

# BGJC & Associates

## Chartered Accountants

### INDEPENDENT AUDITORS' REPORT

#### To the Members of Prize Petroleum Company Limited

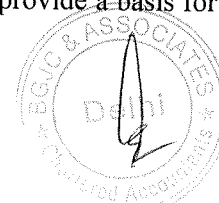
1. We have audited the accompanying consolidated financial statements (the "Consolidated Financial Statements") of **Prize Petroleum Company Limited** ("the Company") and its subsidiary, its jointly controlled entities; hereinafter referred to as the "Group" (refer Note 2 to the attached consolidated financial statements), which comprise the consolidated Balance Sheet as at March 31, 2015, the consolidated Statement of Profit and Loss, the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### Management's Responsibility for the Consolidated Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (the "Act") with respect to the preparation of these consolidated financial statements to give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India including the Accounting Standards specified under Section 133 of the Act. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditors' Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.
4. We conducted our audit in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements 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.
5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgement, 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 control relevant to the Company's preparation and presentation of the consolidated 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 the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of 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 consolidated financial statements.
6. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.



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Delhi

Gurgaon

Indore

Noida

Dehradun

## Opinion

7. We report that the consolidated financial statements have been prepared by the Company's Management in accordance with the requirements of Accounting Standard (AS) 21 – Consolidated Financial Statements, and Accounting Standard (AS) 27 – Financial Reporting of Interests in Joint Ventures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
8. Based on our audit and on consideration of reports of other auditors on separate financial statements and on the other financial information of the components of the Group as referred to in paragraph 9 and 10 below, and to the best of our information and according to the explanations given to us, in our opinion, the aforesaid consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Group as at March 31, 2015, and its consolidated loss and its consolidated cash flows for the year ended on that date.

## Other Matter

9. We did not audit the financial statements of 2 jointly controlled entities included in the consolidated financial statements, which constitute total assets of Rs119,985,753 and net assets of Rs118,881,604 as at March 31, 2015, total revenue of Rs. 9,776,711, net loss of Rs10,458,322 for the year then ended. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion on the consolidated financial statements to the extent they have been derived from such financial statements is based solely on the report of such other auditors.
10. We did not audit the financial statements of 1 subsidiary, 2 jointly controlled entities which constitute total assets of Rs5,960,087,250 and net assets of Rs-254,125,578 as at March 31, 2015, total revenue of Rs. 218,930,248, net loss of Rs329,138,101 for the year then ended. The unaudited financial information has been provided to us by the management, and our opinion on the consolidated financial statements to the extent they relate to these subsidiary, 2 jointly controlled entities is based solely on such unaudited financial information furnished to us.

Our opinion is not qualified in respect of these matters.

## Report on Other Legal and Regulatory Requirements

11. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comment in the auditors' reports of the jointly controlled companies incorporated in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable *except for the subsidiary where unaudited financial statements have been considered for consolidation and in the absence of auditors report, we are unable to comment on the compliance of CARO for the said subsidiary.*
12. As required by Section 143(3) of the Act, *except for the subsidiary where unaudited financial statements have been considered for consolidation and in the absence of auditors report, we are unable to comment on the compliance of section 143(3) for the said subsidiary, we report to the extent applicable that:*



INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Prize Petroleum Company Limited

Report on the Consolidated Financial Statements

Page 3 of 3

- a. We have sought and obtained all the information and explanation 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.
- 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 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 of the Holding Company as on 31st March, 2015 taken on record by the Board of Directors of the Holding Company none of the directors is disqualified as on 31<sup>st</sup> 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 Auditor's) 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 litigation as at March 31, 2015 which would impact its financial position.
  - ii. The Company has long-term contracts as at March 31, 2015 for which there were no material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2015

**For BGJC & Associates**

Chartered Accountants

Firm Registration Number: 003304N

  
**Darshan Chhajer**

Partner

Membership Number: 088308

Place: New Delhi

Date: May 7, 2015

**Form AOC-I**

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

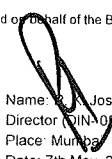
**Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures****Part- "A" : Subsidiaries**

