun [Non-Executive Director] as the other Members.

3. Average net profit of the Company for the last three financial years: ₹ (45.18) crore.

4. Prescribed CSR expenditure (2% of the average net profit of the last three financial years)

The average net profit for the last three financial years is in negative and hence the prescribed CSR expenditure for the financial year under review is NIL.

5. Details of CSR spent during the financial year:

a) Total amount spent for the financial year: NIL

b) Amount unspent, if any: Not applicable

In view of the losses incurred during the preceding three years, there is no amount to be spent on CSR and hence the other disclosures are not applicable for the year under review.

6. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with the CSR objectives and Policy of the Company

It is hereby stated that the implementation and monitoring of CSR policy is in compliance/will be in compliance with the CSR objective and Policy of the Company.

For and on behalf of the Board of Directors

	D Senthikumar	**KT Vijayagopal**
16th May 2017	DIN 00202578	DIN 02341353
Chennai – 600 068	Wholetime Director (Operations)	Wholetime Director (Finance)

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF TAMILNADU PETROPRODUCTS LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **TAMILNADU PETROPRODUCTS LIMITED ("the Company"),** which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone 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 prescribed under Section 133 of the Act.

This responsibility also 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 judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

In conducting 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 thereunder.

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone 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 standalone 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 the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 March 31, 2017, its profits and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report, to the extent applicable that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

    b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

    c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.

    d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards prescribed under Section 133 of the Act.

    e. On the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 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 A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i) The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements (Refer note 30 to the standalone financial statements).

ii) The Company did not have any long-term contracts and the Company did not have any material foreseeable losses on the derivative contracts.

iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv) The Company has provided requisite disclosures in the standalone financial statements as regards its holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8th November, 2016 of the Ministry of Finance, during the period from 8 November 2016 to 30 December 2016. Based on audit procedures performed and the representations provided to us by the management, we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the Management (Refer note 45 to the standalone financial statements).

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Firm's Registration No. 008072S)

M.K. Ananthanarayanan
Partner
(Membership No. 19521)

Chennai, May 16, 2017

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' Section of our report of even date)

Report on the Internal Financial Controls over Financial Reporting 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 TAMILNADU PETROPRODUCTS LIMITED ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management 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". 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 respective 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.

Auditor's 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 whether the risk of a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, 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.

TPL

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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on "the internal control over financial reporting criteria established by the respective 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".

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Firm's Registration No. 008072S)

M.K. Ananthanarayanan
Partner
(Membership No. 19521)

Chennai, May 16, 2017

ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' Section of our report to the members of Tamilnadu Petroproducts Limited on the accounts for the year ended March 31, 2017)

(i) In respect of its fixed assets :

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The fixed assets where physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and based on the examination of the registered title deeds provided to us, we report that, the title deeds, comprising the immovable properties of land and buildings which are freehold and the buildings constructed on the leasehold land are held in the name of the Company as at the balance sheet date.

(ii) In respect of its inventory:

As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.

(iii) In our opinion and according to the information and explanations given to us , the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.

(iv) The Company has not granted any loans, made investments or provided guarantees during the year and hence reporting under clause (iv) of the CARO 2016 is not applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposits during the year. There were no unclaimed deposits at any time during the year.

(vi) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-Section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) According to the information and explanations given to us in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income tax, Sales Tax, Service Tax, Customs duty, Excise duty, Value Added Tax, cess and other material statutory dues applicable to it with the appropriate authorities.

(b) There were no undisputed amounts payable by the Company, in respect of Provident Fund, Employees State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2017 for a period of more than six months from the date they became payable.

(c) Details of dues of Income Tax , Sales Tax , Service Tax and Excise Duty which have not been deposited as on March 31, 2017 on account of disputes are given below:

Nature of Statute	Nature of dues	Forum where dispute is pending	Financial Year	Amount involved (₹ in lakhs)	Amount unpaid (₹ in lakhs)
Various State Sales Tax Acts	Sales Tax	Tribunal	1993-1994 to 2002-03	1,669.97	1,658.76
		High Court	2006-07	58.08	58.08
Central Excise Act	Excise duty	High Court	1994-2002	51.73	13.89
		Tribunal	2001-2013	304.54	289.71
		Commissioner (Appeals)	2002-2007	5.11	5.11
		Deputy Commissioner	1994-1997	10.90	10.90
Finance Act	Service Tax	Tribunal	1997-2014	583.50	517.43
		Commissioner (Appeals)	2005-2006	6.95	0.05
			Assessment Year		
Income Tax Act	Income Tax	High Court	2000-01	2,956.13	60.16
		Tribunal	2012-13	824.92	372.57
		CIT (A)	2001-02 to 2003-04	5,906.61	228.99
				1,919.11	959.25
			2009-10 to 2011-12	276.76	220.55
			2013-14		

In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of the interest free sales tax deferral loan availed from the Government and in the repayment of loans or borrowings to financial institutions and banks; The Company has not issued any debentures.

(viii) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the CARO 2016 Order is not applicable.

(ix) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(x) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.

(xi) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable.

(xii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiii) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company.

(xiv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of Section 192 of the Companies Act, 2013 are not applicable.

(xv) The Company is not required to be registered under Section 45-I of the Reserve Bank of India Act, 1934.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Firm's Registration No. 008072S)

M.K. Ananthanarayanan
Partner
(Membership No. 19521)

Chennai, May 16, 2017

TPL

Standalone Balance Sheet as at 31st March, 2017

	Notes	As at 31st March, 2017 (Rupees in lakhs)		As at 31st March, 2016 (Rupees in lakhs)	
EQUITY AND LIABILITIES					
Shareholders' funds					
Share Capital	3	**8,997.15**		8,997.15	
Reserves and Surplus	4	**19,871.06**		18,916.34	
			28,868.21		27,913.49
Non- Current liabilities					
Long-term borrowings	5	**216.16**		526.51	
Deferred tax liabilities(net)	6	**776.31**		-	
Other long term liabilities	7	**26.14**		26.14	
Long-term provisions	8	**369.46**		272.02	
			1,388.07		824.67
Current liabilities					
Short -term borrowings	9	**3,931.20**		5,692.71	
Trade payables	10				
(i) total outstanding dues of micro enterprises and small enterprises		**-**		-	
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		**10,128.38**		7,495.88	
Other current liabilities	11	**878.25**		4,241.92	
Short-term provisions	12	**5,071.29**		42.39	
			20,009.12		17,472.90
TOTAL			**50,265.40**		46,211.06
ASSETS					
Non- Current Assets					
Property, Plant and Equipment					
Tangible Assets	13		**21,583.51**		21,788.29
Capital Work-in-progress			**1,527.37**		1,545.91
Non- current investments	14		**7,700.97**		7,703.54
Long term loans and advances	15		**2,844.68**		2,432.50
Current Assets					
Inventories	16	**7,067.13**		6,165.75	
Trade receivables	17	**6,820.56**		3,137.34	
Cash and cash equivalents	18	**1,282.10**		1,107.41	
Short-term loans and advances	19	**1,372.93**		2,189.55	
Other current assets	20	**66.15**		140.77	
			16,608.87		12,740.82
TOTAL			**50,265.40**		46,211.06

See accompanying notes forming part of the standalone financial statements

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants

M.K. Ananthanarayanan
Partner

Place : Chennai
Date : 16th May, 2017

For and on behalf of the Board of Directors

KT Vijayagopal
Wholetime Director (Finance) & CFO
DIN: 02341353

TK Arun
Director
DIN: 02163427

D Senthikumar
Wholetime Director (Operations)
DIN: 00202578

D Hem Senthil Raj
Company Secretary
M. No.: F8366

TPL

Statement of Standalone Profit and Loss for the year ended 31st March, 2017

	Notes	As at 31st March, 2017 (Rupees in lakhs)	As at 31st March, 2016 (Rupees in lakhs)
INCOME			
Revenue from operations (gross)	21	**101,053.90**	79,354.47
Less: Excise Duty		**12,168.74**	9,291.77
Revenue from operations (net)		**88,885.16**	70,062.70
Other income	22	**289.24**	270.52
Total Revenue		**89,174.40**	70,333.22
EXPENSES			
Cost of Materials consumed	23	**50,412.99**	42,282.32
Purchase of Stock-in-trade	24	**1,257.58**	591.84
Changes in inventories of finished goods, work-in-progress and Stock-in-trade	25	**(170.75)**	224.83
Employee benefits expense	26	**2,808.10**	3,271.03
Finance costs	27	**3,435.37**	1,474.15
Depreciation	13	**1,576.14**	1,757.95
Other expenses	28	**28,159.46**	22,687.55
Total expenses		**87,478.89**	72,289.67
Profit / (Loss) before exceptional item and taxes		**1,695.51**	(1,956.45)
Exceptional items	29	**2,500.00**	5,771.37
Profit before tax		**4,195.51**	3,814.92
Tax expense:			
Current tax		**352.72**	-
Less : Mat credit entitlement		**(352.72)**	-
Deferred tax	6	**776.31**	-
Provision for tax relating to prior years	30A1(iv)	**2,464.48**	-
Net current tax expense		**3,240.79**	-
Profit for the year		**954.72**	3,814.92
Earnings per equity share (in Rs).:			
Basic and Diluted	34	**1.06**	4.24

See accompanying notes forming part of the standalone financial statements

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants

M.K. Ananthanarayanan
Partner

Place : Chennai
Date : 16th May, 2017

For and on behalf of the Board of Directors

KT Vijayagopal
Wholetime Director (Finance) & CFO
DIN: 02341353

TK Arun
Director
DIN: 02163427

D Senthikumar
Wholetime Director (Operations)
DIN: 00202578

D Hem Senthil Raj
Company Secretary
M. No.: F8366

TPL

Standalone Cash Flow Statement for the year ended 31st March, 2017

		For the year ended 31st March, 2017 (Rupees in Lakhs)		For the year ended 31st March, 2016 (Rupees in Lakhs)	
A	**Cash flow from operating activities:**				
	Profit before tax		**4,195.51**		3,814.92
	Adjustments for				
	Depreciation	**1,576.14**		1,757.95	
	Profit on Sale of Investment in associate-PAPL	**-**		(0.01)	
	Profit on sale of property	**-**		(6,620.37)	
	Provision for impairment of ECH assets	**-**		849.00	
	Loss on fixed assets sold/scrapped	**386.97**		52.34	
	Finance costs	**3,435.37**		1,474.15	
	Interest income	**(158.97)**		(208.99)	
	Provision for doubtful receivables	**11.65**		15.75	
	Rental income from operating leases	**-**		(42.84)	
	Net unrealised exchange (gain) / loss	**(3.91)**		4.44	
	Provision no longer required written back	**60.18**		-	
	Sundry balances written back	**65.13**		-	
			5,372.56		(2,718.58)
	before working capital changes		**9,568.07**		1,096.34
	Changes in working capital:				
	Adjustments for (increase) / decrease in operating assets:				
	Inventories	**(901.38)**		2,190.96	
	Trade receivables	**(3,694.87)**		3,234.19	
	Short-term loans and advances	**816.62**		196.66	
	Long-term loans and advances	**(112.23)**		687.02	
	Other current assets	**45.75**		(12.38)	
	Adjustments for increase / (decrease) in operating liabilities:				
	Trade payables	**2,507.19**		(6,478.65)	
	Other current liabilities	**(3,207.29)**		2,589.89	
	Other long-term liabilities			(287.77)	
	Short-term provisions	**13.55**		0.59	
	Long-term provisions	**97.44**		40.31	
			(4,435.22)		2,160.82
	Cash generated from operations		**5,132.85**		3,257.16
	Net income tax (paid)		**(95.47)**		(165.39)
	Net cash flow from operating activities (A)		**5,037.38**		3,091.77
B	**Cash flow from investing activities:**				
	Capital expenditure on Property, Plant and Equiment, including capital advances	**(1,967.91)**		(632.20)	
	Proceeds from sale of Property, Plant and Equipment	**1.21**		1,949.04	
	Proceeds from Redemption of Zero Coupon Bond	**-**		163.60	
	Proceeds from Sale of Investment in associate-PAPL	**-**		0.01	
	Interest received - others	**187.84**		307.99	
	Rental income from operating leases	**-**		42.84	
	Bank balances not considered as cash and cash equivalents	**(183.13)**		(31.82)	
			(1,961.99)		1,799.46
	Net cash flow from / (used in) investing activities (B)		(1,961.99)		1,799.46

TPL

Standalone Cash Flow Statement for the year ended 31st March, 2017

		(Rupees in Lakhs) For the year ended 31st March, 2017		(Rupees in Lakhs) For the year ended 31st March, 2016
C	**Cash flow from financing activities:**			
	Repayment of short-term borrowings	**(149.78)**	(72.98)	
	Repayment of long-term borrowings	**(310.35)**	(460.16)	
	Net increase / (decrease) in working capital borrowings	**(1,761.52)**	(2,982.96)	
	Finance costs	**(862.09)**	(1,475.59)	
	Dividends paid	**(0.08)**	(0.28)	
		(3,083.82)		(4,991.97)
	Net cash used in financing activities (C)	**(3,083.82)**		(4,991.97)
	Net cash flows during the year (A+B+C)	**(8.43)**		(100.74)
	Cash and cash equivalents at the beginning of the year	**125.24**		225.98
	Cash and cash equivalents at the end of the year	**116.81**		125.24
	Net increase / (decrease) in cash and cash equivalents	**(8.43)**		(100.74)
	Reconciliation of Cash and cash equivalents with the Balance Sheet:			
	Cash and cash equivalents as per Balance Sheet (Refer Note 18)	**1,282.10**		1,107.41
	Less: Bank balances not considered as Cash and cash equivalents as defined in AS 3 - Cash Flow Statements:			
	Unpaid dividend account	**58.38**		58.47
	Margin money deposits	**1,106.91**		923.70
	Cash and cash equivalents at the end of the year *	**116.81**		125.24
	* Comprises:			
	Cash on hand	**0.25**		0.85
	Cheques on hand	**100.00**		-
	Balances with banks	**16.56**		124.39
	In current accounts	**-**		-
		116.81		125.24

See accompanying notes forming part of the standalone financial statements

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants

M.K. Ananthanarayanan
Partner

Place : Chennai
Date : 16th May, 2017

For and on behalf of the Board of Directors

KT Vijayagopal
Wholetime Director (Finance) & CFO
DIN: 02341353

TK Arun
Director
DIN: 02163427

D Senthikumar
Wholetime Director (Operations)
DIN: 00202578

D Hem Senthil Raj
Company Secretary
M. No.: F8366

TPL

Notes forming part of the Standalone Financial Statements for the year ended 31st March 2017

1. Corporate information

Tamilnadu Petroproducts Limited (TPL) was incorporated in 1984 as a public limited Company and is jointly promoted by Southern Petrochemicals Industries Corporation Limited (SPIC) and Tamilnadu Industrial Development Corporation Limited (TIDCO). Its shares are listed on two stock exchanges in India. viz. National Stock Exchange of India and Bombay Stock Exchange Ltd. The Company is currently engaged in the manufacturing and selling of petrochemical products namely Linear Alkyl Benzene (LAB) and Caustic Soda from the manufacturing facilities situated at Manali, near Chennai.

