

CALS REFINERIES LIMITED

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Audited financial results for the quarter / year ended March 31, 2015

(₹ in million)

S. No.	Particulars	Quarter Ended			Year Ended	
		Mar 31, 2015	Dec 31, 2014	Mar 31, 2014	Mar 31, 2015	Mar 31, 2014
1	Total income from operations	-	-	-	-	-
2	Expenditure					
	(a) Employees cost	1.72	1.54	1.29	6.47	6.32
	(b) Bank Charges	0.00	0.00	0.00	0.00	0.00
	(c) Depreciation	0.09	0.09	0.12	0.38	0.45
	(d) Other expenditure	1.05	2.73	1.30	8.29	17.57
	(e) Total Expenses	2.86	4.36	2.71	15.14	24.34
3	Profit from Operations before Other Income, Interest and Exceptional Items (1-2)	(2.86)	(4.36)	(2.71)	(15.14)	(24.34)
4	Other Income	0.16	-	3.76	0.16	3.76
5	Profit before Interest and Exceptional Items (3+4)	(2.70)	(4.36)	1.05	(14.98)	(20.58)
6	Finance Cost	-	(40.95)	20.46	-	81.90
7	Profit after Interest but before Exceptional Items (5-6)	(2.70)	36.59	(19.41)	(14.98)	(102.48)
8	Exceptional items	5,261.23	79.83	-	5,587.67	(47.19)
9	Profit (+)/Loss (-) from Ordinary Activities before tax (7-8)	(5,263.92)	(43.24)	(19.41)	(5,602.65)	(55.29)
10	Tax expense	-	-	-	-	-
11	Profit (+)/Loss (-) from Ordinary Activities after tax (9-10)	(5,263.92)	(43.24)	(19.41)	(5,602.65)	(55.29)
12	Extraordinary items (net of tax expense)	-	-	-	-	-
13	Net Profit(+)/Loss(-) for the period (11-12)	(5,263.92)	(43.24)	(19.41)	(5,602.65)	(55.29)
14	Paid-up equity share capital (Equity Share of ₹ 1 each)	8,293.96	8,293.96	8,293.96	8,293.96	8,293.96
15	Reserve excluding Revaluation Reserves as per balancesheet of previous accounting year				(8,487.73)	(2,884.79)
16	Earnings Per Share (EPS) - Basic / Diluted	(0.64)	(0.01)	(0.00)	(0.68)	(0.01)
A	PARTICULARS OF SHAREHOLDING					
17	Public Shareholding (including GDR holders)					
	- No. of shares (in million)	6,950.76	6,950.76	6,950.76	6,950.76	6,950.76
	- Percentage of shareholding (%)	83.81	83.81	83.81	83.81	83.81
18	Promoters and promoter group Shareholding **					
	a) Pledged/Encumbered					
	- No. of shares (in million)	-	-	-	-	-
	- Percentage of shares (as a % of the total shareholding of promoter and promoter)	-	-	-	-	-
	- Percentage of shares (as a % of the total share capital of the company)	-	-	-	-	-
	b) Non-encumbered					
	- No. of shares (in million)	1,343.20	1,343.20	1,343.20	1,343.20	1,343.20
	- Percentage of shares (as a % of the total shareholding of promoter and promoter)	100	100	100	100	100
	- Percentage of shares (as a % of the total share capital of the company)	16.19	16.19	16.19	16.19	16.19

Notes :-

- Cals Refineries Limited ("the Company") has plans to set up a Crude Oil Petroleum Refinery (*the project*) at Haldia, West Bengal. The Company has raised ₹ 7,880 million through Global Depository Receipts (GDR) in December 2007, for part funding the project. The proceeds of the GDR issue were fully utilized to pay capital advances related to purchase of equipment of two used oil refineries and other corporate expenses incurred during construction period.
- The Securities and Exchange Board of India has issued an Order against the Company in the matter of "Market Manipulation using GDR Issues." The Order dated October 23, 2013 mainly states that:
 - Cals shall not issue equity shares or any other instrument convertible into equity shares or any other security, for a period of ten years.
 - Vide the Interim Order dated September 21, 2011 (later confirmed through the Confirmatory Order on December 30, 2011), Cals was directed not to issue equity shares or any other instrument convertible into equity shares or alter their capital structure in any manner till further directions. In this context, Cals has already undergone the prohibition imposed vide the Interim Order for a period of approximately two years. In view of this factual situation, it is clarified that the prohibition already undergone by Cals pursuant to the aforementioned SEBI Order shall be reduced while computing the period in respect of the prohibition imposed vide this order.
 - However, the Company has filed an application to the Hon'ble Securities and Appellate Tribunal (SAT), against the abovementioned order of the SEBI, which process is undergoing. Further SEBI vide order dated 31/12/2014 has imposed restrictions on Mr. Deep Rastogi, executive chairman for a period of 10 years from the date of order, from accessing the capital market directly or indirectly and dealing in securities or instruments with Indian securities as underlying, in any manner, whatsoever.
- BNY Mellon had issued a notice dated April 08, 2014 for the termination of Deposit Agreement with the Company and instructed the holders of the DRs to convert their holdings into Equity shares on or before July 08, 2014. Upon expiry of the aforesaid period the Company has received a letter from Luxembourg Stock Exchange on 24th July, 2014 intimating us about the delisting of GDRs from the official list of the LSE and also to withdraw their trading on the Euro MTF Market of the LSE w.e.f 14th July, 2014. Company has paid the Listing Fee to the LSE for the calendar year 2014.



