

**N. D. AGRAWAL, B.Com., F.C.A.**  
**N. K. AGRAWAL, B.Com., F.C.A.**

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**INDEPENDENT AUDITOR'S REPORT**

**TO THE MEMBERS OF CREDA- HPCL BIOFUEL LIMITED**

**Report on the Financial Statements for the year ended 31<sup>st</sup> March, 2015**

We have audited the accompanying financial statements of CREDA-HPCL Biofuel Ltd. ("the Company"), which comprise the Balance Sheet as at March 31, 2015, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the 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 preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes 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 frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

### **Opinion**

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

### **Emphasis of matter**

Without qualifying our opinion, we draw attention to extra-ordinary item of write off of capital work in progress for Rs. 3,84,42,483 on account of abnormal mortality of plants as detailed in Note 30. Further, the company's current liability exceeds its current assets by Rs. 2,54,42,682 as on 31<sup>st</sup> March 2015.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), as issued by Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013 (18 of 2013) we give in the annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.






2. As required by Section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company does not have any pending litigations which would impact its financial position.
  - ii. As represented by the Company, there are no long-term contracts including derivative contracts having material foreseeable losses.
  - iii. As represented by the Company, there is no amount required to be transferred to Investor Education and Protection Fund by the Company.

Place – Raipur

Date **15 MAY 2015**

For, JAIN & AGRAWAL  
CHARTERED ACCOUNTANTS  
RAIPUR (C.G.)  
M.No.000727C  
  
(Anshu Kumar Agrawal)  
Partner  
M.No.072709

## ANNEXURE TO THE AUDITOR'S REPORT

[Referred to in paragraph pertaining to "Report on Other Legal and Regulatory Requirement"  
of our Report of even date to the members of  
CREDA- HPCL Biofuel Limited on the financial Statements for the year ended 31<sup>st</sup> March, 2015]

1. (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.  
  
(b) Fixed assets have been physically verified by the management during the year and no material discrepancies between the book records and the physical inventory have been noticed. In our opinion, the frequency of verification is reasonable.
2. (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.  
  
(b) In our opinion the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.  
  
(c) On the basis of our examination of inventory records, in our opinion, the company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventories as compared to book records have been properly dealt with by the company.
3. The company has not granted any loans, secured or unsecured, to/from companies, firms or other parties covered in the register maintained under-section 189 of the Companies Act, 2013.
4. In our opinion and according to the information and explanation given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business, for the purchase of inventory, fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the company and according to the information and explanation given to us, we have neither come across





nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.

5. The company has not accepted any deposits from the public, within the meaning of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under.
6. We are informed that the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Act.
7. (a) According to the information and explanation given to us and records of the company examined by us, the company is regular in depositing undisputed statutory dues including investor education and protection fund, provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues, as applicable with the appropriate authorities. There are no undisputed statutory dues payable for a period of more than six months from the date they became payable as at 31st March, 2015.  
  
(b) According to the information and explanation given to us and records of the company examined by us, there are no dues of income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess as at 31st March, 2015, which has not been deposited on account of dispute.  
  
(c) According to the information and explanation given to us and records of the company examined by us, in our opinion there are no amounts payable to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.
8. The Company has accumulated losses as of 31<sup>st</sup> March 2015 which are less than 50% of its net worth as at that date and it has incurred cash losses in the current year and also during the immediately preceding financial year.
9. According to the information and explanation given to us and records of the company examined by us the company has not defaulted in repayment of dues to any financial institution or bank or debenture holders as at 31<sup>st</sup> March, 2015,



10. According to the information and explanation given to us the company has not given any guarantee for loans taken by others from bank or financial institutions during the year.

11. The company has not obtained any Term loans.

12. Based upon the audit procedures performed and information and explanations given by the management we report that we have not come across any instances of fraud on or by the company, noticed or reported during the year, nor have we been informed of such case by management.

For, JAIN & AGRAWAL  
CHARTERED ACCOUNTANTS  
FERN.-000727C



(Naresh Kumar Agrawal)  
Partner  
M.No.072709

Place – Raipur

Date – 15 MAY 2015

**CREDA-HPCL BIOFUEL LTD.**  
Balance Sheet as at 31st March, 2015

(Amount in Rs.)

Particulars	Note No.	As at 31st March, 2015	As at 31st March, 2014
<b>A EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' Funds</b>			
(a) Share Capital	3	21,75,64,910	21,75,64,910
(b) Reserves and Surplus	4	(10,83,76,209)	(5,76,62,184)
(c) Money received against Share Warrants		-	-
<b>2 Share Application Money pending allotment</b>		-	-
<b>3 Non-Current Liabilities</b>			
(a) Long-Term Borrowings	5	-	-
(b) Deferred Tax Liability (Net)	32	-	1,98,619
(c) Other Long Term Liabilities	6	-	-
(d) Long-Term Provisions		-	-
<b>4 Current Liabilities</b>			
(a) Short-Term Borrowings	7	-	-
(b) Trade payables	8	-	3,35,612
(c) Other Current Liabilities	9	2,47,44,278	2,49,50,457
(d) Short-Term Provisions	10	13,58,203	15,13,000
<b>TOTAL</b>		<b>13,52,91,182</b>	<b>18,69,00,414</b>
<b>B ASSETS</b>			
<b>1 Non-Current Assets</b>			
(a) Fixed Assets			
(i) Tangible Assets	11	24,58,447	31,81,376
(ii) Intangible Assets	12	675	4,280
(iii) Capital Work in Progress	13 & 29	7,56,05,381	10,29,66,437
(b) Non-current Investments		-	-
(c) Deferred Tax assets (net)		-	-
(d) Long term Loans & Advances	14	5,65,66,880	5,65,66,880
<b>2 Current Assets</b>			
(a) Current Investments		-	-
(b) Inventories	15	2,714	14,04,916
(c) Trade Receivables	16	2,717	-
(d) Cash and Cash Equivalents	17	1,58,573	2,20,82,881
(e) Short Term Loans and Advances	18	4,95,795	6,93,644
(f) Other Current Assets		-	-
		<b>13,52,91,182</b>	<b>18,69,00,414</b>