2. Summary of accounting policies

The significant accounting policies followed by the company are as stated below :

I BASIS OF ACCOUNTING

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013, as applicable. The financial statements have been prepared on accrual basis under the historical cost convention except for categories of property, plant and equipment acquired before 1 April, 1996, that are carried at revalued amounts. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

II USE OF ESTIMATES

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

III INVENTORIES

Inventories are valued at lower of cost (weighted average basis) and net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty.

IV CASH AND CASH EQUIVALENTS (FOR PURPOSES OF CASH FLOW STATEMENT)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

V CASH FLOW STATEMENT

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

VI PROPERTY, PLANT AND EQUIPMENTS AND DEPRECIATION

Property, plant and equipment are stated at cost less depreciation. Cost comprises of purchase price (net of rebates and discounts), import duties, levies (net of CENVAT and VAT) and any directly attributable cost including borrowing cost, of bringing the assets to its working condition for its intended use. Certain assets have been revalued as on 31st March, 1996 and the resultant surplus has been added to the cost of the assets.

Depreciation amount for assets is the cost of an assets, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible property, plant and equipments has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.:

General Plant and Machinery used in Epichlorohydrin plant – 10 years

Certain Plant and Machinery used in Linear Alkyl Benzene plant – 4.5 years

Furniture and Fixture provided to employees depreciated – 5 years

Notes forming part of the Standalone Financial Statements for the year ended 31st March 2017

CAPITAL WORK-IN-PROGRESS:

Projects under which assets are not ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

VII REVENUE RECOGNITION

a) Sale of Goods

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to the customers. Sales include excise duty but exclude sales tax and value added tax.

b) Income from services

Revenues from contracts priced on a time and material basis are recognised when services are rendered and related costs are incurred.

c) Export incentive

Export benefits in the nature of focus market scheme are accrued in the year of exports based on the eligibility taking into consideration the prevailing regulations/policies and when there is no uncertainty in receiving the same. Adjustments, if any, to the amounts recognized in accordance with the accounting policy, based on final determination by the authorities, would be dealt with appropriately in the year of final determination and acceptance.

VIII OTHER INCOME

Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.

IX FOREIGN CURRENCY TRANSACTIONS

Initial Recognition

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Measurement at balance sheet date

Foreign currency monetary items of the Company, outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items of the Company are carried at historical cost.

Treatment of exchange differences

Exchange differences arising on settlement / restatement of foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.

Accounting for forward contracts

Premium / discount on forward exchange contracts, which are not intended for trading or speculation purposes, are amortized over the period of the contracts if such contracts relate to monetary items as at the balance sheet date. Any profit or loss arising on cancellation or renewal of such a forward exchange contract is recognized as income or as expense in the period in which such cancellation or renewal is made.

X INVESTMENTS

Long term investments are carried individually at cost, less provision for diminution, other than temporary, in the value of such investments.

Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

XI EMPLOYEE BENEFITS

Short term employee benefits

Short term employee benefits are recognised as an expense at the undiscounted amounts in the Profit and Loss account of the year in which the related services are rendered.

Notes forming part of the Standalone Financial Statements for the year ended 31st March 2017

Defined Benefits Plans

i) Provident Fund:

Contributions are made monthly at a predetermined rate to the Provident Fund Trust managed by the company and debited to the Statement of Profit and Loss on an accrual basis. The interest rate payable by the Trust to the beneficiaries is as notified by the Government. The Company has an obligation to make good the shortfall, if any, between the return from the investments of the Trust and the notified interest rates and recognizes such shortfall as an expense.

ii) Gratuity:

The Company has an arrangement with the Life Insurance Corporation of India (LIC) to administer its Gratuity fund. Premium paid / payable is determined based on an actuarial valuation carried out by LIC using the projected unit credit method as on the Balance Sheet date and debited to the Profit & Loss account on accrual basis. Actuarial gain or loss is recognised in the statement of profit or loss as income or expense.

Long term compensated absences:

Liability towards long term compensated absences is accrued based on an actuarial valuation at the balance sheet date based on the projected unit credit method and is not funded.

XII BORROWING COST:

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

XIII OPERATING LEASES

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the lease term.

XIV EARNINGS PER SHARE

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations.

XV TAXES ON INCOME

Current tax is the amount of tax payable on the taxable income for the year and determined in accordance with applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

Current and deferred tax relating to items directly recognised in reserves and not in the Statement of Profit and Loss.

Notes forming part of the Standalone Financial Statements for the year ended 31st March 2017

XVI RESEARCH AND DEVELOPMENT EXPENSES

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss.

XVII IMPAIRMENT OF ASSETS

Consideration is given at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of the company's property, plant and equipments. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of the net selling price and value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss.

XVIII PROVISIONS AND CONTINGENCIES

A provision is recognized when the company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognized but are disclosed in the notes to the accounts. Contingent assets are neither recognised nor disclosed in the financial statement.

XIX DERIVATIVE CONTRACTS

The Company enters into derivative contracts in the nature of forward contracts with an intention to hedge its existing assets and liabilities. Derivative contracts are closely linked to the existing assets and liabilities and are accounted as per the policy stated for Foreign Currency transactions and translations.

XX INSURANCE CLAIMS

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

XXI SERVICE TAX INPUT CREDIT

Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is no uncertainty in availing / utilising the credits.

XXII OPERATING CYCLE

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

Notes forming part of the Standalone Financial Statements for the year ended 31st March 2017

		As at 31 March, 2017 (Rupees in lakhs)	As at 31 March, 2016 (Rupees in lakhs)
3	**Share Capital**		
	Authorised		
	200,000,000 (Previous Year 200,000,000) equity shares of Rs.10 each with voting rights	**20,000.00**	20,000.00
	Issued		
	89,976,899 (Previous Year 89,976,899) equity shares of Rs 10 each with voting rights	**8,997.69**	8,997.69
	Subscribed and fully paid up		
	89,971,474 (Previous Year 89,971,474) equity shares of Rs 10 each with voting rights	**8,997.15**	8,997.15

3.1 In December 1993, the company came out with Rights cum Public Issue of Equity Shares. The difference between issued and subscribed capital of 5,425 shares (previous year 5,425 shares) is due to said shares kept in abeyance under Section 126 of the Companies Act, 2013.

3.2 Details of Shareholders holding more than 5% shares in the Company

Name of the Shareholders	31 March 2017		31 March 2016	
Equity Shares of Rs. 10/- each fully paid up	**No of Shares**	**% of holding**	**No of Shares**	**% of holding**
Tamilnadu Industrial Development Corporation Limited	**15,843,751**	**17.61**	**15,843,751**	17.61
Southern Petrochemical Industries Corporation Limited	**15,234,375**	**16.93**	**15,234,375**	16.93

3.3 There has been no movement in equity share capital during the year.

3.4 Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs.10/- . Each holder is entitled to one vote per equity share.

The company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders at the Annual General Meeting.

The Board of Directors have recommended a dividend of Rs. NIL Per Share for the current year (previous year Rs. NIL Per Share).

Repayment of capital will be in proportion to the number of equity shares held.

4 Reserves and Surplus

	As at 31 March, 2017 (Rupees in lakhs)	As at 31 March, 2016 (Rupees in lakhs)
Capital reserve	**42.23**	42.23
Securities premium account	**4,611.57**	4,611.57
Revaluation reserve	**1,986.18**	1,986.18
General reserve	**14,890.38**	14,890.38
Surplus in Statement of Profit and Loss		
Opening balance	**(2,614.02)**	(6,428.94)
Less : Profit for the year	**954.72**	3,814.92
Closing balance	**(1,659.30)**	(2,614.02)
	19,871.06	18,916.34

5	**Long term borrowings**	**Terms of repayments**		
	Interest free deferred sales tax loan (unsecured)	Repayable in 12 monthly installments	**216.16**	526.51
			216.16	526.51

Notes forming part of the Standalone Financial Statements for the year ended 31st March 2017

		As at 31 March, 2017 (Rupees in lakhs)	As at 31 March, 2016 (Rupees in lakhs)
6	**Deferred tax liability (net)**		
	Tax effect of item constituting deferred tax liability		
	On difference between book balance and tax balance of property, plant and equipment	**4,159.53**	3,925.48
		4,159.53	3,925.48
	Tax effect of items constituting deferred tax assets		
	Unabsorbed depreciation and business losses	**3,340.78**	3,821.50
	Provision for compensated absences	**38.41**	97.15
	Provision for doubtful debts/advances	**4.03**	6.83
		3,383.22	3,925.48
	Net deferred tax (asset) / liability	**776.31**	-
7	**Other long-term liabilities**		
	Security deposit received	**9.21**	9.21
	Other payables (Note 39)	**16.93**	16.93
		26.14	26.14
8	**Long term provisions**		
	Provision for employee benefits		
	Compensated absences	**369.46**	272.02
9	**Short term borrowings**		
	Loan repayable on demand from Banks (Secured)	**3,931.20**	5,692.71

Loans are secured by hypothecation of inventories both on hand and in transit, book debts and other receivables, both present and future and further secured by way of mortgage by deposit of title deeds of immovable properties, both present and future, on second charge basis ranking pari passu amongst them.

10	**Trade payables**		
	Acceptances	762.53	-
	Other than acceptances :		
	Outstanding dues of micro enterprises and small enterprises (Note 37)	-	-
	Outstanding dues of creditors other than micro enterprises and small enterprises.	**9,352.59**	7,483.22
	Payable to related parties	**13.26**	12.66
		10,128.38	7,495.88
11	**Other current liabilities**		
	Current maturities of Interest free deferred sales tax loan	**310.37**	460.15
	Unpaid dividends *	**58.38**	58.47
	Deposits	**10.00**	10.18
	Gratuity payable (Note 40)	**106.95**	244.22
	Other Payables		
	Statutory remittances (Contributions to PF and ESIC and other taxes payable)	**392.55**	368.90
	Advance received from customers	**-**	1,000.00
	Advance received from Insurance company	**-**	2,100.00
		878.25	4,241.92
	* Amount to be credited to Investor Education and Protection Fund towards unpaid dividends	**-**	-
12	**Short term provisions**		
	Provision for employee benefits		
	Provision for Compensated absences	**55.94**	42.39
		55.94	42.39
	(b) **Provisions - Others**		
	Provision for taxation (Net of Advance tax of ₹ 11,605 Lakhs)	**5,015.35**	-
		5,015.35	-
		5,071.29	42.39

Notes forming part of the standalone financial statements for the year ended 31st March 2017

13 Property, Plant and Equipment

Current year : (Rs. in lakhs)

Description	Cost / Valuation				Accumulated Depreciation / Impairment					Net book value	
	As at 1 April, 2016	Additions	Deductions	As at 31st March, 2017	As at 1st April, 2016	For the year	Impairment	Deductions	As at 31st March, 2017	As at 31st March, 2017	As at 31 March, 2016
Tangible assets: (Owned)											
Land (Freehold)	1,708.61	-	-	1,708.61	-	-	-	-	-	1,708.61	1,708.61
Buildings:											
Own use	4,729.03	-	13.45	4,715.58	3,699.09	66.73	-	12.64	3,753.18	962.40	1,029.94
Plant and Equipment (refer note below)	119,006.09	1,737.13	5,151.65	115,591.57	100,053.94	1,484.60	-	4,784.24	96,754.30	18,837.27	18,952.15
Furniture and Fixtures	146.29	1.55	83.16	64.68	119.81	3.21	-	79.47	43.55	21.13	26.48
Vehicles	33.73	5.73	7.07	32.39	23.18	1.96	-	6.72	18.42	13.97	10.55
Office equipment	670.43	15.13	380.65	304.91	609.87	19.64	-	364.73	264.78	40.13	60.56
Total	**126,294.18**	**1,759.54**	**5,635.98**	**122,417.74**	**104,505.89**	**1,576.14**	**-**	**5,247.80**	**100,834.23**	**21,583.51**	**21,788.29**

Note: Depreciation on Plant and Equipment includes depreciation on R & D assets for Rs.2.62 lakhs (Rs.5.60 lakhs).