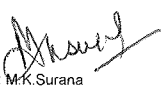
Sr. No.	Particulars	Rs./Crs	US \$
1	Serial No.		1
2	Name of Subsidiary	Prize Petroleum International Pte. Ltd., Singapore (with effect from 23.01.2014)	
3	Financial Year ending on	31.03.2015	31.03.2015
4	Reporting Currency	Rs. In Crores	US \$
4A	Exchange Rate	62.505	62.505
5	Share Capital	0.06	10,000.00
6	Reserves & Surplus	(31.03)	(4,963,955.64)
7	Total Assets	590.42	94,459,670.90
8	Total Liabilities	621.38	99,413,626.54
9	Investment	-	-
10	Turnover	21.35	3,438,295.23
11	Profit (Loss) before Taxation	(32.82)	(5,275,323.33)
12	Provision for Taxation	-	-
13	Profit (Loss) after Taxation	(32.82)	(5,275,323.33)
14	Proposed Dividend	-	-
15	% of Shareholding	100%	100%
	Note:		
1	Names of subsidiaries which are yet to commence operations	NA	NA
2	Names of subsidiaries which have been liquidated or sold during the year	NA	NA


**Part- "B" : Associates and Joint Ventures**


	Name of Associate/ Joint Venture		NA
1	Latest Audited Balance Sheet date	31.03.2015	31.03.2015
2	Shares of Associate/Joint Ventures held by the company on the year end		
	No.		NA
	Amount of Investment in Associates/Joint Venture		NA
	Extend of Holding %		NA
3	Description of how there is significant influence		NA
4	Reason why the associate/joint venture is not consolidated		NA
6	Networth attributable to Shareholding as per latest audited Balance Sheet		NA
7	Profit / Loss for the year		
	Considered in Consolidation		NA
	Not Considered in Consolidation		NA
	Note:		
1	Names of associates/ joint ventures which are yet to commence operations	NA	NA
2	Names of associates/ joint ventures which have been liquidated or sold during the year	NA	NA

For and on behalf of the Board of Directors

  
 Name: M. K. Joshi  
 Director (DIN-05323634)  
 Place: Mumbai  
 Date: 7th May, 2015

  
 Name: M. K. Surana  
 Chief Executive Officer  
 Place: Mumbai  
 Date: 7th May, 2015

  
 Name: K. V. Rao  
 Director (DIN-05340626)  
 Place: Mumbai  
 Date: 7th May, 2015

  
 Name: U. C. Agrawal  
 Company Secretary  
 Place: Mumbai  
 Date: 7th May, 2015

**PRIZE PETROLEUM COMPANY LIMITED**  
(A Wholly Owned Subsidiary of Hindustan Petroleum Corporation Ltd.)

**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2015**

	Note No.	Amount in Rupees Figures as at 31st March 2015	31st March 2014
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' Funds</b>			
(a) Share Capital	1	1,20,00,00,000	1,20,00,00,000
(b) Reserves and surplus	2	(86,94,07,883)	(56,11,01,197)
(c) Money received against share warrants		-	-
<b>2 Share application money pending allotment</b>		-	-
<b>3 Non-current liabilities</b>			
(a) Long-term borrowings	3	5,37,54,30,000	-
(b) Deferred tax liabilities (Net)		-	-
(c) Other Long term liabilities	4	6,500	1,81,500
(d) Long-term provisions	5	12,43,599	8,97,336
<b>4 Current liabilities</b>			
(a) Short-term borrowings	6	-	91,07,84,000
(b) Trade payables	7	45,48,969	4,98,71,851
(c) Other current liabilities	8	82,39,92,024	70,18,092
(d) Short-term provisions	9	2,20,941	4,65,222
<b>TOTAL</b>		<b>6,53,60,34,151</b>	<b>1,60,81,16,804</b>
<b>II. ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets	10	14,62,03,199	14,78,00,276
(ii) Intangible assets	11	4,05,31,05,489	1,38,01,895
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development	12	86,46,84,619	1,38,73,953
(b) Non-current investments		-	-
(c) Deferred tax assets (net)	13	1,37,42,000	1,32,32,000
(d) Long-term loans and advances	14	4,03,533	88,69,42,207
(e) Other non-current assets	15	22,15,134	55,11,215
<b>2 Current assets</b>			
(a) Current investments		-	-
(b) Inventories	16	3,36,47,901	1,06,45,238
(c) Trade receivables	17	2,50,33,820	85,80,927
(d) Cash and Bank Balances	18	1,31,91,91,980	44,24,09,773
(e) Short-term loans and advances	19	6,50,13,724	6,53,19,321
(f) Other current assets	20	1,27,92,752	-
<b>TOTAL</b>		<b>6,53,60,34,151</b>	<b>1,60,81,16,804</b>