Statement of Significant Accounting Policies and Notes Forming Part of Accounts are an integral part of the Financial Statements

As per our report of Even Date

For, Jain & Agrawal

Chartered Accountants

FRN-000727C

(N.K.Agrawal)

Partner

M.No. 072709

Place Raipur

Date



For and on behalf of the Board

*Keerav*  
(K V Rao)  
Director

*Wamul*  
(M Somasundar)  
Manager

*S.K. Shukla*  
(S.K. Shukla)  
Director

*Shruti*  
(Shruti Bhagat)  
Company Secretary

15 MAY 2015





**CREDA-HPCL BIOFUEL LTD.**

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

(Amount in Rs.)

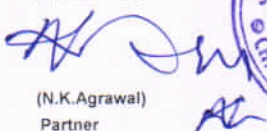
Particulars	Note No.	For the year ended on 31st March, 2015	For the year ended on 31st March, 2014
<b>A Continuing Operations</b>			
1 Revenue from operations (gross)	19	17,82,274	2,10,699
Less: Excise Duty		-	-
Revenue from operations (net)		17,82,274	2,10,699
2 Other income	20	2,84,729	21,55,926
3 <b>Total Revenue (1+2)</b>	<b>Total</b>	<b>20,67,003</b>	<b>23,66,625</b>
4 <b>Expenses</b>			
(a) Cost of Material Consumed	21	11,12,629	4,36,324
(b) Purchases of Stock in Trade		-	-
(c) Changes in Inventories of finished goods, work-in progress and stock-in trade	22 & 35	6,52,886	(7,94,968)
(d) Employee Benefits Expense	23	68,20,319	64,57,098
(e) Finance Costs		-	-
(f) Depreciation and amortisation expense	24	4,01,759	2,77,404
(g) Other Expenses	25	48,66,955	39,99,404
<b>Total Expenses</b>		<b>1,38,54,548</b>	<b>1,03,75,262</b>
5 Profit/(Loss) before exceptional and extraordinary items and tax (3-4)		(1,17,87,545)	(80,08,637)
6 <b>Exceptional Items</b>			
Prior Period Expense	40	4,97,389	7,03,516
Prior Period Income	34 & 40	(2,95,631)	(41,435)
7 Profit/(Loss) before Extraordinary Items and tax (5 - 6)		(1,19,89,303)	(86,70,718)
8 Extraordinary Items (Write off of CWIP)	11 & 29	3,84,42,483	-
9 Profit/(Loss) before tax (7-8)		(5,04,31,786)	(86,70,718)
10 Tax Expense			
(e) Deferred Tax	32	(1,98,619)	18,158
		(1,98,619)	18,158
11 Profit/(Loss) for the year (9-10)		(5,02,33,167)	(86,88,876)
12 i Earning per share (of Rs. 10 each) - Total Equity shares issued by the company: 2,17,56,491			
(a) Basic			
(i) Continuing operations		(2.31)	(0.40)
(ii) Total operations		(2.31)	(0.40)
(b) Diluted			
(i) Continuing operations		(2.31)	(0.40)
(ii) Total operations		(2.31)	(0.40)
12 ii Earning per share (excluding extraordinary items) (of ` 10 each)			
(a) Basic			
(i) Continuing operations		(0.54)	(0.40)
(ii) Total operations		(0.54)	(0.40)
(b) Diluted			
(i) Continuing operations		(0.54)	(0.40)
(ii) Total operations		(0.54)	(0.40)
Summary of Significant Accounting Policies	2.1		

Statement of Significant Accounting Policies and Notes Forming Part of Accounts are an integral part of the Financial Statements

As per our report of Even Date

For, Jain & Agrawal

Chartered Accountants  
FRN-000727C

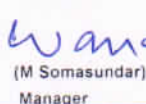
  
(N.K. Agrawal)  
Partner

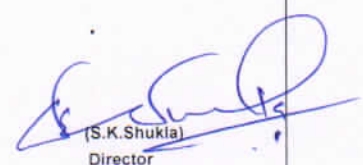
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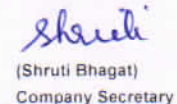


For and on behalf of the Board

  
(K.V. Rao)  
Director

  
(M. Somasundar)  
Manager

  
(S.K. Shukla)  
Director

  
(Shruti Bhagat)  
Company Secretary

Place Raipur  
Date 11 5 MAY 2015



**CREDA-HPCL BIOFUEL LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015**

(Amount in Rs.)