Previous year : (Rs. in Lakhs)

Description	Cost / Valuation				Accumulated Depreciation					Net book value	
	As at 1 April, 2015	Additions	Deductions	As at 31 March, 2016	As at 1 April, 2015	For the year	Impairment	Deductions	As at 31 March, 2016	As at 31 March, 2016	As at 31 March, 2015
Tangible assets: (Owned)											
Land (Freehold)	2,187.26	-	478.65	1,708.61	-	-	-	-	-	1,708.61	2,187.26
Buildings:											
Own use	4,659.20	69.83		4,729.03	3,467.78	231.31	-		3,699.09	1,029.94	1,191.42
Given under operating lease	1,117.61	-	1,117.61	-	239.82	9.79	-	249.61	-	-	877.79
Plant and Equipment (Note below)	118,123.48	950.07	67.46	119,006.09	97,758.98	1,488.51	849.00	42.55	100,053.94	18,952.15	20,364.50
Furniture and Fixtures	123.53	24.20	1.44	146.29	120.23	0.83	-	1.25	119.81	26.48	3.30
Vehicles	28.77	11.22	6.26	33.73	28.40	0.35	-	5.57	23.18	10.55	0.37
Office equipment	925.70	43.37	298.64	670.43	872.78	27.16	-	290.07	609.87	60.56	52.92
Total	**127,165.55**	**1,098.69**	**1,970.06**	**126,294.18**	**102,487.99**	**1,757.95**	**849.00**	**589.05**	**104,505.89**	**21,788.29**	**24,677.56**

Note: Depreciation on Plant and Equipment includes depreciation on R & D assets for Rs.5.60 lakhs (Rs.5.81 lakhs).

Notes forming part of the Standalone financial statements for the year ended 31st March 2017

			As at 31 March, 2017 (Rupees in lakhs)		As at 31 March, 2016 (Rupees in lakhs)
14.	**Non current investments**				
	Investments (At cost)				
A	**Trade (unquoted)**				
	Investment in equity instruments of :				
	(i) Wholly owned Subsidiary				
	2,04,190 (31 March 2016: 2,04,190) Equity shares of US $ 100 each fully paid up in Certus Investment & Trading Limited, Mauritius	**9,645.13**		9,645.13	
	Less: Provision for diminution in value of investments	**1,978.11**		1,978.11	
			7,667.02		7,667.02
Total - Trade (A)			7,667.02		7,667.02
B	**Other Investments (unquoted)**				
	(i) Investment in equity instruments				
	(a) 1,00,000 Equity shares of Rs.10 each fully paid up in SEPC Power (Private) Limited (formerly known as SPIC Electric Power Corporation Private Limited. (Note 39)		**10.00**		10.00
	(b) 40,00,000 Equity shares of Rs.10 each fully paid-up in Standard Motor Products of India Limited.	**400.00**		400.00	-
	Less: Provision for diminution in value of Investment	**400.00**		400.00	-
	(c) Suzlon Engitech Limited				
	22,463 Equity Shares of Rs.10 each fully paid up		**2.24**		2.24
	(d) OPG Power Generation Private Limited				
	2,20,735 Equity shares of Rs.10 each fully paid up	**24.28**			
	Less: Sale of 23,335 Equity shares of Rs.11 each.	**2.57**	**21.71**		24.28
			33.95		36.52
	(ii) Investments in bonds				
	3 years 0% interest bond in Mercantile Ventures Limited (allotted on 27th March 2013 in settlement of dues)	**-**		163.60	
Less: Redeemed during the year		**-**	**-**	163.60	-
Aggregate amount of unquoted investments (A+B)			**7,700.97**		7,703.54

15	**Long-term loans and advances (Unsecured, considered good)**		
	Capital advances	226.91	-
	Security deposits	1,382.69	1,288.45
	Advance income tax (Net)	-	279.68
	MAT credit entitlement	352.72	-
	Balances with Customs, Sales tax and Excise Authorities	865.06	848.92
	Other loans and advances	17.30	15.45
		2,844.68	2,432.50

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Notes forming part of the Standalone financial statements for the year ended 31st March 2017

			As at 31 March, 2017 (Rupees in lakhs)	As at 31 March, 2016 (Rupees in lakhs)
16	**Inventories**			
	(At lower of cost and net realisable value)			
	Raw materials and components		3,892.18	2,881.31
	Work-in-progress		299.93	108.81
	Finished goods		467.33	487.70
	Stores and spares		2,407.69	2,687.93
			7,067.13	6,165.75
	Details of Work-in-progress:			
	Linear Alkyl Benzene		31.95	56.14
	Normal Paraffin		267.98	52.67
			299.93	108.81
17	**Trade receivables (Unsecured)**			
	Trade receivables outstanding for a period exceeding six months from the date they were due for payment:			
	Considered good		**101.14**	88.02
	Considered doubtful		**33.73**	22.08
			134.87	110.10
	Other trade receivables - Considered good		**6,719.42**	3,049.32
			6,854.29	3,159.42
	Less: Provision for doubtful receivables		**33.73**	22.08
			6,820.56	3,137.34
18	**Cash and cash equivalents**			
A.	**Cash and cash equivalents (as per AS 3 Cash Flow Statements)**			
	Cash on hand		**0.25**	0.85
	Cheques on hand		**100.00**	-
	Balances with banks			
	In current accounts		**16.56**	124.39
	Total - Cash and cash equivalents (as per AS 3 Cash Flow Statements) (A)		**116.81**	125.24
B.	**Other bank balances**			
	In earmarked accounts			
	- Unpaid dividend account		**58.38**	58.47
	- Margin Money deposits (towards non fund based facilities from Banks)		**1,106.91**	923.70
	Total - Other bank balances (B)		**1,165.29**	982.17
	Total Cash and cash equivalents (A+B)		**1,282.10**	1,107.41
19	**Short-term loans and advances (Unsecured considered good unless otherwise stated)**			
	Security deposits		**33.13**	52.91
	Loans and advances to employees:			
	Secured loan against mortgage of title deeds		**1.80**	7.62
	Prepaid expenses		**277.17**	13.78
	Balances with Government authorities			
	(i) CENVAT credit receivable	230.51	**141.45**	
	(ii) VAT credit receivable	20.52	**1.49**	
	(iii) Service tax credit receivable	42.34	**195.71**	
	(iv) Customs	-	**1.99**	
			293.37	340.64
	Advances to suppliers		**767.46**	1,774.60
			-	-
			1,372.93	2,189.55

Notes forming part of the Standalone financial statements for the year ended 31st March 2017

			As at 31 March, 2017 (Rupees in lakhs)	As at 31 March, 2016 (Rupees in lakhs)
20	**Other current assets**			
	Unamortised forward premium	**16.00**		-
	Interest accrued on deposits/advances	**-**		28.87
	Export benefits receivable	**47.58**		111.90
	Other receivable	**2.57**		-
		66.15		140.77
21	**Revenue from operations**			
	Sale of products		**100,736.57**	79,231.50
	Sale of services		**21.10**	13.29
	Other operating revenues		**296.23**	109.68
			101,053.90	79,354.47
	Less: Excise Duty		**12,168.74**	9,291.77
			88,885.16	70,062.70
	Sale of products comprises			
	Manufactured goods			
	Linear Alkyl Benzene		**89,595.08**	70,376.55
	Caustic soda		**7,399.04**	5,812.35
	Others		**2,443.30**	2,479.19
			99,437.42	78,668.09
	Traded goods			
	Traded goods			
	Linear Alkyl Benzene		**1,299.15**	563.41
	Total - Sale of products		**100,736.57**	79,231.50
	Sale of services comprises			
	Effluent Treatment / Hydrogen Testing / Storage		**21.10**	13.29
	Total - Sale of Services		**21.10**	13.29
	Other operating revenues comprises			
	Scrap sales		**248.65**	37.07
	Export incentives		**47.58**	72.61
	Total - Other operating revenues		**296.23**	109.68
22	**Other income**			
	Interest			
	from bank deposits		**67.67**	83.51
	from others		**91.30**	125.48
	Profit on sale of investment in Associate - PAPL		**-**	0.01
	Rental income from operating leases		**-**	42.84
	Insurance claim received		**-**	17.91
	Provision no longer required written back		**60.18**	-
	Sundry balances written back		**65.13**	-
	Others		**4.96**	0.77
			289.24	270.52
23	**Cost of materials consumed**			
	Opening stock		**2,881.31**	4,372.07
	Add: Purchases		**51,423.86**	40,791.56
			54,305.17	45,163.63
	Less: Closing Stock		**3,892.18**	2,881.31
	Cost of material consumed		**50,412.99**	42,282.32
	Material consumed comprises:			
	Kerosene		**22,852.13**	20,764.38
	Benzene		**16,223.42**	12,542.88
	Normal Paraffin		**10,000.21**	7,225.93
	Salt		**895.06**	718.06
	others		**442.17**	1,031.07
			50,412.99	42,282.32

Notes forming part of the Standalone financial statements for the year ended 31st March 2017

		As at 31 March, 2017 (Rupees in lakhs)	As at 31 March, 2016 (Rupees in lakhs)
24	**Purchase of Stock in trade**		
	Linear Alkyl Benzene	**1,257.58**	591.84
		1,257.58	591.84
25	**Changes in inventories of finished goods, work-in-progress and stock-in-trade**		
	Inventories at the end of the year		
	Finished goods	**467.33**	487.70
	Work-in-progress	**299.93**	108.81
		767.26	596.51
	Inventories at the beginning of the year		
	Finished goods	**487.70**	546.35
	Work-in-progress	**108.81**	274.99
		596.51	821.34
		(170.75)	224.83
26	**Employee benefits expense**		
	Salaries and wages	**2,210.30**	2,500.10
	Contributions to provident and other funds	**191.72**	417.49
	Staff welfare expenses	**406.08**	353.44
		2,808.10	3,271.03
27	**Finance costs**		
	Interest expense on :		
	Interest expense on borrowings	**693.62**	1,101.85
	Interest expense on tax demand relating to earlier years (Refer note 30A1(iv))	**2,573.28**	-
	Letter of Credit and other bank charges	**165.07**	231.62
	Net loss on foreign currency transactions and translation considered as finance cost	**3.40**	140.68
		3,435.37	1,474.15
28	**Other expenses**		
	Consumption of stores and spare parts	**3,689.65**	2,152.67
	Utilities consumed	**491.40**	356.82
	Power and fuel	**17,097.64**	15,131.37
	Rent including lease rentals	**155.87**	150.20
	Repairs to buildings	**11.28**	13.78
	Repairs to machinery	**1,315.68**	1,379.72
	Payment to Auditors: (net of taxes)		
	Towards audit fee	**17.00**	17.00
	For other services	**9.00**	9.00
	Out of pocket expenses	**1.00**	1.00
	Insurance	**288.81**	109.75
	Rates and Taxes	**868.35**	157.71
	Freight and forwarding	**2,403.68**	1,956.10
	Net loss on foreign currency transactions (other than considered as finance cost)	**6.17**	178.01
	Loss on fixed assets sold/scrapped	**386.97**	52.34
	Provision for doubtful receivables	**11.65**	15.75
	Increase / (decrease) of excise duty on inventory	**(1.51)**	0.73
	Miscellaneous expenses	**1,406.82**	1,005.60
		28,159.46	22,687.55
29	**Exceptional items**		
	a) Profit on sale of property	**-**	6,620.37
	b) Provision for impairment of ECH assets	**-**	(849.00)
	c) Insurance claim received (Refer note 43)	**2,500.00**	-
		2,500.00	5,771.37

Notes forming part of the Standalone financial statements for the year ended 31st March 2017

		As at 31 March, 2017 (Rupees in lakhs)	As at 31 March, 2016 (Rupees in lakhs)
30	**Contingent Liabilities and commitments (to the extent not provided for)**		
Contingent liabilities:			
A1.	**Disputed Demands under Appeals**		
i)	**Sales Tax**	**1,728.05**	1,728.05
	The demands relate to disallowance of claims for exemption of turnover arising on account of stock transfers to branches and genuineness of declarations filed by certain customers for availing concessional rate of tax.		
ii)	**Excise Duty**	**260.61**	259.29
iii)	**Service Tax**	**536.12**	339.05
iv)	**Income Tax (Refer note below)**	**1,089.68**	5,393.66
	In respect of Assessment year 2001-02, Income Tax Appellate Tribunal (ITAT) has allowed the appeal filed by the tax department upholding the validity of reopening of the assessment and has directed the Commissioner of Income Tax (Appeals) to decide the matter on merits. The Company has filed further appeal in the Hon'ble High Court of Madras challenging the order of the ITAT. Company has been advised that it has a reasonably good case to get the order of ITAT set aside by the Hon'ble High court. However on a prudent basis, the Company has made a provision towards tax demanded of Rs. 2,464.48 lakhs and Interest of Rs. 2,550 lakhs as per the assessment order passed by the Assessing Officer u/s. 143(3) read with section 147. No further interest under section 234 of Income Tax Act, 1961 has been considered in this disclosure, based on the above legal advice.		
v)	**Electricity Tax**	**1,054.93**	1,054.93
	The Tamilnadu Government vide Government Order dated 23rd September 1996 exempted specified industries permanently from payment of electricity tax on consumption of self -generated electrical energy under the "Tamilnadu Electricity (Taxation on Consumption) Act, 1962".		
	The above Act was repealed by the "Tamilnadu Tax on Consumption or Sale of Electricity Act, 2003", withdrawing the exemption granted to specified industries.		
	The Company's appeal against the withdrawal of exemption was dismissed by the Madras High Court and the Company filed a "Special Leave Petition" (SLP) before the Supreme Court. On 15th May 2007 the Supreme Court held that the 2003 Act was not valid in respect of industries which were permanently exempted from payment of tax. Consequent to this decision upholding the exemption, the Company, in June 2007 reversed the provision for electricity tax amounting to Rs. 878.77 lacs made in books since 2003-04.		
	In November 2007, the Government of Tamilnadu passed "the Tamilnadu Tax on Consumption or Sale of Electricity Amendment Act" amending the 2003 Act to invalidate the exemption granted with retrospective effect. The writ petitions filed before the division bench of the High Court against this amendment were dismissed by its Order dated 15.06.2012.		
	The Company has filed a SLP before the Supreme Court in October 2012 challenging the High Court Order and is hopeful of a favorable decision by Supreme Court especially on invalidation of the exemption granted with retrospective effect. Accordingly, no provision is considered necessary for the electricity tax relating to the period from 2003 to 2008 aggregating to Rs.1054.93 lakhs. However, provision has been made for this liability for subsequent periods excluding the periods for which specific exemption were granted through notifications.		

Note :

Demands disputed by the Company and appeals filed against these disputed demands are pending before respective appellate authorities. Outflows, if any, arising out of these claims would depend on the outcome of the decision of the appellate authorities and the Company's rights for future appeals. No reimbursements are expected.