The accompanying notes are integral part of the financial statements

29

This is the Balance Sheet referred in our report  
As per our Report of Even Date  
For **BGJC & Associates**  
Chartered Accountants  
Registration No. 003304N

By the hand of

Partner : **Umesh Chhajaj**  
M No: 088308



*M.K. Surana*  
**M.K. Surana**  
Chief Executive Officer

*P. K. Joshi*  
**P. K. Joshi**  
Director

*U. C. Agrawal*  
**U. C. Agrawal**  
Company Secretary

*K. V. Rao*  
**K. V. Rao**  
Director

Place: **Mumbai**  
Date : **7th May, 2015**

**PRIZE PETROLEUM COMPANY LIMITED**  
(A Wholly Owned Subsidiary of Hindustan Petroleum Corporation Ltd.)

**CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR PERIOD ENDED 31ST MARCH 2015**

	Amount in Rupees	
	Figures as at	
	31st March 2015	31st March 2014
<b>CONTINUING OPERATIONS</b>		
I. Revenue from operations (Gross)	21	30,30,44,391
Less: Excise Duty		
Revenue from operations (Net)		8,58,56,245
II. Other income	22	3,14,37,550
III. Total Revenue	(I+II)	33,44,81,941
IV. Expenses:		
a) Production, Transportation & Other Expenses	23	17,94,88,297
b) Geological & Geophysical Expenses	24	52,15,834
c) Employee benefits expenses	25	3,50,72,875
d) General & Administrative Expenses	26	21,49,84,806
e) Finance Costs	27	10,77,72,926
f) Depreciation/Depletion and amortization expense	28	9,68,44,057
g) Other Expenses		-
Total expenses		63,93,78,795
V. Profit/(Loss) before exceptional and extraordinary items and tax (III-IV)		-30,48,96,854
VI. Exceptional items		30,59,990
VII. Profit/(Loss) before extraordinary items and tax (V - VI)		-30,79,56,844
VIII. Extraordinary items		-
IX. Profit/(Loss) before tax (VII-VIII)		-30,79,56,844
X. Tax expenses		
(1) Current tax		-
(2) Deferred tax		-5,10,000
XI. Profit/(loss) for the year from continuing operations (IX-X)		-30,74,46,844
<b>DISCONTINUING OPERATIONS</b>		
XII Profit/(loss) from discontinuing operations (before tax)		-
XIII Tax expenses of discontinuing operations		-
XIV Profit/(loss) from discontinuing operations (after tax)(XII-XIII)		-
<b>TOTAL OPERATIONS</b>		
XV Profit (loss) for the year (XI-XIV)		-30,74,46,844
XVI Earnings per equity share of Rs.10 each		
(1) Basic		-4.39
(2) Diluted		-4.39

The accompanying notes are integral part of the financial statements

29

This is the Balance Sheet referred in our report  
As per our Report of Even Date  
For BGJC & Associates  
Chartered Accountants  
Registration No. 003304N  
By the hand of