PARTICULARS	For the year ended 31st March, 2015	For the year ended 31st March, 2014
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit/(Loss) before extraordinary items and tax	(1,19,89,303)	(86,70,718)
<u>Adjustments for:</u>		
Depreciation/Amortisation on continuing operation	4,01,759	2,77,404
Interest and other Income	(2,84,729)	(21,55,926)
	1,17,030	(18,78,522)
<b>OPERATING PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGES</b>	(1,18,72,273)	(1,05,49,240)
<u>Changes in Working Capital</u>		
<u>Adjustments for (increase)/decrease in operating assets</u>		
Inventories	14,02,202	(7,94,968)
Trade Receivables	(2,717)	-
Short Term Loans and Advances	1,97,849	2,43,626
Long Term Loans and Advances	-	(2,29,28,230)
Other current assets	-	-
<u>Adjustments for increase/(decrease) in operating liabilities</u>		
Trade Payables	(3,35,612)	-
Other current liabilities	(2,06,179)	89,97,477
Short term provisions	(1,54,797)	15,13,000
	9,00,746	(1,29,69,096)
Cash Flow from Extraordinary items	-	-
Cash Generated from Operations	(1,09,71,527)	(2,35,18,336)
Net Income tax (paid)/refunds	1,97,849	2,44,668
<b>NET CASH FLOW FROM/(USED IN) OPERATING ACTIVITIES</b>	(1,11,69,376)	(2,37,63,004)
<b>(B) CASH FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets & Investments	(1,56,083)	(10,27,914)
Capital Work in Progress (Plantation Activity)	(1,10,81,427)	(2,44,67,032)
Capital Work in Progress (Borewells)	-	(10,43,000)
Other Income Received	2,84,729	21,55,926
Cash Flow from Extraordinary Items	-	-
Net Income tax (paid)/refunds	1,97,849	2,44,668
<b>NET CASH FLOW FROM/(USED IN) INVESTING ACTIVITIES</b>	(1,07,54,932)	(2,41,37,352)
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
1 Equity Shares Issued to CREDA	-	2,90,66,880
Cash Flow from Extraordinary Items	-	-
<b>NET CASH FLOW FROM/ (USED IN) FINANCING ACTIVITIES</b>	-	2,90,66,880
<b>NET INCREASE/(DECREASE) IN CASH &amp; CASH EQUIVALENTS (A+B+C)</b>	(2,19,24,308)	(1,88,33,475)
Cash equivalents at the end of the year	1,58,573	2,20,82,881
Cash equivalents at the beginning of the year	2,20,82,881	4,09,16,356

Statement of Significant Accounting Policies and Notes Forming Part of Accounts are an integral part of the Financial Statements

As per our report of Even Date

For, Jain & Agrawal  
Chartered Accountants  
FRN.-000727C

(N.K.Agrawal)  
Partner  
M.No. 072709

Place : Raipur  
Date : 15 MAY 2015

For and on behalf of the Board

(K V Rao)  
Director

(M Somasundar)  
Manager

(S.K.Shukla)  
Director

(Shruti Bhagat)  
Company Secretary



**CREDA-HPCL BIOFUEL LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015**

**1. Corporate Information**

CREDA-HPCL Biofuel Limited (CHBL) was promoted as a joint venture company by Hindustan Petroleum Corporation Limited ('HPCL'), and Chhattisgarh State Renewable Energy Development Agency ('CREDA') for the plantation of jatropha in the State of Chhattisgarh. Jatropha seeds are used for production of bio-diesel as a viable renewable source of energy. The Company's objective is to carry out jatropha plantation on 15,000 hectares of leased land.

**SUMMARY OF LAND STATUS (In Ha)**

Land obtained on License to Use		Total Land	
2014-15	2013-14	As on 31/03/2015	As on 31/03/2014
542	181	7451	6909

**2. Basis of preparation of significant accounting policies**

The financial statements have been prepared under the historical cost convention on accrual basis in accordance with Generally Accepted Accounting Principles (GAAP), Accounting Standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 2013.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year as explained below.

**2.1 Summary of Significant Accounting Policies**

**(a) Change in Accounting Policy**

In compliance with provisions of Companies Act, 2013 depreciation and useful life of all assets has been re-calculated with retrospective effect. Earlier, the depreciation was charged as per the rates prescribed in Companies Act, 1956.

**(b) Plantation Development Expenditure**

All the expenses directly attributable to cultivation and maintenance of jatropha plantation such as:

- Lease rental
- Cost of saplings
- Cost of Fertilisers and Pesticides
- Irrigation Expenses
- Outsourced Labour
- Direct Supervision Cost and;
- any other allocable expenses directly or indirectly attributable to plantation activity





are transferred to Capital Work in Progress for a period of 5 years from the date of plantation. The same are capitalized thereafter and amortised over a period of 25 years.

Further, Office and administrative expenses not allocable or attributable to plantation activity are not transferred to Capital Work in Progress.

**(c) Depreciation**

Depreciation is provided pro-rata to the period of use on daily basis, on Straight Line Method, based on estimated useful lives of the assets and those stipulated in Schedule II to the Companies Act, 2013. The assets are depreciated from the day they are 'ready to use'.

**(d) Tangible and Intangible Assets**

Tangible Assets are stated at historical cost. Accumulated depreciation is deducted at the rates of depreciation as stated in 2.1(c) above. Intangible Assets are accounted for at the consideration paid for acquisition and are carried out at cost less accumulated amortization and impairment loss, if any.

**(e) Inventories**

- i) Stock of plantation materials, jatropha seeds, Biofuel (Finished or semi finished) and Organic Manure are valued at cost or net realizable value whichever is lower
- ii) Standing crops at the beginning and at the end of the year is not valued as per the normal practice followed in the industry.

**(f) Research & Development expenses**

- i) Research & Development expenses incurred upto the development stage are capitalized and are written off over a period of five years from the year in which jatropha plants bear fruit.
- ii) All subsequent expenditure incurred towards research & development are written off in the year in which they are incurred.

**(g) Retirement Benefits**

Presently the manpower of the Company comprises of only personnel from HPCL on deputation basis.

**(h) Sale of Products**

Jatropha Seeds, Biofuel (Finished/Semi Finished) are sold at prices determined by the Board.



**(i) Interest**

Interest, both earnings as well as payments, are accrued in the books on mercantile basis.

**(j) Foreign Currency Transactions**

Foreign Currency transactions during the year are recorded at the exchange rates prevailing on the date of the transactions. All foreign currency assets, liabilities and forward contracts are restated at the rates prevailing at the year end.

**(k) Government Grants/ Subsidy**

Government grants if any received towards investment in plantation would be adjusted against the Plantation Development Expenditure.

**(l) Taxes on Income**

Current tax is determined on the basis of the amount of tax payable in respect of taxable income for the year. Deferred tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets are not recognized on unabsorbed depreciation and carry forward of losses unless there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

**(m) Impairment of Assets**

At each Balance Sheet date an assessment is made of whether there is any indication of impairment of assets. An impairment loss is recognised whenever the carrying amount of assets of cash generating units (CGU) exceeds their recoverable amount.