Notes forming part of the Standalone financial statements for the year ended 31st March 2017

		As at 31 March, 2017 (Rupees in lakhs)	As at 31 March, 2016 (Rupees in lakhs)
A2.	**Others**		
	Renewable Energy Purchase Obligation (RPO)		
	The Company has disputed the obligation under the "Tamil Nadu Electricity Regulatory Commission (Renewable Energy Purchase Obligation) (Amendment) Regulations, 2011" under Gazette notification TNERC/RPO/19/2 dated 29th July 2011 and filed a Writ Petition in March 2012 before the Honorable Madras High Court. On 26th March 2012, an interim stay was granted by the Honorable Madras High Court on the operation of the Regulations. The Company is hopeful of successful outcome of the writ petition filed before the Honorable Madras High Court and hence no provision is considered necessary in this regard.	**835.97**	673.85
B	**Commitments**		
	Capital commitments	**461.74**	45.13
	Lease commitments in respect of warehouse	**60.69**	56.14
31	**CIF Value of Imports**		
	Intermediates	**4,945.10**	4,999.95
	Raw materials	**9,302.78**	6,802.97
	Stores and spares	**986.20**	831.34
		15,234.08	12,634.26
32	**Expenditure in Foreign Currency**		
	Travel and training	**-**	0.60
	Technical services	**86.05**	127.55
	Interest on buyers credit	**4.20**	14.61
	Subscription	**27.95**	26.10
		118.20	168.86
33	**Earnings in Foreign Exchange**		
	Export of goods on FOB basis	**2,667.82**	3,845.22
34	**Earnings per share**		
	Profit after taxation (Rs. In lacs)	**954.72**	3,814.92
	Weighted number of equity shares outstanding	**89,971,474**	89,971,474
	Basic earnings per share- (Face value – Rs.10/- per share)	**1.06**	4.24

35 Consumption of Imported and Indigenous raw materials, stores and spare parts and percentage of each to total consumption

Particulars	Year ended March 31, 2017		Year ended March 31, 2016	
	% of Total Consumption	Value (Rs in Lakhs)	% of Total Consumption	Value (Rs. in Lakhs)
(i) Raw materials and intermediates consumed				
Imported	**19.84**	**10,000.21**	17.09	7,225.93
Indigenous	**80.16**	**40,412.78**	82.91	35,056.39
	100.00	**50,412.99**	100.00	42,282.32
(ii) Stores and spare parts consumed				
Imported	**36.13**	**1,333.05**	46.65	1,004.26
Indigenous	**63.87**	**2,356.60**	53.35	1,148.41
	100.00	**3,689.65**	100.00	2,152.67

Notes forming part of the Standalone financial statements for the year ended 31st March 2017

36 Related Party Disclosure under Accounting Standard -18

i) The list of related parties as identified by the management and relied upon by the auditors are as under

A)	Promoters	1.	Southern Petrochemical Industries Corporation Limited (SPIC)
		2.	Tamilnadu Industrial Development Corporation Limited (TIDCO)
B)	Subsidiaries	1.	Certus Investment and Trading Limited (CITL), Mauritius
		2.	Certus Investment and Trading (S) Private Limited, Singapore
		3.	Proteus Petrochemicals Private Limited, Singapore (formerly TPL India Singapore Private Limited).
C)	Key management personnel		KT Vijayagopal, Whole Time Director (Finance) & CFO
			D. Senthikumar, Whole Time Director (Operations)

Related Party Transactions

The Company has identified all related parties and details of transactions are given below

ii. The following transactions were carried out with the Related Parties.

(Rs. In Lakhs)

Particulars	Promoters	Associate	Subsidiaries	Key Management Personnel (KMP)
Sale of Goods				
a) SPIC	39.50	-	-	-
	(18.07)	-	-	-
b) MPL	-	-	-	-
	-	(669.49)	-	-
Sale of services				
a) MPL	-	-	-	-
	-	(11.10)	-	-
Sale of assets to MPL	-	-	-	-
	-	(26.39)	-	-
Purchase of goods				
MPL	-	-	-	-
	-	(0.33)	-	-
Services Availed				
MPL - Effluent Line Usage	-	-	-	-
	-	(15.26)	-	-
Managerial remuneration	-	-	-	93.53
	-	-	-	(34.05)
Interest paid on Trade Advance				
MPL	-	-	-	-
	-	(2.18)	-	-
Reimbursement of expenses				
SPIC	0.60	-	-	-
	(2.27)	-	-	-
MPL	-	-	-	-
	-	(33.72)	-	-
Sitting Fees(TIDCO)	6.50	-	-	-
	(5.00)	-	-	-
Balance outstanding as of 31st March 2017				
Trade Receivables				
a) SPIC	7.49	-	-	-
	(0.33)	-	-	-
Other Receivables				
SPIC	4.39	-	-	-
	(4.39)	-	-	-
Other payables				
a) SPIC	3.65	-	-	-
	(3.05)	-	-	-
b) CITL	-	-	9.61	-
	-	-	(9.61)	-

Figures in brackets relates to previous year.

Notes forming part of the Standalone financial statements for the year ended 31st March 2017

37. Based on, and to the extent of information received from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 there are no overdue amounts payable anytime during the year to them. Hence, no interest during the year has been paid or payable under the terms of the Act. Such parties are as identified by the management and relied upon by the auditors.

38. Details on derivative instruments and unhedged foreign currency exposures

I. The following derivative positions are open as at 31 March, 2017. These transactions have been undertaken to act as economic hedges for the Company's exposures to various risks in foreign exchange markets and may / may not qualify or be designated as hedging instruments. The accounting for these transactions is stated in Notes 2(IX) and 2(XIX).

(a) Forward exchange contracts (being derivative instruments), which are not intended for trading or speculative purposes but for hedge purposes to establish the amount of reporting currency required or available at the settlement date of certain payables.

(i) Outstanding forward exchange contracts entered into by the Company as on 31 March, 2017

Currency	Amount	Buy / Sell	Cross currency
USD	2000000	Buy	Rupees

(ii) The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

				Currency	Amount in Foreign Currency	Amount (Rs.in lakhs)
	Amount receivable in foreign currency - Exports			USD	-	-
				USD	(457,706)	(303.23)
	Amount payable in foreign currency - Imports			USD	137,137	88.92
				USD	(253,887)	(168.20)
				GBP	12,508	10.12
				GBP	(12,460)	(11.90)

Figures in brackets are in respect of previous year

39. Other payables represent advances received against sale of 100000, equity shares in SEPC Power (Private) Limited during Financial year 2012-13. The same will get adjusted against Investment held, on successful implementation of the power project by SEPC Power (Private) Limited.

40. Employee Defined Benefit Plans

The Company offers Gratuity benefits to its employees which are funded with Life Insurance Corporation of India. The following table sets out the funded status of the Gratuity scheme and the amount recognised in the financial statements.

	As at 31 March, 2017 (Rupees in lakhs)	As at 31 March, 2016 (Rupees in lakhs)
A) Net Asset/ (Liability) recognized in the Balance Sheet as at March 31, 2017		
Present value of obligation	**674.52**	661.23
Fair value of plan assets	**567.57**	417.01
Net liability	(106.95)	(244.22)
B) Expense recognized in the Statement of Profit and Loss account for the year ended March 31, 2017		
Current service cost	**29.46**	25.88
Interest cost	**52.90**	44.07
Expected return on plan assets	**(33.33)**	(32.67)
Actuarial (gains) / Losses	**(24.63)**	192.65
Total expense	24.40	229.93

Notes forming part of the Standalone Financial Statements for the year ended 31st March 2017

C)	**Change in present value of Obligation during the year ended March 31, 2017**		
	Present value of defined benefit obligation as at the beginning of the year	**661.23**	550.88
	Current service cost	**29.46**	25.88
	Interest cost	**52.90**	44.07
	Actuarial (gains) /losses	**(24.63)**	192.65
	Benefits paid	**(44.44)**	(152.25)
	Present value of defined benefit obligation as at the end of the year	674.52	661.23
D)	**Change in fair value of plan assets during the year ended March 31, 2017**		
	Plan assets at the beginning of the year	**417.01**	508.56
	Expected return on plan assets	**33.33**	32.67
	Actuarial gains /(losses)	**-**	-
	Contributions by employer	**161.67**	28.03
	Benefits paid	**(44.44)**	(152.25)
	Plan assets at the end of the year	567.57	417.01
E)	**Principal actuarial assumptions as at March 31, 2017**		
	Discount rate	**8.00%**	8.0%
	Expected return on plan assets	**8.25%**	8.35%
	Salary escalation	**5.0%**	5.0%
	Attrition	**10.0%**	10.00%

Mortality Table - LIC (2006-08) Ultimate Mortality Table.

F. Experience Adjustments:

	Period Ended				
	2017	**2016**	**2015**	**2014**	**2013**
	Gratuity				
Defined Benefit Obligation	674.52	661.23	550.88	654.94	712.44
Fair value of plan assets	567.57	417.01	508.56	562.06	607.44
Surplus/(Deficit)	(106.95)	(244.22)	(42.32)	(92.88)	(105.00)
Experience adjustment on plan liabilities [(Gain)/Loss]	(24.63)	192.65	(84.55)	45.59	(48.82)
Experience adjustment on plan assets [Gain/ (Loss)]	-	-	-	-	(3.39)

G) Basis used to determine expected rate of return.

The information on major categories of plan assets and expected return on each class of plan assets have not been furnished in the absence of necessary information from Life Insurance Corporation of India.

H) Estimates of future salary increases considered in actuarial valuation take account of inflation, seniority, promotions and other factors.

I) Actuarial assumptions - Compensated absences

Particulars	**2016-17**	**2015-16**
Discount rate (per annum)	7.25%	7.80%
Salary escalation	5.00%	5.00%
Attrition Rate	10.00%	10.00%
Mortality tables	IALM 2006-2008 ULTIMATE	IALM 2006-2008 ULTIMATE

41. The Company operates in only one segment, namely, Industrial Intermediate Chemicals.

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Notes forming part of the Standalone financial statements for the year ended 31st March 2017

42. Operating Leases

The property given under operating leases :

Particulars	**Year ended 31st March, 2017 (Rs. in Lakhs)**	Year ended March 31,2016 (Rs. in Lakhs)
Gross carrying amount of building	-	-
Accumulated depreciation	-	-
Depreciation for the year	-	9.79
Future minimum lease payments under non- cancellable operating leases		
Not later than 1 year	-	-
Later than 1 year and not later than 5 years	-	-

43. During December 2015 and January 2016, the operations of the Company were significantly impacted due to unprecedented rainfall, consequent flooding and power interruptions. LAB and HCD Plants were shut down for 55 days and 44 days respectively. The company filed claims with insurers in respect of which the surveyor has submitted his report and the insurance company is in the process of finalizing the claim. Pending finalisation and approval of the claim by the insurer, the company has recognized the claim to the extent of the actual amount received of Rs. 2,500 lakhs till 31st March 2017 and the same has been disclosed as an exceptional item.

44. The performance of Chlor Alkali Division (CAD) tapered considerably due to various extraneous factors since 2012. Though the demand for Caustic soda, the main product of the division has been constant , the profitability was greatly affected consequent to high cost of power and salt, the main raw materials. The management has been taking necessary steps to reduce the high cost of power. Based on the estimated future revenues that would be generated by CAD and also based on valuation report of the Plant by an Independent Chartered Engineers dated April 1,2015 , the management has assessed and concluded that the recoverable value, as defined in the Accounting Standard 28, of the Plant is higher than the carrying value of Rs.4,348.15 lakhs (excluding land cost) as on the balance sheet date; Further the operations of the company has considerably improved in the current year with a growth in revenue by 38% and reduction in Net loss percentage on revenue by 35%; based on the cumulative assessment of all the factors as above, no provision for impairment is considered necessary by the company.

45. Details of Specified Bank Notes held & transacted during the period 8th November 2016 to 30th December 2016, pursuant to the requirement of notification G.S.R 308 E dated 30th March 2017

Particulars	**Specified Bank Notes**	**Other Denomination Notes**	**Total**
Closing cash on hand as on 8th November 2016	1.11	0.59	1.70
Add: Permitted Receipts	-	3.21	3.21
Add: Other Receipts	0.08	0.00	0.08
Less:Permitted Payments	-	2.96	2.96
Less: Deposits with Bank	1.19	0.00	1.19
Closing cash on hand as on 30th December 2016	-	0.84	0.84

46. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

47. The financial statements of Tamilnadu Petroproducts Limited were approved by Board of Directors in their meeting held on May 16, 2017.

For and on behalf of the Board of Directors

	KT Vijayagopal	**D Senthikumar**
	Wholetime Director (Finance) & CFO	Wholetime Director (Operations)
	DIN: 02341353	DIN: 00202578
	TK Arun	**D Hem Senthil Raj**
Place : Chennai	Director	Company Secretary
Date : 16th May, 2017	DIN: 02163427	M. No.: F8366

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF TAMILNADU PETROPRODUCTS LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of TAMILNADU PETROPRODUCTS LIMITED (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at 31st March, 2017, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. In conducting 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 thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated 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 the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports other auditors on separate financial statements of the subsidiaries referred to in the Other Matters paragraph below, the aforesaid consolidated 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 consolidated state of affairs of the Group, as at 31st March, 2017, their consolidated profits and their consolidated cash flows for the year ended on that date.

Our opinion is not modified in respect of this matter.

Other Matters

We did not audit the financial statements of the subsidiaries, whose financial statements reflect total assets of Rs.11,393 Lakhs as at 31st March, 2017, total revenues of Rs. 464 Lakhs and net cash outflows amounting to Rs.232 Lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of subsection (3) of Section 143 of the Act, is based solely on the reports of the other auditors. The financial statements / other financial information of these subsidiaries have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to Indian GAAP. We have audited these conversion adjustments made by the Holding company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding company and audited by us.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below is not modified in respect of the above matters with respect to our reliance on the work done and the reports of other auditors.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of other auditors on separate financial statements and the other financial information of subsidiaries, referred in the Other Matters paragraph above we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards prescribed under Section 133 of the Act.