Partner Charan Chhajjar  
M No: 088308



M.K Surana  
Chief Executive Officer

K. V. Moshi  
Director

U. C. Agrawal  
Company Secretary

K. V. Rao  
Director

Place: Mumbai  
Date : 7th May, 2015

**PRIZE PETROLEUM COMPANY LIMITED**  
(A Wholly Owned Subsidiary of Hindustan Petroleum Corporation Ltd.)

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

	Amount in Rupees Figures as at		NOTE : 1
	31st March 2015	31st March 2014	
<b>SHARE CAPITAL</b>			
a) <b>Authorised :</b>			
62,00,00,000 Equity Shares of Rs. 10 each	6,200,000,000	6,200,000,000	
10,00,00,000 Preference Shares of Rs.10 each	1,000,000,000	1,000,000,000	
	<b>7,200,000,000</b>	<b>7,200,000,000</b>	
b) <b>i) Issued :</b>			
12,00,00,000 Equity Shares of Rs.10 each	1,200,000,000	1,200,000,000	
	<b>1,200,000,000</b>	<b>1,200,000,000</b>	
<b>ii) Subscribed and paid up :</b>			
12,00,00,000 Equity Shares of Rs.10 each fully paid up	1,200,000,000	1,200,000,000	
	<b>1,200,000,000</b>	<b>1,200,000,000</b>	
c) <b>Par Value per Share</b>			
i) Equity Shares :	Rs. 10/-	Rs. 10/-	
ii) Preference Shares	Rs. 10/-	Rs. 10/-	
d) <b>Reconciliation of No. of Shares Outstanding</b>	<b>in Nos.</b>	<b>in Nos.</b>	
a) Equity Shares			
Opening Balance	120,000,000	70,000,000	
Add : Issued/converted during the year	-	50,000,000	
Less : Buy back during the year	-	-	
Closing Balance	<b>120,000,000</b>	<b>120,000,000</b>	
<b>Refer to Note 29 (III) (8)</b>			
b) Preference Shares			
Opening Balance	-	-	
Add : Issued during the year	-	-	
Less : Buy back during the year/Converted during the year	-	-	
Closing Balance	-	-	
<b>Refer to Note 29 (III) (8)</b>			
e) <b>The rights, preferences and restrictions attaching to each classes of Shares.</b>			
<b>Refer to Note 29 (III) (7)</b>			
f) <b>Shares held by holding Company - Hindustan Petroleum Corporation Ltd.</b>	<b>in Nos.</b>	<b>in Nos.</b>	
Equity Shares of Rs.10 each fully paid up	120,000,000	120,000,000	
g) <b>Shareholding pattern (in %)</b>			
Equity Shares :			
Hindustan Petroleum Corporation Ltd.	100%	100%	
h) <b>Shares Reserved</b>	<b>NIL</b>	<b>NIL</b>	
i) <b>Details of Shares issued for other than cash consideration and bought back in last 5 year</b>	<b>NIL</b>	<b>NIL</b>	
<b>Refer to Note 29 (III) (8)</b>			
j) <b>Terms of any securities convertible in to Equity/ Preference</b>	<b>NIL</b>	<b>NIL</b>	
k) <b>Calls unpaid</b>	<b>NIL</b>	<b>NIL</b>	



**PRIZE PETROLEUM COMPANY LIMITED**  
( A Wholly Owned Subsidiary of Hindustan Petroleum Corporation Ltd. )

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

**NOTE : 2**

	Amount in Rupees Figures as at	
	31st March 2015	31st March 2014
<b>RESERVES AND SURPLUS</b>		
i) Foreign Currency Translation Reserve		
Opening Balance	(601,744)	-
Add : Add/(Less) Effect of Foreign Exchange rate variation during the period	(674,342)	(601,744)
Closing balance	(1,276,086)	(601,744)
ii) Surplus/(Deficit) in statement of Profit & Loss		
Opening Balance	(560,499,453)	(351,605,437)
Add : Profit/(Loss) for the year	(307,446,844)	(208,894,016)
Add : Depreciation Prior Period	(185,500)	-
Closing balance	(868,131,797)	(560,499,453)
<b>Total</b>	<b>(869,407,883)</b>	<b>(561,101,197)</b>

**NOTE : 3**

**LONG TERM BORROWINGS**

Mahabadi Bank, Hongkong	1,343,857,500	-
Export-Import Bank of India, Mumbai	1,343,857,500	-
Syndicate Bank - London	2,687,715,000	-
	<b>5,375,430,000</b>	<b>-</b>

**NOTE : 4**

**OTHER LONG TERM LIABILITIES**

Retention Money	6,500	181,500
	<b>6,500</b>	<b>181,500</b>

**NOTE : 5**

**LONG TERM PROVISIONS**

Provisions for Employee Benefits		
Provision for Gratuity	604,967	596,164
Provision towards compensated absences	378,632	171,172
Provision for Abandonment cost	260,000	130,000
	<b>1,243,599</b>	<b>897,336</b>

Refer to Note 24 (III) (17)

**NOTE : 6**

**SHORT TERM LIABILITIES**

Export Import Bank of India, Mumbai	-	10,784,000
	<b>-</b>	<b>10,784,000</b>

**NOTE : 7**

**TRADE PAYABLES**

Trade payable - Vendors	4,497,358	49,451,441
Trade payable - Expenses Payable	51,611	420,410
	<b>4,548,969</b>	<b>49,871,851</b>