**(n) Earnings per Share**

Basic Earnings per Share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

**(o) Provisions**

A provision is recognized when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.





**CREDA-HPCL BIOFUEL LIMITED**

**Notes to financial Statements for the year ended 31st March, 2015**

**3. Share Capital**

(Amount in Rs)

Particulars	As at 31st March, 2015	As at 31st March, 2014
Authorised 20,00,00,000 equity shares of ₹10 each.	2,000,000,000	2,000,000,000
Issued, Subscribed and Fully Paid up 2,17,56,491 equity shares of ₹10 each	217,564,910	217,564,910

Particulars	As at 31st March, 2015		As at 31st March, 2014	
	No. of Shares	Amount (in Rs)	No. of Shares	Amount (in Rs)
a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period				
<u>Equity Shares:</u>				
At the beginning of the period	21,756,491	217,564,910	10,576,923	105,769,230
Issued during the year	-	-	11,179,568	111,795,680
Outstanding at the end of the period	21,756,491	217,564,910	21,756,491	217,564,910
b. Shares held by Holding Company HPCL				
<u>Equity Shares:</u>				
At the beginning of the period	16,099,803	160,998,030	7,826,923	78,269,230
Issued during the year	-	-	8,272,880	82,728,800
Outstanding at the end of the period	16,099,803	160,998,030	16,099,803	160,998,030

Particulars	As at 31st March, 2015		As at 31st March, 2014	
	No. of Shares	% holding in the class	No. of Shares	% holding in the class
c.Details of Shareholders holding more than 5% shares in the company				
<u>Equity Shares:</u>				
HPCL	16,099,803	74%	16,099,803	74%
CREDA	5,656,688	26%	5,656,688	26%
Outstanding at the end of the period	21,756,491	100%	21,756,491	100%

Particulars	As at 31st March, 2015		As at 31st March, 2014	
	No. of Shares	Value of Shares	No. of Shares	Value of Shares
d.Details of Shares allotted for consideration other than cash during the period of five years immediately preceding the Reporting Date				
<u>Equity Shares:</u>				
CREDA	2,227,873	22,278,730	2,227,873	22,278,730
Outstanding at the end of the period	2,227,873	22,278,730	2,227,873	22,278,730

The aforesaid shares were issued to CREDA against advance Lease Deposits @ Rs 5000 per Ha for 4455 Ha of land. Out of the same 593 Ha of land have been allotted till 31/03/2015.



**CREDA-HPCL BIOFUEL LIMITED**

**Notes to financial Statements for the year ended 31st March, 2015**

(Amount in Rs)

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>4. RESERVES AND SURPLUS</b>		
Capital Reserve (Any subsidy or grant if received from Govt.)	-	-
General Reserve	-	-
Revaluation Reserve	-	-
Other Reserves	-	-
<b>Surplus/(Deficit) Profit &amp; Loss Account</b>		
Balance brought forward from previous year	(57,662,184)	(48,973,308)
Add: Profit/(Loss) for the period	(50,233,167)	(8,688,876)
Less: Charge of Depreciation in accordance with Companies Act, 2013	(480,858)	-
Research & Development Reserve	-	-
<b>Closing Balance</b>	<b>(108,376,209)</b>	<b>(57,662,184)</b>
<b>5. LONG TERM BORROWINGS</b>		
Loans from Scheduled Banks & Financial Institutions	-	-
Inter-Corporate Loans	-	-
Loans from Directors	-	-
Loans & Advances from Related Parties	-	-
<b>6. OTHER LONG TERM LIABILITIES</b>		
	-	-
<b>7. SHORT TERM BORROWINGS</b>		
Loans Repayable on Demand	-	-
Loans & Advances from Related Parties	-	-
<b>8. TRADE PAYABLES</b>		
Sundry Creditors	-	335,612
	-	335,612
<b>9. OTHER CURRENT LIABILITIES</b>		
<b>Accrued Liabilities</b>		
Office Expenses	1,274,529	1,202,755
Operating Expenses	1,720,118	4,026,697
<b>Other Liabilities</b>		
Payable to HPCL	18,381,572	17,098,658
Other Payables	892,031	-
Unclaimed Cheques	28,000	-
Taxes Payable	133,207	111,255
Retention Money from Contractors	1,206,387	1,042,541
Security deposit from contractors	1,108,434	1,468,551
	<b>24,744,278</b>	<b>24,950,457</b>
<b>10. SHORT TERM PROVISIONS</b>		
For Cultivation & Maintenance	1,358,203	1,343,000
For Tours & Travels	-	170,000
For Leave Encashment	-	-
For Gratuity	-	-
Proposed Dividend	-	-
Service Tax	-	-
Tax on Proposed Dividend	-	-
	<b>1,358,203</b>	<b>1,513,000</b>





**CREDA-HPCL BIOFUEL LIMITED**

**Notes to financial Statements for the year ended 31st March, 2015**

**11. Tangible Assets**

(Amount in Rs)

Gross Block	Plant & Machinery	Temporary Shelter	Furniture & Fixtures	Computers & Printers	Office Equipment	Total
<b>At Cost</b>						
At 01.04.2013	567,013	97,750	1,605,906	447,741	509,949	3,228,359
Additions	964,814	19,000	10,200	10,900	23,000	1,027,914
At 31.03.2014	1,531,827	116,750	1,616,106	458,641	532,949	4,256,273
Additions	111,800	38,000	11,900		2,400	164,100
Other adjustments	-	-	(9,300)	-	-	(9,300)
At 31.03.2015	1,643,627	154,750	1,618,706	458,641	535,349	4,411,073