(e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2017 taken on record by the Board of Directors of the Holding Company none of the directors of the Holding Company are disqualified as on 31st March, 2017 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 and the operating effectiveness of such controls, refer to our separate Report in "Annexure A", which is based on the auditors' reports of the Holding company. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Holding company's internal financial controls over financial reporting only, since the subsidiaries consolidated are incorporated outside India.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group (Refer note 30 to consolidated financial statements).

ii. The Group did not have any long term contracts and also they did not have any material foreseeable losses on derivative contracts.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company.

iv. The Holding Company has provided requisite disclosures in the consolidated financial statements as regards the holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8th November, 2016 of the Ministry of Finance, during the period from 8th November, 2016 to 30th December, 2016 of the Company as applicable. Based on audit procedures performed and the representations provided to us by the management, we report that the disclosures are in accordance with the relevant books of accounts maintained by the Holding Company. This requirement is not applicable to the subsidiaries, as they are incorporated outside India (Refer note 42 to the consolidated financial statements).

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Firm's Registration No.008072S)

M.K. Ananthanarayanan
Partner
(Membership No.19521)

Chennai, 16 May, 2017

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ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of TAMILNADU PETROPRODUCTS LIMITED (hereinafter referred to as "the Holding Company"), as of that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Holding company, 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 ("the 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 the Holding 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 whether the risk of 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 judgement, 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 Holding 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion to the best of our information and according to the explanations given to us, the Holding Company, has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, 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.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Firm's Registration No.008072S)

M.K. Ananthanarayanan
Partner
(Membership No.19521)

Chennai, 16 May, 2017

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Consolidated Balance Sheet as at 31st March, 2017

	Notes		As at 31st March, 2017 (Rupees in lakhs)		As at 31st March, 2016 (Rupees in lakhs)
EQUITY AND LIABILITIES					
Shareholders' funds					
Share Capital	3	**8,997.15**		8,997.15	
Reserves and Surplus	4	**22,367.15**		21,238.40	
			31,364.30		30,235.55
Non- Current liabilities					
Long-term borrowings	5	**216.16**		526.51	
Deferred tax liabilities(net)	6	**776.31**		-	
Other long term liabilities	7	**26.14**		26.14	
Long-term provisions	8	**369.46**		272.02	
			1,388.07		824.67
Current liabilities					
Short -term borrowings	9	**3,931.20**		5,692.71	
Trade payables	10				
(i) total outstanding dues of micro enterprises and small enterprises		**-**		-	
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		**10,134.32**		7,908.63	
Other current liabilities	11	**878.25**		4,241.92	
Short-term provisions	12	**5,071.47**		42.39	
			20,015.24		17,885.65
TOTAL			52,767.61		48,945.87
ASSETS					
Non- Current Assets					
Property, Plant and Equipment					
Tangible Assets	13		**21,583.51**		21,788.29
Capital Work-in-progress			**1,527.37**		1,545.91
Non- current investments	14		**33.95**		36.52
Long term loans and advances	15		**2,844.68**		2,432.46
Current Assets					
Inventories	16	**7,067.13**		6,165.75	
Trade receivables	17	**6,820.56**		3,137.34	
Cash and cash equivalents	18	**11,449.06**		11,506.75	
Short-term loans and advances	19	**1,375.20**		2,192.08	
Other current assets	20	**66.15**		140.77	
			26,778.10		23,142.69
TOTAL			**52,767.61**		48,945.87

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants

M.K. Ananthanarayanan
Partner

Place : Chennai
Date : 16th May, 2017

For and on behalf of the Board of Directors

KT Vijayagopal
Wholetime Director (Finance) & CFO
DIN: 02341353

TK Arun
Director
DIN: 02163427

D Senthikumar
Wholetime Director (Operations)
DIN: 00202578

D Hem Senthil Raj
Company Secretary
M. No.: F8366

Consolidated Statement of Profit and Loss for the year ended 31St March, 2017

	Notes	Year ended 31st March, 2017 (Rupees in lakhs)	Year ended 31st March, 2016 (Rupees in lakhs)
INCOME			
Revenue from operations (gross)	21	**101,053.90**	79,354.47
Less: Excise Duty		**12,168.74**	9,291.77
Revenue from operations (net)		**88,885.16**	70,062.70
Other income	22	**731.21**	735.20
Total Revenue		**89,616.37**	70,797.90
EXPENSES			
Cost of Materials consumed	23	**50,412.99**	42,282.32
Purchase of Stock-in-trade	24	**1,257.58**	591.84
Changes in inventories of finished goods, work-in-progress and Stock-in-trade	25	**(170.75)**	224.83
Employee benefits expense	26	**2,808.10**	3,271.03
Finance costs	27	**3,436.58**	1,475.66
Depreciation	13	**1,576.14**	1,757.95
Other expenses	28	**28,425.22**	23,272.65
Total expenses		**87,745.86**	72,876.28
Profit / (Loss) before exceptional item and taxes		**1,870.51**	(2,078.38)
Exceptional items	29	**2,500.00**	5,771.37
Profit before tax		**4,370.51**	3,692.99
Tax expense:			
Current tax		**352.72**	-
Less: MAT credit entitlement		**(352.72)**	-
Overseas tax		**0.97**	2.51
Deferred tax	6	**776.31**	-
Provision for tax relating to prior years	30A1(iv)	**2,464.48**	-
		3,241.76	2.51
Profit for the year		**1,128.75**	3,690.48
Earnings per equity share (in Rs).:			
Basic and Diluted	34	1.25	4.10

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants

M.K. Ananthanarayanan
Partner

Place : Chennai
Date : 16th May, 2017

For and on behalf of the Board of Directors

KT Vijayagopal
Wholetime Director (Finance) & CFO
DIN: 02341353

TK Arun
Director
DIN: 02163427

D Senthikumar
Wholetime Director (Operations)
DIN: 00202578

D Hem Senthil Raj
Company Secretary
M. No.: F8366

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Consolidated Cash Flow Statement for the year ended 31st March 2017

		For the year ended 31st March, 2017 (Rupees in Lakhs)		For the year ended 31st March, 2016 (Rupees in Lakhs)	
A	**Cash flow from operating activities:**				
	Profit before tax		**4,370.51**		3,692.99
	Adjustments for				
	Depreciation	**1,576.14**		1,757.95	
	Profit on Sale of Investment in associate-PAPL	**-**		(0.01)	
	Profit on sale of property	**-**		(6,620.37)	
	Provision for impairment of ECH assets	**-**		849.00	
	Loss on fixed assets sold/scrapped	**386.97**		52.34	
	Finance costs	**3,436.58**		1,475.66	
	Interest income	**(194.84)**		(242.59)	
	Provision for doubtful receivables	**11.65**		15.75	
	Rental income from operating leases	**-**		(42.84)	
	Net unrealised exchange (gain) / loss	**(3.91)**		4.44	
	Sundry balances written back	**(471.23)**		-	
	Provision no longer required written back	**(60.18)**		-	
			4,681.18		(2,750.67)
	Operating profit before working capital changes		**9,051.69**		942.32
	Changes in working capital:				
	Adjustments for (increase) / decrease in operating assets:				
	Inventories	**(901.38)**		2,190.96	
	Trade receivables	**(3,696.91)**		3,234.19	
	Short-term loans and advances	**816.90**		3,613.65	
	Long-term loans and advances	**(112.23)**		2,173.06	
	Other current assets	**48.32**		(12.38)	
	Adjustments for increase / (decrease) in operating liabilities:				
	Trade payables	**2,757.10**		(7,004.60)	
	Other current liabilities	**(3,207.90)**		2,578.46	
	Other long-term liabilities	**-**		(287.77)	
	Short-term provisions	**13.55**		0.59	
	Long-term provisions	**97.44**		40.31	
			(4,185.11)		6,526.47
	Cash generated from operations		**4,866.58**		7,468.79
	Net income tax (paid)		(96.26)		(167.86)
	Net cash flow from operating activities (A)		4,770.32		7,300.93
B	**Cash flow from investing activities:**				
	Capital expenditure on property, plant and equipment including capital advances	**(1,967.91)**		(868.44)	
	Proceeds from sale of property,plant and equipment	**1.22**		1,949.04	
	Proceeds from Redeemption of Zero Coupon Bond	**-**		163.60	
	Proceeds from Sale of Investment in associate-PAPL	**-**		0.01	
	Interest received - others	**223.71**		341.59	
	Rental income from operating leases	**-**		42.84	
	Bank balances not considered as cash and cash equivalents	**(183.12)**		(31.82)	
			(1,926.10)		1,596.82
	Net cash flow from / (used in) investing activities (B)		**(1,926.10)**		1,596.82

Consolidated Cash Flow Statement for the year ended 31st March 2017

		For the year ended 31st March, 2017 (Rupees in Lakhs)		For the year ended 31st March, 2016 (Rupees in Lakhs)	
C	**Cash flow from financing activities:**				
	Repayment of short-term borrowings	**(149.78)**		(72.98)	
	Repayment of long-term borrowings	**(310.35)**		(460.16)	
	Net increase / (decrease) in working capital borrowings	**(1,761.52)**		(2,982.96)	
	Finance costs	**(863.30)**		(1,477.10)	
	Dividends paid	**(0.08)**		(0.28)	
			(3,085.03)		(4,993.48)
	Net cash used in financing activities (C)		**(3,085.03)**		(4,993.48)
	Net cash flows during the year (A+B+C)		**(240.81)**		3,904.27
	Cash and cash equivalents at the beginning of the year		**10,524.58**		6,620.31
	Cash and cash equivalents at the end of the year		**10,283.77**		10,524.58
	Net increase / (decrease) in cash and cash equivalents		**(240.81)**		3,904.27
	Reconciliation of Cash and cash equivalents with the Balance Sheet:				
	Cash and cash equivalents as per Balance Sheet (Refer Note 18)		**11,449.06**		11,506.75
	Less: Bank balances not considered as Cash and cash equivalents as defined in AS 3 - Cash Flow Statements:				
	Unpaid dividend account		**58.38**		58.47
	Margin money deposits		**1,106.91**		923.70
	Cash and cash equivalents at the end of the year *		**10,283.77**		10,524.58
	*** Comprises:**				
	Cash on hand		**0.25**		0.85
	Cheques on hand		**100.00**		-
	Balances with banks		**10,183.52**		10,523.73
	In current accounts				
			10,283.77		10,524.58

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants

M.K. Ananthanarayanan
Partner

Place : Chennai
Date : 16th May, 2017

For and on behalf of the Board of Directors

KT Vijayagopal
Wholetime Director (Finance) & CFO
DIN: 02341353

TK Arun
Director
DIN: 02163427

D Senthikumar
Wholetime Director (Operations)
DIN: 00202578

D Hem Senthil Raj
Company Secretary
M. No.: F8366

TPL

Notes forming part of the Consolidated financial statements for the year ended 31st March 2017

1. CORPORATE INFORMATION

Tamilnadu Petroproducts Limited ('the Company') was incorporated in 1984 as a public limited Company and is jointly promoted by Southern Petrochemicals Industries Corporation Limited (SPIC) and Tamilnadu Industrial Development Corporation Limited (TIDCO). Its shares are listed on two stock exchange in India. viz. National Stock Exchange of India Ltd and Bombay Stock Exchange Ltd. The Company is currently engaged in the manufacturing and selling of petrochemical products namely Linear Alkyl Benzene (LAB) and Caustic Soda from the manufacturing facilities situated at Manali, near Chennai. The details of subsidiaries, jointly controlled entity and associate of the Company are as given below:

Name of the Company	Relationship	Country of Incorporation	Proportion of ownership interest	Accounts drawn upto / whether audited
Certus Investment and Trading Private Limited	Subsidiary	Mauritius	100%	31.03.2017 Audited
Certus Investment and Trading (S) Private Limited *	Subsidiary	Singapore	100%	31.03.2017 Audited
Proteus Petrochemical Private Limited *	Subsidiary	Singapore	100%	31.03.2017 Audited
* Shareholding is through Certus Investment & Trading Limited.				

2. BASIS OF CONSOLIDATION AND SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies are as stated below

I BASIS OF ACCOUNTING AND PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements of the Company, its subsidiaries and associate (together the 'Group') have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013, as applicable. The consolidated financial statements have been prepared on accrual basis under the historical cost convention except for categories of property, plant and equipments acquired before 1 April, 1996, that are carried at revalued amounts. The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the previous year.

II PRINCIPLES OF CONSOLIDATION

(a) The financial statements of the Company and its Subsidiaries have been consolidated in accordance with the principles and procedures for the preparation and presentation of consolidated financial statements as laid down under Accounting Standards-21, on a line-by-line basis by adding together the book value of the like items of assets, liabilities, income and expenses, after eliminating intra-group balances and the unrealized profit/losses on intra-group transactions, and are presented to the extent possible, in the same manner as the Company's independent financial statements.

(b) The overseas subsidiaries viz., Certus Investment & Trading Private Limited, Certus Investment & Trading (S) Private Limited, Proteus Petrochemical Private Limited are classified as Integral foreign operations. The financials were translated into Indian Currency as per the Accounting Standard AS 11 (Revised) and the exchange gains / (losses) arising on conversion is adjusted to the Statement of Profit and Loss.

III USE OF ESTIMATES

The preparation of the consolidated financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

IV INVENTORIES

Inventories are valued at the lower of cost (weighted average basis) and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty.

V CASH AND CASH EQUIVALENTS (FOR PURPOSES OF CASH FLOW STATEMENT)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

Notes forming part of the Consolidated financial statements for the year ended 31st March 2017

VI CASH FLOW STATEMENT

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments.

The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

VII PROPERTY, PLANT AND EQUIPMENT AND DEPRECIATION

Property, plant and equipments are stated at cost less depreciation. Cost comprises of purchase price (net of rebates and discounts), import duties, levies (net of CENVAT and VAT) and any directly attributable cost including borrowing cost, of bringing the assets to its working condition for its intended use. Certain assets have been revalued as on 31st March, 1996 and the resultant surplus has been added to the cost of the assets.