**NOTE : 8**

**OTHER CURRENT LIABILITIES**

Statutory Liabilities	5,431,591	3,171,399
Accruals	262,927,821	-
Accounts payable	146,828,298	-
Other Liabilities	354,902	266,022
AWE Petroleum Pty Ltd, Australia	273,084,345	-
Interest Payable	77,047,411	3,580,671
Other Current Liabilities	58,317,656	-
	<b>823,992,024</b>	<b>7,018,092</b>

**NOTE : 9**

**SHORT TERM PROVISIONS**

Provisions for Employee Benefits		
Provision for Gratuity	2,371	236,373
Provision towards compensated absences	218,570	228,849
	<b>220,941</b>	<b>465,222</b>





**PRIZE PETROLEUM COMPANY LIMITED**  
(A Wholly Owned Subsidiary of Hindustan Petroleum Corporation Ltd.)

**NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT**  
**TANGIBLE FIXED ASSETS**

NOTE : 10

Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	As on 1-Apr-14	Additions	Deletion	As on 31st March 2015	Adjustment	For the year 2014-15	Written back on deletion	As on 31st March 2015
Office Equipment	506,044	114,750	19,213	601,581	77,842	76,152	980	385,329
Computers Hardware	3,878,410	-	-	3,878,410	41,140	20,435	-	41,235
Furniture & Fixtures	165,790	44,210	30,000	180,000	47,236	23,928	30,000	118,554
Acquired under the Scheme	373,928	-	-	373,928	17,588	41,095	-	83,119
- Others	-	-	-	-	-	-	-	142,192
Vehicles	300,000	-	-	300,000	130,266	40,500	-	120,234
Acquired under the Scheme	769,104	-	-	769,104	575,234	155,416	-	38,454
- Others	-	-	-	-	-	-	-	193,870
<b>Share of Fixed Assets in Joint Ventures</b>								
- ONGC Onshore Marginal Fields (PI 50%)	98,549,138	-	-	98,549,138	9,441,832	1,326,975	-	87,780,231
Grandhi Nagar Project Office	97,798	-	31,073	66,725	97,798	-	31,073	-
Computers	14,116	-	3,640	10,516	1,952	-	3,420	-
Office Equipments	294,919	-	55,308	239,611	161,418	75,494	49,547	52,246
Furniture & Fixtures	12,537,740	450,455	-	12,988,195	8,087,291	2,95,081	-	4,695,820
Plant & Machinery	-	-	-	-	-	-	-	-
- Project Sangapur (PI 50%)	53,528,455	-	-	53,528,455	795,894	55,229	-	52,677,332
Wells Cost	5,561,625	12,549	-	5,574,174	5,487,193	2,413	-	84,568
Plant & Machinery	58,447	-	-	58,447	20,547	-	-	2,922
Office Equipments	36,265	-	-	36,265	21,993	12,438	-	1,814
Furniture & Fixtures	111,698	-	-	111,698	17,444	4,343	-	89,911
Buildings	-	-	-	-	-	-	-	-
- Project SR-ONN (PI 10%)	5,590	-	-	5,590	5,094	268	-	228
Computer	1,668	-	-	1,668	319	161	-	490
Digital Camera	420	-	-	420	420	-	-	-
Mobile Phone	2,602	-	-	2,602	720	-	-	130
Global Positioning System	-	-	-	-	-	-	-	-
<b>Total</b>	<b>176,793,657</b>	<b>621,964</b>	<b>139,894</b>	<b>177,275,727</b>	<b>28,993,382</b>	<b>2,045,851</b>	<b>115,020</b>	<b>146,203,199</b>
<b>Previous Year 2013-14</b>	<b>176,417,974</b>	<b>485,653</b>	<b>(10,000)</b>	<b>176,793,657</b>	<b>25,661,252</b>	<b>3,383,520</b>	<b>51,390</b>	<b>147,800,275</b>
								<b>150,756,722</b>

Note: The Amt of Rs.1,48,315/- is adjusted from the Opening Bal. of accumulated dep due to change in the method of computation of Depreciation as per Companies Act, 2013