	Plant & Machinery	Temporary Shelter	Furniture & Fixtures	Computers & Printers	Office Equipment	Total
<b>Depreciation</b>						
At 01.04.2013	86,724	97,750	309,381	233,699	72,127	799,681
Charge for the year	49,791	19,000	101,731	73,649	31,045	275,216
At 31.03.2014	136,515	116,750	411,112	307,348	103,172	1,074,897
Charge for the year	100,492	43,009	154,661	17,896	85,701	401,759
Charge/(Write off) of depreciation upto 31/03/2014 in accordance with provisions of Companies Act, 2013	2,732	(76,739)	183,087	93,794	274,379	477,253
Other Adjustments	-	-	(1,283)	-	-	(1,283)
At 31.03.2015	239,739	83,019	747,577	419,038	463,252	1,952,626

	Plant & Machinery	Temporary Shelter	Furniture & Fixtures	Computers & Printers	Office Equipment	Total
<b>Net Block</b>						
At 31.03.2014	1,395,312	-	1,204,994	151,293	429,777	3,181,376
At 31.03.2015	1,403,888	71,731	871,129	39,603	72,097	2,458,447



**CREDA-HPCL BIOFUEL LIMITED****Notes to financial Statements for the year ended 31st March, 2015****12. Intangible Assets****(Amount in Rs)**

Gross Block	Computer Software	Total
<b>At Cost</b>		
At 01.04.2013	13,500	13,500
Additions	-	-
Disposals	-	-
At 31.03.2014	13,500	13,500
Additions	-	-
Disposals	-	-
At 31.03.2015	13,500	13,500

	Computer Software	Total
<b>Depreciation</b>		
At 01.04.2013	7,032	7,032
Charge for the year	2,188	2,188
At 31.03.2014	9,220	9,220
Charge for the year	0	0
Charge/(Write off) of depreciation in accordance with provisions of Companies Act, 2013	3,605	3,605
At 31.03.2015	12,825	12,825

**(Amount in ₹)**

	Computer Software	Total
<b>Net Block</b>		
At 31.03.2014	4,280	4,280
At 31.03.2015	675	675





**CREDA-HPCL BIOFUEL LIMITED**  
**Notes to financial Statements for the year ended 31st March, 2015**

(Amount in Rs)

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>13. CAPITAL WORK IN PROGRESS</b>		
Capital Work in Progress Plantation activity	74,562,381	101,923,437
Capital Work in Progress Borewells	1,043,000	1,043,000
	<b>75,605,381</b>	<b>102,966,437</b>
<b>14. LONG TERM LOANS &amp; ADVANCES</b>		
Deposits (Lease Deposit)	56,566,880	56,566,880
	<b>56,566,880</b>	<b>56,566,880</b>
The above amount of ₹ 5,65,66,880 includes lease deposit of ₹1,93,10,000/- as advance deposit to CREDA against 3862 Ha of land to be allotted in future.		
<b>15. INVENTORIES (AT NET REALISABLE VALUE)</b>		
<b>a) Inventories - Jatropha Seeds (at NRV)</b>		
De-Oiled Cake (at NRV)	-	749,316
Semifinished Jatropha Biofuel	-	498,850
Jatropha Biofuel	2,714	156,750
Glycerol	-	-
(As certified by the management)		
<b>b) Inventories - Stores &amp; Spare parts (at cost)</b>		
Packing Materials	-	-
Stock of plantation materials	-	-
Stock of stationary	-	-
Stock of loose tools	-	-
<b>c) Inventories - Stock in progress (at cost)</b>		
Work in Progress	-	-
	<b>2,714</b>	<b>1,404,916</b>
<b>16. TRADE RECEIVABLES</b>		
Debts outstanding for a period exceeding six months	-	-
- Secured, considered good	-	-
- Unsecured, considered good	-	-
- Doubtful	-	-
Less : Provision for doubtful debts	-	-
Debts outstanding for a period less than six months		
- Secured, considered good	2,717	-
- Unsecured, considered good	-	-
- Doubtful	-	-
Less : Provision for doubtful debts	-	-
	<b>2,717</b>	<b>-</b>
<b>17. CASH &amp; CASH EQUIVALENTS</b>		
Cash on hand	32,382	16,758
Balance with Scheduled Banks:		
in Current account	125,293	381,186
in Short Term Fixed Deposits	-	21,539,325
Interest Accrued on Fixed Deposits	898	145,612
	<b>158,573</b>	<b>22,082,881</b>
<b>18. SHORT TERM LOANS AND ADVANCES</b>		
(Unsecured, considered good)		
Advance lease rentals	-	-
Advances recoverable in cash or in kind or for value to be received	21,880	21,880
Sales Tax	-	-
Tax Refund Due	473,915	671,764
	<b>495,795</b>	<b>693,644</b>



**CREDA-HPCL BIOFUEL LIMITED**

**Notes to financial Statements for the year ended 31st March, 2015**

(Amount in Rs)