Depreciation amount for assets is the cost of an assets, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible property, plant and equipment of the Company has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.:

General Plant and Machinery used in Epichlorohydrin plant – 10 years

Certain Plant and Machinery used in Linear Alkyl Benzene plant – 4.5 years

Furniture and Fixture provided to employees depreciated – 5 years

Depreciation on the tangible property, plant and equipments of the Company's foreign subsidiary has been provided on straight-line method as per the estimated useful life of such assets, as follows:

Computer equipment-3 years.

Capital work-in-progress:

Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

VIII REVENUE RECOGNITION

a) Sale of Goods

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to the customers. Sales include excise duty but exclude sales tax and value added tax.

b) Income from services

Revenues from contracts priced on a time and material basis are recognised when services are rendered and related costs are incurred.

c) Export incentive

Export benefits in the nature of focus market scheme are accrued in the year of exports based on the eligibility taking into consideration the prevailing regulations/policies and when there is no uncertainty in receiving the same. Adjustments, if any, to the amounts recognized in accordance with the accounting policy, based on final determination by the authorities, would be dealt with appropriately in the year of final determination and acceptance

IX OTHER INCOME

Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.

Property lease rentals are accrued as per terms of the agreement with the lessees and are recognized equally on a straight-line basis over the non-cancellable lease period.

X FOREIGN CURRENCY TRANSACTIONS

Initial Recognition

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Measurement at balance sheet date

Foreign currency monetary items of the Company, outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items of the Company are carried at historical cost.

Treatment of exchange differences

Exchange differences arising on settlement / restatement of foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Consolidated Statement of Profit and Loss.

Accounting for forward contracts

Premium / discount on forward exchange contracts, which are not intended for trading or speculation purposes, are amortized over the period of the contracts if such contracts relate to monetary items as at the balance sheet date. Any profit or loss arising on cancellation or renewal of such a forward exchange contract is recognized as income or as expense in the period in which such cancellation or renewal is made.

Integral Foreign Operations:

Property, plant and equipment are recorded at the rates of exchange prevailing on the date of acquisition of such assets. Monetary assets and liabilities are translated at the exchange rate prevailing on the last day of the accounting period and difference in exchange is recognized as a change in the Consolidated Statement of Profit and Loss. All the revenue transactions are translated at the average rates.

XI INVESTMENTS

Long term investments are valued at their acquisition cost, less provision for diminution in value, other than temporary.

Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

XII EMPLOYEE BENEFITS

Short term employee benefits:

Short term employee benefits are recognised as an expense at the undiscounted amounts in the Profit and Loss account of the year in which the related services are rendered.

Defined Benefits Plans:

a) Provident Fund:

Contributions are made monthly at a predetermined rate to the Provident Fund Trust managed by the company and debited to the Profit and Loss account on an accrual basis. The interest rate payable by the Trust to the beneficiaries is as notified by the Government. The Company has an obligation to make good the shortfall, if any, between the return from the investments of the Trust and the notified interest rates and recognizes such shortfall as an expense.

b) Gratuity:

The Company has an arrangement with the Life Insurance Corporation of India (LIC) to administer its Gratuity fund. Premium paid / payable is determined based on an actuarial valuation carried out by LIC using the projected unit credit method as on the Balance Sheet date and debited to the Profit & Loss account on accrual basis. Actuarial gain or loss is recognised in the statement of profit or loss as income or expense.

Long term compensated absences:

Liability towards long term compensated absences is accrued based on an actuarial valuation at the balance sheet date based on the projected unit credit method and is not funded

XIII BORROWING COST:

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Consolidated Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset up to the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Consolidated Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

XIV OPERATING LEASES

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Consolidated Statement of Profit and Loss on a straight-line basis.

Notes forming part of the Consolidated financial statements for the year ended 31st March 2017

XV EARNINGS PER SHARE

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations.

XVI TAXES ON INCOME

Current tax is determined on the basis of taxable income and tax credits computed for each of the entities in the Group in accordance with the applicable tax rates and the provisions of applicable tax laws of the respective jurisdictions where the entities are located.

Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realized. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realize the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability. Current and deferred tax relating to items directly recognised in reserves are recognised in reserves and not in the Consolidated Statement of Profit and Loss.

The Group offsets deferred tax assets and deferred tax liabilities, and advance income tax and provision for tax, if it has a legally enforceable right and these relate to taxes in income levies by the same governing taxation laws.

XVII IMPAIRMENT OF ASSETS

Consideration is given at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of the company's property, plant and equipments. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of the net selling price and value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss.

XVIII PROVISIONS AND CONTINGENCIES

A provision is recognized when the company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognized but are disclosed in the notes to the accounts. Contingent assets are neither recognised nor disclosed in the financial statement.

XIX DERIVATIVE CONTRACTS

The Company enters into derivative contracts in the nature of forward contracts with an intention to hedge its existing assets and liabilities. Derivative contracts are closely linked to the existing assets and liabilities and are accounted as per the policy stated for Foreign Currency transactions and translations.

XX INSURANCE CLAIMS

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

XXI SERVICE TAX INPUT CREDIT

Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is no uncertainty in availing / utilising the credits.

XXII OPERATING CYCLE

Based on the nature of products / activities of the Group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

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Notes forming part of the Consolidated financial statements for the year ended 31st March 2017

		As at 31st March, 2017 (Rupees in lakhs)	As at 31st March, 2016 (Rupees in lakhs)
3	**Share Capital**		
	Authorised		
	200,000,000 (Previous Year 200,000,000) equity shares of Rs.10 each with voting rights Issued	**20,000.00**	20,000.00
	89,976,899 (Previous Year 89,976,899) equity shares of Rs 10 each with voting rights Subscribed and fully paid up	**8,997.69**	8,997.69
	89,971,474 (Previous Year 89,971,474) equity shares of Rs 10 each with voting rights	**8,997.15**	8,997.15

3.1 In December 1993, the company came out with Rights cum Public Issue of Equity Shares. The difference between issued and subscribed capital of 5,425 shares (previous year 5,425 shares) is due to said shares kept in abeyance under Section 126 of the Companies Act, 2013.

3.2 Details of Shareholders holding more than 5% shares in the Company

Name of the Shareholders	31st March 2017		31st March 2016	
Equity Shares of Rs. 10/- each fully paid up	**No of Shares**	**% of holding**	No of Shares	% of holding
Tamilnadu Industrial Development Corporation Limited	**15,843,751**	**17.61**	15,843,751	17.61
Southern Petrochemical Industries Corporation Limited	**15,234,375**	**16.93**	15,234,375	16.93

3.3 There has been no movement in equity share capital during the year.

3.4 **Terms/ rights attached to equity shares**

The Company has only one class of equity shares having a par value of Rs.10/- . Each holder is entitled to one vote per equity share.

The company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders at the Annual General Meeting.

The Board of Directors have recommended a dividend of Rs. NIL Per Share for the current year (previous year Rs. NIL Per Share).

Repayment of capital will be in proportion to the number of equity shares held.

4	**Reserves and Surplus**		
	Capital reserve	**42.23**	42.23
	Securities premium account		
	Revaluation reserve	**4,611.57**	4,611.57
	General reserve		
	Revaluation reserve	**1,986.18**	1,986.18
		13,859.94	13,859.94
	Surplus in Statement of Profit and Loss		
	Opening balance	**738.48**	(2,952.00)
	Less : Profit for the year	**1,128.75**	3,690.48
	Closing balance	**1,867.23**	738.48
		22,367.15	21,238.40

5	**Long term borrowings**	**Terms of repayments**		
	Other loans and advances			
	Interest free deferred sales tax loan (unsecured)	Repayable in 24 monthly installments	**216.16**	526.51
			216.16	526.51

Notes forming part of the Consolidated financial statements for the year ended 31st March 2017

		As at 31st March, 2017 (Rupees in lakhs)	As at 31st March, 2016 (Rupees in lakhs)
6	**Deferred tax liability (net)**		
	Tax effect of item constituting deferred tax liability		
	On difference between book balance and tax balance of property, plant and equipment	**4,159.53**	3,925.48
		4,159.53	3,925.48
	Tax effect of items constituting deferred tax assets		
	Unabsorbed depreciation and business losses	**3,340.78**	3,821.50
	Provision for compensated absences	**38.41**	97.15
	Provision for doubtful debts/advances	**4.03**	6.83
		3,383.22	3,925.48
	Net deferred tax (asset) / liability	**776.31**	-
7	**Other long-term liabilities**		
	Security deposit received	**9.21**	9.21
	Other payables (Note 35)	**16.93**	16.93
		26.14	26.14
8	**Long term provisions**		
	Provision for employee benefits	369.46	272.02
	Compensated absences	**369.46**	272.02
9	**Short term borrowings**		
	Loan repayable on demand from Banks (Secured)	**3,931.20**	5,692.71
		3,931.20	5,692.71

Loans are secured by hypothecation of inventories both on hand and in transit, book debts and other receivables, both present and future and further secured by way of mortgage by deposit of title deeds of immovable properties, both present and future, on second charge basis ranking pari passu amongst them.

10	**Trade payables**		
	Acceptances	**762.53**	-
	Other than acceptances		
	Outstanding dues of micro enterprises and small enterprises (Note 33)	**-**	-
	Outstanding dues of creditors other than micro enterprises and small enterprises.	**9,368.14**	7,905.58
	Payable to related parties	**3.65**	3.05
		10,134.32	7,908.63

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Notes forming part of the Consolidated financial statements for the year ended 31st March 2017

		As at 31st March, 2017 (Rupees in lakhs)	As at 31st March, 2016 (Rupees in lakhs)
11	**Other current liabilities**		
	Current maturities of long term debt	**310.37**	460.15
	Unpaid dividends *	**58.38**	58.47
	Deposits	**10.00**	10.18
	Gratuity payable (Note 36)	**106.95**	244.22
	Other Payables		
	Statutory remittances (Contributions to PF and ESIC and other taxes payable)	**392.55**	368.90
	Advance received from customers	**-**	1,000.00
	Advance received from Insurance company	**-**	2,100.00
		878.25	4,241.92
12	**Short term provisions**		
	Provision for employee benefits		
	Provision for Compensated absences	**55.94**	42.39
		55.94	42.39
	(b) Provisions - Others		
	Provision for taxation (Net of Advance tax of Rs.11,605 Lakhs)	**5,015.52**	-
		5,015.52	-
		5,071.46	42.39

Notes forming part of the Consolidated financial statements for the year ended 31st March 2017

13 Property, Plant and Equipment

Current year : (Rs in Lakhs)

Description	Cost / Valuation				Accumulated Depreciation / Impairment					Net book value	
	As at 1 April, 2016	Additions	Deductions	As at 31 March, 2017	As at 1 April, 2016	For the year	Impairment	Deductions	As at 31 March, 2017	As at 31 March, 2017	As at 31 March, 2016
Tangible assets: (Owned)											
Land (Freehold)	1,708.61	-	-	1,708.61	-	-	-	-	-	1,708.61	1,708.61
Buildings:											
Own use	4,729.03	-	13.45	4,715.58	3,699.09	66.73	-	12.64	3,753.18	962.40	1,029.94
Given under operating lease	-	-	-	-	-	-	-	-	-	-	-
Plant and Equipment	119,006.09	1,737.13	5,151.65	115,591.57	100,053.94	1,484.60	-	4,784.24	96,754.30	18,837.27	18,952.15
Furniture and Fixtures	146.29	1.55	83.16	64.68	119.81	3.21	-	79.47	43.55	21.13	26.48
Vehicles	33.73	5.73	7.07	32.39	23.18	1.96	-	6.72	18.42	13.97	10.55
Office equipment	670.43	15.13	380.65	304.91	609.87	19.64	-	364.73	264.78	40.13	60.56
Total	**126,294.18**	**1,759.54**	**5,635.97**	**122,417.74**	**104,505.89**	**1,576.14**	**-**	**5,247.80**	**100,834.23**	**21,583.51**	**21,788.29**

Note: Depreciation on Plant and Equipment includes depreciation on R & D assets for Rs.2.62 lakhs (Rs.5.60 lakhs).

Previous year : (Rs in Lakhs)

Description	Cost / Valuation				Accumulated Depreciation					Net book value	
	As at 1 April, 2015	Additions	Deductions	As at 31 March, 2016	As at 1 April, 2015	For the year	Impairment	Deductions	As at 31 March, 2016	As at 31 March, 2016	As at 31 March, 2015
Tangible assets: (Owned)											
Land (Freehold)	2,187.26	-	478.65	1,708.61	-	-	-	-	-	1,708.61	2,187.26
Buildings:											
Own use	4,659.20	69.83		4,729.03	3,467.78	231.31	-		3,699.09	1,029.94	1,191.42
Given under operating lease	1,117.61	-	1,117.61	-	239.82	9.79	-	249.61	-	-	877.79
Plant and Equipment (Note below)	118,123.48	950.07	67.46	119,006.09	97,758.98	1,488.51	849.00	42.55	100,053.94	18,952.15	20,364.50
Furniture and Fixtures	123.53	24.20	1.44	146.29	120.23	0.83	-	1.25	119.81	26.48	3.30
Vehicles	28.77	11.22	6.26	33.73	28.40	0.35	-	5.57	23.18	10.55	0.37
Office equipment	925.70	43.37	298.64	670.43	872.78	27.16	-	290.07	609.87	60.56	52.92
Total	**127,165.55**	**1,098.69**	**1,970.06**	**126,294.18**	**102,487.99**	**1,757.95**	**849.00**	**589.05**	**104,505.89**	**21,788.29**	**24,677.56**

Note: Depreciation on Plant and Equipment includes depreciation on R & D assets for Rs.5.60lakhs (Rs5.81 lakhs).