- 4 In the absence of any development in the project and withdrawal of the permissive possession of land by WBIDC (West Bengal Industrial Development Corporation Limited), Cost of leasehold land ₹ 990.71 million (including cost of land development ₹ 196.91 million) and civil work of factory building (included in capital work in progress) ₹ 49.64 million are written off. Also, expenses incurred on the project which are 'Preoperative Expenses Pending Allocation' ₹ 432.51 million, 'Consultancy Fees' ₹ 65.62 million shown under 'Capital Work in Progress' and 'Capital Advances' ₹ 4,723.59 million shown under 'Loan and Advances' are written off.

It is pertinent to note here that the resources including the Capital raised through GDR issue etc. have been fully utilised to pay capital advances related to purchase of equipment of Refineries and other corporate expenses incurred during the construction period. At this moment the Company has no operational project and hence no operational revenues accrues to the Company. The Company has been funding its day to day operations and statutory requirements through the funding received by way of unsecured loans from one of the related parties. It has now become difficult to continue receiving funding support from any other sources including by way of unsecured loans. In view of the complex statutory requirements and financial position of the Company, no lender other than the related party, is ready to lend money to the Company.

Further the Company's ability to raise funds has been restricted due to the adverse order of SEBI as explained in Note No.-02 above. In view of the current scenario the project contemplated is difficult to be made viable at least until significant funding is possible to this effect.

The management has reviewed all capital advances given to various suppliers standing in the books of the company relating to their realisability and value for the company going ahead. It also noted the possibility of recovery and cost / chances associated with it. Having considered the circumstances, project status, the chances of recovery and the costs associated therewith along with the legal opinions received on the matters, it has become imperative to write off the advances to reflect a true and fair view of the value of the assets of the company.

It may also be noted that the aforesaid writing offs has given major impact on the Exceptional items and the Net Profit and Loss of the financial year 2014-15 and has also resulted into the negative net worth of the Company. Though such writing off was just and proper and also to meet with the pre-requisites to the existing circumstances of the Company and also to present the true and fair picture of the financial statements.

- 5 Pursuant to the Companies Act, 2013 (the "Act") becoming effective from April 1, 2014, the Company has recomputed the depreciation based on the useful life of the assets as prescribed in part 'C' of Schedule II of the Act. This has resulted in additional charge of depreciation of ₹ 0.05 million for the three months and ₹ 0.13 million for the year ended March 31, 2015. Further, as per the transitional provision, carrying value of assets of ₹ 0.28 million is adjusted in the opening balance of retained earnings in respect of assets where the remaining useful life is NIL as at April 1, 2014.
- 6 Status of investors complaints for the quarter ended March 31, 2015 :
Pending at the beginning : Nil Received : Nil Resolved: Nil Pending: Nil
- 7 The above financial results of the Company for the year ended March 31, 2015 have been reviewed by the audit committee of the Board and approved and taken on record by the Board of Directors at its meeting held on May 29, 2015.
- 8 Investors can view the Financial Results of the Company at the Company's website www.cals.in or at the websites of BSE (www.bseindia.com).

9 **Standalone Statement of Assets and Liabilities**

(₹ in million)

Sl. No.	Particulars	As at March 31, 2015 Audited	As at March 31, 2014 Audited
A	EQUITY AND LIABILITIES		
1	Shareholders' funds		
	(a) Share capital	8,293.96	8,293.96
	(b) Reserves and surplus	(8,487.72)	(2,884.79)
2	Share application money pending allotment	15.76	15.76
3	Non-current liabilities		
	(a) Long-term provisions	1.50	1.16
4	Current liabilities		
	(a) Short-term borrowings	70.76	59.39
	(b) Trade payables	113.17	1,071.38
	(c) Other current liabilities	0.97	1.07
	(d) Short-term provisions	0.04	0.06
	TOTAL - EQUITY AND LIABILITIES	8.44	6,557.99
B	ASSETS		
1	Non-current assets		
	(a) Fixed assets	0.53	1,540.24
	(b) Long-term loans and advances	7.71	4,770.66
	(c) Other non-current assets	-	246.24
2	Current assets		
	(a) Cash and cash equivalents	0.18	0.74
	(b) Short-term loans and advances	0.02	0.11
	TOTAL - ASSETS	8.44	6,557.99

- 10 Figures in the last quarter are the balancing figures between the audited figures in respect of full financial year and published year to date figures upto the third quarter of current financial year.
- 11 Figures for the previous periods are re-classified/ re-arranged/ re-grouped, wherever necessary.

Place: Gurgaon
Date: May 29, 2015

For and On behalf of Board

Deep Kumar Rastogi
Executive Chairman