Particulars	For the year ended on 31st March, 2015	For the year ended on 31st March'2014
<b>19. REVENUE FROM OPERATIONS (GROSS)</b>		
Gross Sales	1,782,274	210,699
Inter-cropping sales (if any)	-	-
Revenue from Operations (net)	1,782,274	210,699
<b>Details of Products sold: Finished Goods</b>		
Jatropa Biofuel	153,341	-
Jatropa Biofuel Semi Finished	1,333,995	5,600
Jatropa Glycerol	-	-
Jatropa Organic Manure	294,938	205,099
	1,782,274	210,699
<b>20. OTHER INCOME</b>		
Interest on fixed deposit [Tax deducted at source ₹ 10,145/-for 2014-15]	109,708	2,108,288
Other Non-operating Income	165,685	9,000
Interest on Tax Refund	9,336	38,638
	284,729	2,155,926
<b>Details of Non-operating Income</b>		
Liquidated Damages	165,685	-
	165,685	-
<b>21. COST OF MATERIAL CONSUMED</b>		
Opening Stock of Jatropa Seeds	749,316	604,740
Purchases of Raw Material and Stores (jatropa Seeds)	234,173	308,950
Add : Transportation Charges	8,000	27,050
Add : Processing Charges	121,140	100,324
Less: Closing Stock of Jatropa seeds	-	749,316
	1,112,629	291,748
<b>22.CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE</b>		
Opening Stock		
Semifinished Jatropa Biofuel	498,850	-
Jatropa Organic Manure	-	5,208
Jatropa Biofuel	156,750	-
Glycerol	-	-
Less: Closing Stock		
Semifinished Jatropa Biofuel	-	498,850
Jatropa Organic Manure	-	-
Jatropa Biofuel	2,714	156,750
Glycerol	-	-
	652,886	(650,392)
<b>23. EMPLOYEE BENEFITS EXPENSE</b>		
Salaries and Wages [includes reimbursement of salaries of personnel on deputation from HPCL]	6,820,319	6,457,098
Contribution to Provident and Other funds	-	-
Staff Welfare	-	-
Employee Recruitment and Training	-	-
Leave Encashment and Gratuity	-	-
	6,820,319	6,457,098
Salaries and Wages of Rs. 1,03,81,282/- allocable to cultivation and maintenance of jatropa have been transferred to Capital Work in Progress Plantation Activity. The Salaries and Wages amounting to Rs. 68,20,319/- which are not allocable to cultivation and maintenance of jatropa have been charged to Statement of Profit & Loss as above.		
<b>24.DEPRECIATION &amp; AMORTISATION EXPENSE</b>		
Depreciation	401,759	277,404
Pre-Incorporation Expenses Written Off	-	-
	401,759	277,404





**CREDA-HPCL BIOFUEL LIMITED**

**Notes to financial Statements for the year ended 31st March, 2015**

(Amount in Rs)

Particulars	For the year ended on 31st March, 2015	For the year ended on 31st March'2014
<b>25. OTHER EXPENSES</b>		
<b>Operating Expenses</b>		
Fruit Plucking charges	-	228,347
Technical Consultancy Charges	2,340,752	183,657
Land Identification Charges	21,440	-
Warehousing Charges	-	-
Transportation Charges	80	-
Casual Labour	-	1,562
Mortality Replacement	-	-
Land Maps	-	-
Lease Rental on Land	-	-
	<b>2,362,272</b>	<b>413,566</b>
<b>Administrative and General Expenses</b>		
Sundry Expenses	225,375	387,859
Casual Staff - Office & Field Activities	186,911	395,720
Tours & Travel	573,869	700,448
Training Expenses	-	37,670
Car hire charges	21,075	7,596
Rent	525,108	524,063
Telephone and Fax	11,882	13,480
Printing and Stationery : letterheads/office printing	4,250	12,550
Computer stationery	12,220	33,650
office supplies	68,637	76,047
Books & Periodicals	-	2,278
Postage and Telegram	14,243	22,435
Repairs to Furniture Fittings etc.	500	13,545
Repairs to Electrical Fittings etc.	1,325	12,213
Repairs to Office Equipment	10,940	23,005
IT exps	10,821	15,360
Auditor Remuneration		
- Audit Fees - 39326		
- Tax Audit Fees -		
- Certification Fees -		
- Other Services -		
- Reimbursement of expenses -	39,326	39,326
Legal & Consultation fees	65,000	-
Board and Committee Meetings	37,429	215,571
Security Service Charges	537,134	601,467
Electricity Charges	78,080	75,030
Website maintainence	12,900	12,900
Tender Expenses	-	-
Bank Charges	100	125
Community Welfare Activities	-	300,000
Write off of fixed asset	8,017	-
Certification and other professional services	59,541	63,500
	<b>2,504,683</b>	<b>3,585,838</b>
<b>TOTAL</b>	<b>4,866,955</b>	<b>3,999,404</b>
<b>Operating Expenses which are directly attributable to plantation activity and have been transferred to Capital Work in Progress(Plantation activity) and hence have not been charged to Statement of Profit &amp; Loss are given below.</b>		
Cultivation & Maintenance of Plantation (Current Year)	939,390	9,569,055
Cultivation & Maintenance of Plantation (Prior Period)	(1,117,624)	-
Warehousing Charges	-	(72,489)
Transportation Charges	-	15,120
Casual Labour (Current Year)	320,554	580,460
Casual Labour (Prior Period)	(95,984)	-
Electricity (Hardi)	-	5,550
	<b>46,336</b>	<b>10,097,696</b>
<b>The Administrative Expenses allocable to plantation activity and transferred to Capital Work in Progress(Plantation activity) are given below.</b>		
Casual Staff - Office & Field Activities	307,482	310,409
Tours & Travel (Current Year)	609,248	2,379,169
Tours & Travel (Prior Period)	(581,610)	-
Car hire charges	309,409	663,505
Telephone	5,330	4,814
Tender Expenses	-	197,138
Repairs to Electrical Fittings	-	-
Training Expenses	3,950	12,090
	<b>653,809</b>	<b>3,567,125</b>



**CREDA-HPCL BIOFUEL LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015**

- 26 Figures have been rounded off to nearest rupee.
- 27 Management has made an assessment on the impairment of assets and is of the opinion that there are no assets whose value is impaired.
- 28 The company has no sundry creditors falling under the category of small scale industries covered by Micro, Small and Medium Enterprises Development Act, 2006.
29. During the year 2014-15, an amount of Rs. 1,10,81,427/- has been transferred to Capital Work in Progress. Further, an amount of Rs. 3,84,42,483/- has been written off from Capital Work in Progress (Plantation Activity) on account of plant mortality. The detailed break up is as under:

(in Rs)