Notes forming part of the Consolidated financial statements for the year ended 31st March 2017

			As at 31st March, 2017 (Rupees in lakhs)		As at 31st March, 2016 (Rupees in lakhs)
14.	**Non current investments**				
	Investments (At cost)				
A	**Other Investments (unquoted)**				
	(i) Investment in equity instruments :				
	(a) 1,00,000 Equity shares of Rs.10 each fully paid up in SEPC Power (Private) Limited (formerly known as SPIC Electric Power Corporation Private Limited. (Note 41)		**10.00**		10.00
	(b) 40,00,000 Equity shares of Rs.10 each fully paid-up in Standard Motor Products of India Limited.	**400.00**	**-**	400.00	-
	Less: Provision for diminution in value of Investment	**400.00**	**-**	400.00	-
	(c) Suzlon Engitech Limited 22,463 Equity Shares of Rs.10 each fully paid up		**2.24**		2.24
	(d) OPG Power Generation Private Limited 2,20,735 Equity shares of Rs.10 each fully paid up	**24.28**			
	Less: Transfer of 23,335 Equity shares of Rs.11 each.	**2.57**	**21.71**		24.28
			33.95		36.52
	(ii) Investments in bonds				
	3 years 0% interest bond in Mercantile Ventures Limited (allotted on 27th March 2013 in settlement of dues)	**-**	**-**	163.60	
	Less: Redeemed during the year	**-**	**-**	163.60	-
	Total - Other investments (A)		**33.95**		36.52
	Aggregate amount of unquoted investments		**33.95**		36.52

		As at 31st March, 2017 (Rupees in lakhs)	As at 31st March, 2016 (Rupees in lakhs)
15	**Long-term loans and advances (Unsecured, considered good)**		
	Capital advances	**226.91**	-
	Security deposits	**1,382.69**	1,288.45
	MAT credit entitlement	**352.72**	-
	Advance income tax (Net)	**-**	279.64
	Balances with Customs, Sales tax and Excise Authorities	**865.06**	848.92
	Other loans and advances	**17.30**	15.45
		2,844.68	2,432.46
16	**Inventories**		
	Raw materials and components	**3,892.18**	2,881.31
	Work-in-progress	**299.93**	108.81
	Finished goods	**467.33**	487.70
	Stores and spares	**2,407.69**	2,687.93
		7,067.13	6,165.75
	Details of Work-in-progress:		
	Linear Alkyl Benzene	**31.95**	56.14
	Normal Paraffin	**267.98**	52.67
		299.93	108.81

Notes forming part of the Consolidated financial statements for the year ended 31st March 2017

		As at 31st March, 2017 at (Rupees in lakhs)	As at 31st March, 2016 at (Rupees in lakhs)
17	**Trade receivables (Unsecured)**		
	Trade receivables outstanding for a period exceeding six months from the date they were due for payment:		
	Considered good	**101.14**	88.02
	Considered doubtful	**33.73**	22.08
		134.87	110.10
	Other trade receivables - Considered good	**6,719.42**	3,049.32
		6,854.29	3,159.42
	Less: Provision for doubtful receivables	**33.73**	22.08
		6,820.56	3,137.34
18	**Cash and cash equivalents**		
	A. Cash and cash equivalents (as per AS 3 Cash Flow Statements)		
	Cash on hand	**0.25**	0.85
	Cheques on hand	**100.00**	-
	Balances with banks		
	In current accounts	10,183.52	10,523.73
	Total - Cash and cash equivalents (as per AS 3 Cash Flow Statements) (A)	**10,283.77**	10,524.58
	B. Other bank balances		
	In earmarked accounts		
	- Unpaid dividend account	**58.38**	58.47
	- Margin Money deposits (towards non fund based facilities from Banks)	**1,106.91**	923.70
	Total - Other bank balances (B)	**1,165.29**	982.17
	Total Cash and cash equivalents (A+B)	**11,449.06**	11,506.75

19 Short-term loans and advances (Unsecured considered good unless otherwise stated)

			As at 31st March, 2017 (Rupees in lakhs)		As at 31st March, 2016 (Rupees in lakhs)
	Security deposits		**33.13**		52.91
	Loans and advances to employees:				
	Secured loan against mortgage of title deeds	1.80	**1.80**	7.62	7.62
	Prepaid expenses		**279.44**		13.78
	Balances with Government authorities				
	(i) CENVAT credit receivable	230.51		141.45	
	(ii) VAT credit receivable	20.52		1.49	
	(iii) Service tax credit receivable	42.34		195.71	
	(iv) Customs	-		1.99	
			293.37		340.64
	Advances to suppliers		**767.46**		1,777.13
			1,375.20		2,192.08

20	**Other current assets**		
	Unamortised forward premium	**16.00**	-
	Interest accrued on deposits/ advances	-	28.87
	Export benefits receivable	47.58	111.90
	Other receivable	2.57	-
		66.15	140.77

Notes forming part of the Consolidated financial statements for the year ended 31st March 2017

		Year ended 31st March, 2017 (Rupees in lakhs)	Year ended 31st March, 2016 (Rupees in lakhs)
21	**Revenue from operations**		
	Sale of products	**100,736.57**	79,231.50
	Sale of services	**21.10**	13.29
	Other operating revenues	**296.23**	109.68
		101,053.90	79,354.47
	Less: Excise Duty	**12,168.74**	9,291.77
		88,885.16	70,062.70
	Sale of products comprises		
	Manufactured goods		
	Linear Alkyl Benzene	**89,595.08**	70,376.55
	Caustic soda	**7,399.04**	5,812.35
	Others	**2,443.30**	2,479.19
		99,437.42	78668.09
	Traded goods		
	Linear Alkyl Benzene	**1,299.15**	563.41
	Total - Sale of products	**100,736.57**	79,231.50
	Sale of services comprises		
	Effluent Treatment / Hydrogen Testing / Storage	**21.10**	13.29
	Total - Sale of Services	**21.10**	13.29
	Other operating revenues comprises		
	Scrap sales	**248.65**	37.08
	Export incentives	**47.58**	72.60
	Total - Other operating revenues	**296.23**	109.68
22	**Other income**		
	Interest		
	from bank deposits	**67.67**	83.51
	from others	**127.17**	159.08
	Profit on sale of investment in Associate - PAPL	**-**	0.01
	Net gain on foreign currency transactions and translation	**-**	431.08
	Rental income from operating leases	**-**	42.84
	Insurance claim received	**-**	17.91
	Sundry balances written back	**471.23**	-
	Provision no longer required written back	**60.18**	-
	Others	**4.96**	0.77
		731.21	735.20
23	**Cost of materials consumed**		
	Opening stock	**2,881.31**	4,372.07
	Add: Purchases	**51,423.86**	40,791.56
		54,305.17	45,163.63
	Less: Closing Stock	**3,892.18**	2,881.31
	Cost of material consumed	**50,412.99**	42,282.32
	Material consumed comprises:		
	Kerosene	**22,852.13**	20,764.38
	Benzene	**16,223.42**	12,542.88
	Normal Paraffin	**10,000.21**	7,225.93
	Salt	**895.06**	718.06
	others	**442.17**	1,031.07
		50,412.99	42,282.32

Notes forming part of the Consolidated financial statements for the year ended 31st March 2017

		Year ended 31st March, 2017 (Rupees in lakhs)	Year ended 31st March 2016 (Rupees in lakhs)
24	**Purchase of Stock in trade**		
	Linear Alkyl Benzene	**1,257.58**	591.84
		1,257.58	591.84
25	**Changes in inventories of finished goods, work-in-progress and stock-in-trade**		
	Inventories at the end of the year		
	Finished goods	**467.33**	487.70
	Work-in-progress	**299.93**	108.81
		767.26	596.51
	Inventories at the beginning of the year		
	Finished goods	**487.70**	546.35
	Work-in-progress	**108.81**	274.99
		596.51	821.34
		(170.75)	224.83
26	**Employee benefits expense**		
	Salaries and wages	**2,210.30**	2,500.10
	Contribution to provident and other funds	**191.72**	417.49
	Staff welfare expenses	**406.08**	353.44
		2,808.10	3,271.03
27	**Finance costs**		
	Interest expense on :		
	Interest expense on borrowings	**694.83**	1,101.85
	Interest expense on tax demand (Refer Note 30A1(iv))	**2,573.28**	-
	Letter of Credit and other bank charges	**165.07**	233.13
	Net loss on foreign currency transactions and translation considered as finance cost	**3.40**	140.68
		3,436.58	1,475.66
28	**Other expenses**		
	Consumption of stores and spare parts	**3,689.65**	2,152.67
	Utilities consumed	**491.40**	356.82
	Power and fuel	**17,097.64**	15,131.37
	Rent including lease rentals	**155.87**	150.20
	Repairs to buildings	**11.28**	13.78
	Repairs to machinery	**1,315.68**	1,379.72
	Payment to Auditors: (net of taxes)		
	Towards audit fee	**19.31**	19.29
	For other services	**9.00**	9.00
	Out of pocket expenses	**1.00**	1.00
	Insurance	**288.81**	109.75
	Rates and Taxes	**870.02**	159.37
	Freight and forwarding	**2,403.68**	1,956.10
	Net loss on foreign currency transactions (other than considered as finance cost)	**246.43**	-
	Loss on fixed assets sold/scrapped	**386.97**	52.34
	Bad Loans and Advances written off		730.09
	Provision for doubtful receivables	**11.65**	15.75
	Increase of excise duty on inventory	**(1.51)**	0.73
	Miscellaneous expenses	**1,428.33**	1,034.67
		28,425.21	**23,272.65**

Notes forming part of the Consolidated financial statements for the year ended 31st March 2017

	Particulars	Year ended 31st March, 2017 (Rupees in lakhs)	Year ended 31st March 2016 (Rupees in lakhs)
29	**Exceptional items**		
	a) Profit on sale of property	-	6,620.37
	b) Provision for impairment of ECH assets	-	(849.00)
	c) Insurance claim received (refer note 40)	**2,500.00**	-
		2,500.00	5,771.37
30	**Contingent Liabilities and commitments (to the extent not provided for)**		
	Contingent liabilities:		
	A1. Disputed Demands under Appeals		
	i) Sales Tax	**1,728.05**	1,728.05
	The demands relate to disallowance of claims for exemption of turnover arising on account of stock transfers to branches and genuineness of declarations filed by certain customers for availing concessional rate of tax.		
	ii) Excise Duty	**260.61**	259.29
	iii) Service Tax	**536.12**	339.05
	iv) Income Tax (Refer note below)	**1,089.68**	5,393.66
	In respect of Assessment year 2001-02, Income Tax Appellate Tribunal (ITAT) has allowed the appeal filed by the tax department upholding the validity of reopening of the assessment and has directed the Commissioner of Income Tax (Appeals) to decide the matter on merits. The Company has filed further appeal in the Hon'ble High Court of Madras challenging the order of the ITAT. Company has been advised that it has a reasonably good case to get the order of ITAT set aside by the Hon'ble High court. However on a prudent basis, the Company has made a provision towards tax demanded of Rs. 2,464.48 lakhs and Interest of Rs. 2,550 lakhs as per the assessment order passed by the Assessing Officer u/s. 143(3) read with section 147. No further interest under section 234 of Income Tax Act, 1961 has been considered in this disclosure, based on the above legal advice.		
	v) Electricity Tax	**1,054.93**	1,054.93
	The Tamilnadu Government vide Government Order dated 23rd September 1996 exempted specified industries permanently from payment of electricity tax on consumption of self - generated electrical energy under the "Tamilnadu Electricity (Taxation on Consumption) Act, 1962".		
	The above Act was repealed by the "Tamilnadu Tax on Consumption or Sale of Electricity Act, 2003", withdrawing the exemption granted to specified industries.		
	The Company's appeal against the withdrawal of exemption was dismissed by the Madras High Court and the Company filed a "Special Leave Petition" (SLP) before the Supreme Court. On 15th May 2007 the Supreme Court held that the 2003 Act was not valid in respect of industries which were permanently exempted from payment of tax. Consequent to this decision upholding the exemption, the Company, in June 2007 reversed the provision for electricity tax amounting to Rs. 878.77 lacs made in books since 2003-04.		
	In November 2007, the Government of Tamilnadu passed "the Tamilnadu Tax on Consumption or Sale of Electricity Amendment Act" amending the 2003 Act to invalidate the exemption granted with retrospective effect. The writ petitions filed before the division bench of the High Court against this amendment were dismissed by its Order dated 15.06.2012.		
	The Company has filed a SLP before the Supreme Court in October 2012 challenging the High Court Order and is hopeful of a favorable decision by Supreme Court especially on invalidation of the exemption granted with retrospective effect. Accordingly, no provision is considered necessary for the electricity tax relating to the period from 2003 to 2008 aggregating to Rs.1054.93 lakhs. However, provision has been made for this liability for subsequent periods excluding the periods for which specific exemption were granted through notifications.		

Notes forming part of the Consolidated financial statements for the year ended 31st March 2017

		As at 31st March, 2017 (Rupees in lakhs)	As at 31st March, 2016 (Rupees in lakhs)
Note :			
	Demands disputed by the Company and appeals filed against these disputed demands are pending before respective appellate authorities. Outflows, if any, arising out of these claims would depend on the outcome of the decision of the appellate authorities and the Company's rights for future appeals. No reimbursements are expected.		
A2.	**Others**		
	Renewable Energy Purchase Obligation (RPO)		
	The Company has disputed the obligation under the "Tamil Nadu Electricity Regulatory Commission (Renewable Energy Purchase Obligation) (Amendment) Regulations, 2011" under Gazette notification TNERC/ RPO/19/2 dated 29th July 2011 and filed a Writ Petition in March 2012 before the Honorable Madras High Court. On 26th March 2012, an interim stay was granted by the Honorable Madras High Court on the operation of the Regulations. The Company is hopeful of successful outcome of the writ petition filed before the Honorable Madras High Court and hence no provision is considered necessary in this regard.	**835.97**	673.85
B	**Commitments**		
	Capital commitments	**461.74**	45.13
	Lease commitments in respect of warehouse	**60.69**	56.14
31	**Earnings per share**		
	Profit / (Loss) after taxation (Rs. In lakhs)	**1,128.75**	3,690.48
	Weighted number of equity shares outstanding	**89,971,474**	89,971,474
	Basic earnings per share - (Face value – Rs.10/- per share)	**1.25**	4.10

32 Related Party Disclosure under Accounting Standard -18

i) The list of related parties as identified by the management and relied upon by the auditors are as under

A)	**Promoters**	1. Southern Petrochemical Industries Corporation Limited (SPIC)
		2. Tamilnadu Industrial Development Corporation Limited (TIDCO)
B)	**Subsidiaries**	1. Certus Investment and Trading Limited (CITL), Mauritius
		2. Certus Investment and Trading (S) Private Limited, Singapore
		3. Proteus Petrochemicals Private Limited, Singapore (formerly TPL India Singapore Private Limited).
C)	**Key management personnel**	KT Vijayagopal, Whole Time Director (Finance) & CFO
		D. Senthikumar, Whole Time Director (Operations)

Related Party Transactions

The Company has identified all related parties and details of transactions are given below

ii. The following transactions were carried out with the Related Parties.