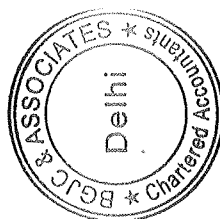


PRIZE PETROLEUM COMPANY LIMITED  
(A Wholly Owned Subsidiary of Hindustan Petroleum Corporation Ltd.)  
NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT  
INTANGIBLE FIXED ASSETS

NOTE:11  
Figures in Rupees

Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	As on 1-Apr-14	Additions	Deletion	As on 31st March 2015	Adjustment	For the year	As on 31st March 2015	As on 31st March 2014
Yalla Field Acquisition Cost (Lease) 1/11)		4,152,829,779		4,152,829,779		93,474,593	4,059,355,186	
Computers Software	12,741,969			12,741,969	37,184		6,529	43,713
Hydrocarbon Rights & Concessions (Sauganpur Field)	14,045,662			14,045,662		14,409	13,743,774	13,788,183
<b>Total</b>	<b>26,787,631</b>	<b>4,152,829,779</b>	<b>-</b>	<b>4,159,617,410</b>	<b>37,184</b>	<b>93,489,002</b>	<b>4,053,054,489</b>	<b>13,801,896</b>
<b>Previous Year 2013-14</b>	<b>26,787,631</b>	<b>-</b>	<b>-</b>	<b>26,787,631</b>	<b>-</b>	<b>303,536</b>	<b>13,801,895</b>	<b>14,105,431</b>

Note: The Amt of Rs.37,184/- is adjusted from the Opening Bal. of accumulated dep due to change in the method of computation of Depreciation as per Companies Act, 2013



**PRIZE PETROLEUM COMPANY LIMITED**  
**( A Wholly Owned Subsidiary of Hindustan Petroleum Corporation Ltd. )**  
**NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT**

**NOTE : 12**  
 figures in Rupees

**PRE-PRODUCING PROPERTIES (Intangible assets under development)**

AREA / FIELD	As on 01-Apr-14	Expenditure during the year	Transfer to Tangible/Intangible Fixed assets	Transfer to Statement of Profit and Loss	As on 31-Mar-15
ONGC Onshore Marginal Fields	13,552,000	-	-	-	13,552,000
SR-ONN-2004-01 - ( South Rewa Block )	321,953	987,252	-	1,309,205	-
Discovered Field (Permit T/18P) <b>Yolla Field (License: T/L 1)</b>	-	173,875,823	-	-	173,875,823
Compressor Installation	-	242,887,980	-	-	242,887,980
Yolla Stage 2 - Y5 & Y6 Drilling	-	361,472,034	-	-	361,472,034
Other Plant & Machinery (License: T/L1)	-	72,896,782	-	-	72,896,782
	<b>13,873,953</b>	<b>852,119,871</b>	<b>-</b>	<b>1,309,205</b>	<b>864,684,619</b>
Previous Year 2013-14	<b>31,167,548</b>	<b>56,295,359</b>	<b>-</b>	<b>73,588,954</b>	<b>13,873,953</b>



PRIZE PETROLEUM COMPANY LIMITED  
( A Wholly Owned Subsidiary of Hindustan Petroleum Corporation Ltd. )

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

DEFERRED TAXATION ASSETS (NET)	Amount in Rupees Figures as at		NOTE : 13
	31st March 2015	31st March 2014	
Deferred Tax Asset			
Net Deferred Tax Asset	13,742,000	13,232,660	

Refer to Note 29 (III) (15)

NOTE : 14

**LONG TERM LOAN & ADVANCE**

Deposits towards Australian Assets		886,528,381	
Security Deposit (Considered Good)			
T.M.P. Singapore H.P. Pte Ltd	227,393	237,683	
A.P. State Govt.	15,000	15,000	
Rent	26,250	26,250	
Electricity Gas & Water	133,140	133,140	
Telephone	1,750	1,750	
	403,533	886,942,207	

**OTHER NON CURRENT ASSETS**

Service Tax Credit Receivable	2,033,418	4,621,917	
GST Recoverable			
Fixed deposits in Bank	30,381	819,870	
Others Deposits	151,335	69,488	
	2,215,134	5,511,215	