	2014-15	2013-14
<b>OPERATING EXPENSES</b>		
Cultivation & Maintenance Expenses	9,39,390	95,69,055
Warehousing Charges	-	(72,489)
Transportation Charges	-	15,120
Casual Labour	3,20,554	5,80,460
Electricity charges (Hardi)		5,550
<b>TOTAL (A)</b>	<b>12,59,944</b>	<b>1,00,97,696</b>
<b>OTHER EXPENSES CAPITALISED</b>		
Casual Staff – Office & Field Assistance	3,07,482	3,10,409
Tours & Travel	6,09,248	23,79,169
Car hire charges	3,09,409	6,63,505
Tender Expenses	-	1,97,138
Telephone	5,330	4,814
Salaries & Wages	1,03,81,282	10,802,211
Training Expenses	3,950	12,090
<b>TOTAL (B)</b>	<b>1,16,16,701</b>	<b>1,43,69,336</b>
<b>PRIOR PERIOD ITEMS REVERSAL **</b>		
Cultivation & Maintenance Expenses	(11,17,624)	
Casual Labour	(95,984)	
Tours & Travel	(5,81,610)	
<b>Total (C)</b>	<b>(17,95,238)</b>	
<b>Transfer to CWIP (A+B+C)</b>	<b>1,10,81,427</b>	<b>2,44,67,032</b>
Opening Balance at the beginning of the year	10,19,23,437	7,74,56,405
Closing Balance at the end of the year before write off	11,30,04,864	10,19,23,437
<b>WRITE OFF OF CWIP ON ACCOUNT OF MORTALITY</b>	<b>(3,84,42,483)</b>	<b>-</b>
<b>Net CWIP</b>	<b>7,45,62,381</b>	<b>10,19,23,437</b>

\*\* Details about CWIP write off on account of mortality are provided under note no. 30.

\*\*\*Detailed break-up of prior period reversals has been provided in Note no. 40.

Further, 5273 Ha of land had been returned to CREDA during the year 2012-13 on account of being unsuitable for plantation activity. An amount of Rs. 1,49,68,628/-





incurred on plantation activity carried earlier on such lands has been written off in 2012-13. Since CREDA is the single window for interaction with the Government of Chhattisgarh, letter dated 28/01/2013 has been written to CREDA requesting help in obtaining compensation for all such losses and expenditure.

- 30 During the year excess mortality has been written off from CWIP. As per the opinion obtained from Indira Gandhi Krishi Vishwa Vidyalaya Raipur, 20% mortality is normal for jatropa plantations. Since, a total mortality of 55.77% has occurred in CHBL plantations, the abnormal mortality of 35.77% (55.77%-20%) has been written off. Accordingly, an amount of Rs.3,84,42,483/- has been written off from Capital Work in Progress. The detailed calculation is as under:

Total Plants (in nos.) planted by CHBL/taken over from CREDA till date	3,927,303	
Less: Plants surrendered to CREDA	446,352	
Total Plants planted after reducing plants surrendered to CREDA	3,480,951	
Balance number of Plants		34,80,951
Less: Total Mortality		19,41,186
Total Surviving Plants		1,539,765
Plant Mortality in %		55.77%
Excess Mortality after deducting normal 20% mortality		35.77%
Opening Balance of CWIP (Plantation activity) as on 01/04/2014 (in Rs.)		10,19,23,437
Add: Other attributable/allocable expenses incurred during the year except salaries of project personnel (in Rs.)		7,00,145
Salaries of project personnel (in Rs.)		48,59,833
Total CWIP considered for write off (in Rs.)		10,74,83,415
CWIP written off on account of mortality 35.77% (A) (in Rs.)		3,84,42,483

### 31. Lease Rental

As per Notification no. F4-59/2005/Seven/06 dated 01/09/2006 issued by the Government of Chhattisgarh, the lease of the land shall be given to CREDA for 20 years and may be renewed for a further period of 10 years subject to compliance of conditions by the lessee mentioned in the Notification. The Notification further provides that CREDA shall get the plantation and biodiesel processing unit on the land managed by a company in which CREDA has at least 26 percent shareholding. Further, CREDA shall neither transfer nor sublease the land to anybody under any circumstance.

The security deposit for the above land is refundable.



CREDA has vide its letter no. 11160/109/CBDA/CREDA/2013 dated 19/02/2013 has intimated that though CREDA has been permitting CHBL to carry on cultivation of jatropha plantation on certain pieces of land under intimation to concerned Chhattisgarh Government Officials, signing of lease agreement between CREDA and state Government has as yet not been completed.

Further, as per letter dated 29/04/2013, CREDA has confirmed that the, lease agreement has not been signed between CREDA and Chhattisgarh Government and therefore lease rental shall be chargeable only from the date on which the Government of Chhattisgarh officially signs lease deed with CREDA. Accordingly, no provision for lease rental has been made.

32 Deferred Tax Asset / (Liability) arising due to timing difference:-

Total Deferred Tax Liability (DTL) is much less than the total Deferred Tax Asset (DTA) calculated as per the provisions and both are also eligible to be netted off against each other. Considering the significant uncertainty of future taxable income in view of past performance, net figure DTA after offsetting the amount of DTL has not been taken onto accounts as a matter of conservative approach and prudence. The working of DTA and DTL for the year is given below:

Further, the DTL booked earlier in the accounts of Rs.1,98,619/- (till the year 2013-14) is written back and is included in other income.

(in Rs.)

Sr. No.	Timing Difference	Amount	DTA @ 30.90%	DTL @ 30.90%
1	Differences in book and tax depreciation			
	WDV as per books of accounts as at 31st March, 2015	2,459,122		
	Less: WDV as per Income Tax Act as at 31st March, 2015	2,306,190		
	Difference (Deferred Tax Asset)	1,52,933		47,256
	(If WDV as per IT is more than the WDV as per books then DTA is created, otherwise DTL)			
2	Losses available for setoff	115,870,615	35,804,020	
	Total Deferred tax asset as on March 31, 2015		35,756,764	

- 33 In compliance with provisions of Companies Act, 2013 depreciation and useful life of all assets has been re-calculated with retrospective effect. Accordingly, an amount of Rs.4,80,858/- pertaining to differential depreciation prior to 1<sup>st</sup> April, 2014 has been added to brought forward loss by the company (Refer Note 4).
34. An amount of Rs.2,93,777/- lying against Security Deposit and Retention Money of M/s PSA Constructions has been written back and is included in prior period income. All POs issued to the vendor have been terminated and the vendor has confirmed in writing that all his disputes/claims have been settled in full and final.
- 35 Total 5044.49 kg of Jatropha seed amounting to around Rs.70,118/- has been written off during the year on account of decay and damage.