(Rs. In Lakhs)

Particulars	Promoters	Associate	Key Management Personnel (KMP)
Sale of Goods			
a) SPIC	39.50	-	-
	(18.07)	-	-
b) MPL	-	-	-
	-	(669.49)	-
Sale of services			
a) MPL	-	-	-
	-	(11.10)	-
Sale of assets to MPL	-	-	-
	-	(26.39)	-

Notes forming part of the Consolidated financial statements for the year ended 31st March 2017

(Rs. In Lakhs)

Particulars	Promoters	Associate	Key Management Personnel (KMP)
Purchase of goods			
MPL	-	-	-
	-	(0.33)	-
Services Availed			
MPL - Effluent Line Usage	-	-	-
	-	(15.26)	-
Managerial remuneration	-	-	93.53
	-	-	(34.05)
Interest paid on Trade Advance			
MPL	-	-	-
	-	(2.18)	-
Reimbursement of expenses			
SPIC	0.60	-	-
	(2.27)	-	-
MPL	-	-	-
	-	(33.72)	-
Sitting Fees(TIDCO)	6.50	-	-
	(5.00)	-	-
Balance outstanding as of 31st March 2017			
Trade Receivables			
a) SPIC	7.49	-	-
	(0.33)	-	-
Other Receivables			
SPIC	4.39	-	-
	(4.39)	-	-
Other payables			
a) SPIC	3.65	-	-
	(3.05)	-	-
Figures in brackets relates to previous year.			

33 Based on, and to the extent of information received from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 there are no overdue amounts payable anytime during the year to them. Hence, no interest during the year has been paid or payable under the terms of the Act. Such parties are as identified by the management and relied upon by the auditors.

34. Details on derivative instruments and unhedged foreign currency exposures

I. The following derivative positions are open as at 31 March, 2017. These transactions have been undertaken to act as economic hedges for the Company's exposures to various risks in foreign exchange markets and may / may not qualify or be designated as hedging instruments. The accounting for these transactions is stated in Notes 2(X) and 2(XIX).

(a) Forward exchange contracts (being derivative instruments), which are not intended for trading or speculative purposes but for hedge purposes to establish the amount of reporting currency required or available at the settlement date of certain payables.

(i) Outstanding forward exchange contracts entered into by the Company as on 31 March, 2017

Currency	Amount	Buy / Sell	Cross currency
USD	2000000	Buy	Rupees

II. The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

	Currency	Amount in Foreign Currency	Amount (Rs.in lakhs)
Amount receivable in foreign currency - Exports	USD	-	-
	USD	(457,706)	(303.23)
Amount payable in foreign currency - Imports	USD	137,137	88.92
	USD	(253,887)	(168.20)
	GBP	12,508	10.12
	GBP	(12,460)	(11.90)

Figures in brackets are in respect of previous year

Notes forming part of the Consolidated financial statements for the year ended 31st March 2017

35. Other payables represent advances received against sale of 100000, equity shares in SEPC Power (Private) Limited during Financial year 2012-13. The same will get adjusted against Investment held, on successful implementation of the power project by SEPC Power (Private) Limited.

36. Employee Defined Benefit Plans

The Company offers Gratuity benefits to its employees which are funded with Life Insurance Corporation of India. The following table sets out the funded status of the Gratuity scheme and the amount recognised in the financial statements.

		Year ended 31st March, 2017 (Rupees in lakhs)	Year ended 31st March 2016 (Rupees in lakhs)
A)	**Net Asset/ (Liability) recognized in the Balance Sheet as at March 31, 2017**		
	Present value of obligation	**674.52**	661.23
	Fair value of plan assets	**567.57**	417.01
	Net liability	**(106.95)**	(244.22)
B)	**Expense recognized in the Statement of Profit and Loss account for the year ended March 31, 2017**		
	Current service cost	**29.46**	25.88
	Interest cost	**52.90**	44.07
	Expected return on plan assets	**(33.33)**	(32.67)
	Actuarial (gains) / Losses	**(24.63)**	192.65
	Total expense	**24.40**	229.93
C)	**Change in present value of Obligation during the year ended March 31, 2017**		
	Present value of defined benefit obligation as at the beginning of the year	661.23	550.88
	Current service cost	29.46	25.88
	Interest cost	52.90	44.07
	Actuarial (gains) /losses	**(24.63)**	192.65
	Benefits paid	**(44.44)**	(152.25)
	Present value of defined benefit obligation as at the end of the year	**674.52**	661.23
D)	**Change in fair value of plan assets during the year ended March 31, 2017**		
	Plan assets at the beginning of the year	**417.01**	508.56
	Expected return on plan assets	**33.33**	32.67
	Actuarial gains /(losses)	**-**	-
	Contributions by employer	**161.67**	28.03
	Benefits paid	**(44.44)**	(152.25)
	Plan assets at the end of the year	**567.57**	417.01
E)	**Principal actuarial assumptions as at March 31, 2017**		
	Discount rate	**8.00%**	8.0%
	Expected return on plan assets	**8.25%**	8.35%
	Salary escalation	**5.0%**	5.0%
	Attrition	**10.0%**	10.00%
	Mortality Table - LIC (2006-08) Ultimate Mortality Table.		

F) Experience Adjustments:

	Period Ended				
	2017	2016	2015	2014	2013
	Gratuity				
Defined Benefit Obligation	**675**	661.23	550.88	654.94	712.44
Fair value of plan assets	**568**	417.01	508.56	562.06	607.44
Surplus/(Deficit)	**(107)**	(244.22)	(42.32)	(92.88)	(105.00)
Experience adjustment on plan liabilities [(Gain)/Loss]	**(25)**	192.65	(84.55)	45.59	(48.82)
Experience adjustment on plan assets [Gain/(Loss)]	**-**	-	0.00	-	(3.39)

G) Basis used to determine expected rate of return.

The information on major categories of plan assets and expected return on each class of plan assets have not been furnished in the absence of necessary information from Life Insurance Corporation of India.

H) Estimates of future salary increases considered in actuarial valuation take account of inflation, seniority, promotions and other factors.

I) Actuarial assumptions - Compensated absences

Particulars	2016-17	2015-16
Discount rate (per annum)	7.25%	7.80%
Salary escalation	5.00%	5.00%
Attrition Rate	10.00%	10.00%
Mortality tables	IALM 2006-2008 ULTIMATE	IALM 2006-2008 ULTIMATE

37. The Company operates in only one segment, namely, Industrial Intermediate Chemicals. There are no secondary segments and hence, no disclosure is given.

38. Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

Particulars	Net assets, i.e., total assets minus total liabilities		Share of profit or loss	
	As % of consolidated net assets	Amount in lacs	As % of consolidated profit or loss	Amount in lacs
Parent				
Tamilnadu Petroproducts Limited	68%	21,201	85%	955
Subsidiaries				
- Foreign				
1 Certus Investments and Trading Limited, Mauritius	28%	8,875	1%	9
2 Certus Investments and Trading Limited, Singapore	3%	893	0%	4
3 Proteus Petrochemicals Private Limited	1%	395	14%	161

39. Operating Leases

The property given under operating leases :		
Gross carrying amount of building	-	-
Accumulated depreciation	-	-
Depreciation for the year	-	9.79
Future minimum lease payments under non- cancellable operating leases		
Not later than 1 year	-	
Later than 1 year and not later than 5 years	-	-

40. During December 2015 and January 2016, the operations of the Company were significantly impacted due to unprecedented rainfall, consequent flooding and power interruptions. LAB and HCD Plants were shut down for 55 days and 44 days respectively. The company filed claims with insurers in respect of which the surveyor has submitted his report and the insurance company is in the process of finalizing the claim. Pending finalisation and approval of the claim by the insurer, the company has recognized the claim to the extent of the actual amount received of Rs. 2,500 lakhs till 31st March 2017 and the same has been disclosed as an exceptional item.

Notes forming part of the Consolidated financial statements for the year ended 31st March 2017

41. The performance of Chlor Alkali Division (CAD) tapered considerably due to various extraneous factors since 2012. Though the demand for Caustic soda, the main product of the division has been constant , the profitability was greatly affected consequent to high cost of power and salt, the main raw materials. The management has been taking necessary steps to reduce the high cost of power. Based on the estimated future revenues that would be generated by CAD and also based on valuation report of the Plant by an Independent Chartered Engineers dated April 1,2015 , the management has assessed and concluded that the recoverable value, as defined in the Accounting Standard 28, of the Plant is higher than the carrying value of Rs.4,348.15 lakhs (excluding land cost) as on the balance sheet date; Further the operations of the company has considerably improved in the current year with a growth in revenue by 38% and reduction in Net loss percentage on revenue by 35%; based on the cumulative assessment of all the factors as above, no provision for impairment is considered necessary by the company.

42. Details of Specified Bank Notes held & transacted during the period 8th November 2016 to 30th December 2016, pursuant to the requirement of notification G.S.R 308 E dated 30th March 2017

Particulars	Specified Bank Notes	Other Denomination Notes	Total
Closing cash on hand as on 8th November 2016	1.11	0.59	1.70
Add: Other Receipts	0.08	0.00	0.08
Add: Permitted Receipts	-	3.21	3.21
Less:Permitted Payments	-	2.96	2.96
Less: Deposits with Bank	1.19	0.00	1.19
Closing cash on hand as on 30th December 2016	-	0.84	0.84

43. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

44. The consolidated financial statements of Tamilnadu Petroproducts Limited were approved by Board of Directors in their meeting held on May 16, 2017.

For and on behalf of the Board of Directors

	KT Vijayagopal	**D Senthikumar**
	Wholetime Director (Finance) & CFO	Wholetime Director (Operations)
	DIN: 02341353	DIN: 00202578
	TK Arun	**D Hem Senthil Raj**
Place : Chennai	Director	Company Secretary
Date : 16th May, 2017	DIN: 02163427	M. No.: F8366

TPL

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

Particulars	Name of the Subsidiaries					
	Certus Investments and Trading Limited, Mauritius		Certus Investments and Trading (S) Private Limited, Singapore		Proteus Petrochemicals Private Limited, Singapore	
	31st March 2017		31st March 2017		31st March 2017	
	Rupees in lakhs*	In USD (In Million)	Rupees in lakhs*	In USD (In Million)	Rupees in lakhs*	In USD (In Million)
Capital	13,220.65	20.42	1,214.22	1.88	194.24	0.30
Reserves	(3,131.57)	(4.84)	(324.81)	(0.50)	200.89	0.31
Total assets	10,100.82	15.60	894.64	1.38	397.59	0.61
Total liabilities	10,100.82	15.60	894.64	1.38	397.59	0.61
Investments	1,214.22	1.88	-	-	-	-
Turnover (inc other income)	22.36	0.03	34.74	0.05	407.39	0.61
Profit before tax	8.70	0.01	4.67	0.01	402.05	0.60
Provision for taxation	0.00	0.00	0.80	0.00	0.00	-
Profit after tax	8.56	0.01	3.84	0.01	402.05	0.60
% of Shareholding	100%		100%@		100%@	

*** Translated at exchange rate prevailing as on 31.03.2017**

1 USD = ₹ 64.75

@ Held by Certus Investments and Trading Limited, Mauritius

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants

M K Ananthanarayanan
Partner

Place : Chennai
Date : 16 May, 2017

For and on behalf of the Board of Directors

KT Vijayagopal
Whole Time Director(Finance) & CFO
DIN:02341353

TK Arun
Director
DIN: 02163427

D.Senthikumar
Whole Time Director(Operations)
DIN:00202578

D Hem Senthil Raj
Company Secretary
M.No. F8366

FINANCIAL HIGHLIGHTS

(Rs. in crores)

Particulars	2012-13	2013-14	2014-15	2015-16	2016-17
Share Capital	89.97	89.97	89.97	89.97	**89.97**
Reserves & Surplus	255.70	218.19	151.01	189.16	**198.71**
Networth	325.61	288.30	221.12	259.27	**268.82**
Return on Capital Employed (%)	(9.94)	(3.13)	(13.29)	(1.77)	**0.25**
Fixed Assets (net)	328.95	302.25	264.54	233.34	**231.11**
Sales(Net)	1286.96	1063.94	961.43	700.63	**888.85**
Gross Profit/(Loss)	(0.34)	7.09	(17.55)	12.76	**67.06**
Interest/Finance Charges	31.83	32.27	19.57	14.74	**34.35**
Depreciation	38.62	30.43	20.60	17.58	**15.76**
Current Tax	-	-	-	-	**-**
Tax relating to Prior Year	-	-	-	-	**24.64**
Deferred Tax	(21.97)	(18.30)	(18.32)	-	**7.76**
Net Profit/(Loss)	(50.56)	(37.30)	(53.07)	38.15	**9.55**
Dividend (incl.Tax)	-	-	-	-	**-**
Dividend %	-	-	-	-	**-**
Earnings Per Share (₹)	(5.62)	(4.15)	(5.90)	4.24	**1.06**



TAMILNADUPETROPRODUCTSLIMITED

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