## 36 Contingent Liabilities and Capital commitments:

(in Rs.)

		2014-15	2013-14
A	Estimated amount of Contracts remaining to be executed on Capital Account not provided for	-	99,585,656
B	Claims against the Company not acknowledged as debts	40,74,160	25,32,155

## 37 Other General Information:

(in Rs.)

		2014-15	2013-14
A	Payments to Auditors: Audit fees (incl. Service Tax)	39,326	39,326
B	Managerial Remuneration: Salary & Allowances Chief Executive Officer Chief Finance Officer cum Company Secretary  (Chief Executive Officer and Chief Finance Officer are on deputation from HPCL. The amount represents remuneration paid by HPCL and debited to the company. The salary includes salary, company contribution to PF, LFA, bonus, medical, gratuity & leave encashment.)	37,73,260 20,31,183	34,72,405 19,44,642
C	C.I.F Value of Imports during the Year.	NIL	NIL
D	Expenditure in Foreign Currency	NIL	NIL
E	Earning in Foreign Currency	NIL	NIL
F	Information on each class of goods purchased, sold and stocks during the year	NIL	NIL

## 38 Related Parties Disclosures:-

Nature of Relationship	Name of Related Parties
Holding Company	Hindustan Petroleum Corporation Ltd.(HPCL)
Co-Promoters	Chhattisgarh State Renewable Energy Development Agency (CREDA)
Key Managerial Personnel	Shri M Somasundar (Manager) and Shruti Bhagat(Company Secretary)
Relative of the Key Management Personnel	NIL

Details of transactions between the company and related parties:

Nature of transaction	HPCL		CREDA	
	2014-15 (RS.)	2013-14 (RS.)	2014-15 (RS.)	2013-14 (RS.)
Particulars				
Equity Share Issued	-	8,27,28,800/-		2,90,66,880/-
Manpower cost of employees on deputation	1,66,99,466/-	1,67,39,485/-	-	-
Car Hire	9,913/-			
Lease Deposit	-	-	-	2,29,28,230/-



Further, during the year the company has entered into a tripartite MoU with HPCL and M/s JOil India Pvt Ltd for executing Operational Trials with elite Jatropha Varieties in the areas of Bio-diesel and Biofuels. HPCL has placed a PO on M/s JOil for carrying out Operational trials with high yielding jatropha varieties in 200 Ha of land. As per the MoU, CHBL will be the single co-ordinating agency for monitoring the project and its implementation at different stages and will be responsible to ensure completion of entire work in accordance to terms and conditions/scope of the project.

- 39 The Cash flow statement is prepared by the indirect method set out in AS-3 on "Cash Flow Statements" and presents the cash flows by operating, investing & financing activities of the company. Cash & cash equivalents presented in the cash flow statement consist of cash on hand and demand deposits with banks.

- 40 Prior Period Items

(in Rs.)

	Particulars	Amount
<b>Capital Work in Progress</b>		
	Cultivation & Maintenance Expenses (out of the same Rs.4,94,451 written off and charged to Statement of Profit and Loss as given below)	49185
	Cultivation & Maintenance Expenses	(11,66,809)
	Casual Labour	69,243
	Casual Labour	(1,65,227)
	Tours & Travels	(581,610)
	<b>Net</b>	<b>(17,95,218)</b>
<b>Expense Charged to Statement of Profit &amp; Loss</b>		
	Cultivation & Maintenance Expenses (written off from CWIP)	4,94,451
	Casual Labour Office Expenses	(1,854)
	Technical Consultancy	2,938
	Forfeiture of Retention Money and Security Deposit of M/s PSA Construction (Refer Note 34)	(2,93,777)
	<b>Net</b>	<b>2,01,758</b>



- 41 CHBL is a public sector undertaking under the aegis of Ministry of Petroleum and Natural Gas (MOP&NG). Several initiatives are being taken up to mitigate any business uncertainties and to support the activities being undertaken under the Memorandum of Understanding (MoU) as approved by the Department of Public Enterprises (DPE) of Govt of India.

A proposal was submitted to our parent ministry MOP&NG to grant CHBL a Viability Gap Funding and a letter dated 07/10/2014 has been written by MOP&NG requesting Oil Industry Development Board (OIDB) to consider CHBL proposal for grant of Rs.18 Crores. The matter is being pursued by CHBL.

Further, CHBL has signed a Tripartite MoU with holding company Hindustan Petroleum Corporation Limited (HPCL) and M/s JOil India Pvt Ltd for carrying out Jatropa pilot operational trials.

Department of Public Enterprises (DPE) and Ministry of Petroleum and Natural Gas (MOP&NG) have also approved the MOU for FY 2015-16.

In view of the above, the company is reasonably certain that it shall be able to continue operations in the coming years.

\*\* Statement of Significant Accounting Policies and Notes Forming Part of Accounts are an integral part of the Financial Statements

As per our report of Even Date

For, Jain & Agrawal  
Chartered Accountants  
FRN.- 000727C





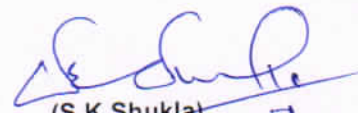
(N.K.Agrawal)  
Partner  
M.No. 072709



Place : Raipur

15 MAY 2015

For and on behalf of the Board

  
(K V Rao)  
Director  
(M Somasundar)  
Manager  
(S.K.Shukla)  
Director  
(Shruti Bhagat)  
Company Secretary