NOTE : 16

**INVENTORIES**

Stores & Spares			
Casing & Tubing	5,418,525	7,805,418	
Casing Accessories	27,000	27,000	
Chemicals	2,666		
Cementing Chemicals	5,499	5,499	
Tanker Seal	2,527	642	
Gen Oil	5,053	0	
Pumps & Spares	205,629	255,660	
Bodge Plug 5 1/2"	23,413	23,413	
Retrievable Mechanical Packer	417,500	417,500	
N-Mas Tree	90,000	90,000	
Electrical Submersible Pump	22,000	22,000	
Cement		203,517	
Float Equipments	98,481	196,962	
Liner Hanger	282,042	705,405	
Wellheads	525,369	893,182	
Inventory (License/F/LI)	26,522,203		
	33,647,901	10,645,238	



**PRIZE PETROLEUM COMPANY LIMITED**  
( A Wholly Owned Subsidiary of Hindustan Petroleum Corporation Ltd. )

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

	Amount in Rupees Figures as at	NOTE : 17
	31st March 2015	31st March 2014
<b>TRADE RECEIVABLE (Unsecured)</b>		
Over Six months		
Considered Good	8,206,212.00	4,702,266.00
Others		
Considered Good	16,827,608	3,878,661
	<b>25,033,820</b>	<b>8,580,927</b>

**NOTE : 18**

**CASH AND BANK BALANCES**

(a) Cash and Cash Equivalents		
(i) Cash in hand	3,287	34,942
(ii) Balances with Banks		
Current Accounts	951,788,363	103,580,916
Fixed Deposits (**) (***)	365,615,126	334,626,428
	<b>1,317,406,776</b>	<b>438,242,286</b>
Less: Amount disclosed under other non current assets (****)	(70,381)	(819,810)
(b) Other Bank Balances		
Fixed Deposits ( Kept as Margin Money ) (****)	1,815,585	4,987,297
Refer to Note 12	<b>1,319,191,980</b>	<b>442,409,773</b>

- \*\*\*\* Includes interest accrued and reinvested in short term deposits Rs. 30.33 Lacs (Previous Year-Rs.32.06 Lacs)  
 \*\*\*\* Includes TDS on Accrued Interest on Fixed deposit a sum of - Rs. 3.03 Lacs (Previous Year-Rs.3.21 Lacs)  
 \*\*\*\* Bank deposits having more than 12 months maturity is Rs.-0.3 Lacs (previous year Rs.8.20 Lacs)

**NOTE : 19**

**SHORT TERM LOANS AND ADVANCES**

<b>Balance with Govt. Authorities - Unsecured and Considered Good</b>		
Income Tax Refund Due	26,530,988	15,984,585
<b>Others - Unsecured and Considered Good</b>		
Advances Recoverable in Cash or Kind or for Value Received		
Advance to Employees	14,582,326	44,931,841
Advance to Joint Venture Projects	23,900,416	4,402,895
Prepaid Expenses	<b>65,013,724</b>	<b>65,319,321</b>

**NOTE : 20**

**OTHER CURRENT ASSETS**

Income Receivable	12,792,752	-
	<b>12,792,752</b>	-



PRIZE PETROLEUM COMPANY LIMITED  
(A Wholly Owned Subsidiary of Hindustan Petroleum Corporation Ltd.)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE : 21

	Amount in Rupees Figures as at	
	31st March 2015	31st March 2014
<b>REVENUE FROM OPERATION</b>		
Income from Hydrocarbons	224,636,391	11,876,215
Income from Management fee	78,408,400	73,980,000
	<b>303,044,391</b>	<b>85,856,245</b>

NOTE : 22

<b>OTHER INCOME</b>		
Interest on Fixed Deposit	26,175,167	3,597,849
Others	1,515,263	26,162,821
Interest & Bank Charges	3,520,415	
Excess Gratuity Provision written Back	226,699	
	<b>31,437,550</b>	<b>29,760,673</b>

NOTE : 23

**PRODUCTION, TRANSPORTATION & OTHER EXPENSES**

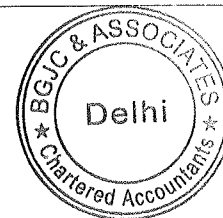
Operating Cost- PPIPL, Singapore	172,254,388	
Workover Expenses		
Insurance	223,670	181,282
Electricity & Utilities	313,446	346,607
Consultancy Fees	36,458	598,495
Well Maintenance Charges	356,604	255,233
Security Charges	1,114,710	1,011,245
Processing & Handling of Crude Oil	1,295,520	1,363,074
Manpower Charges	2,406,114	2,069,670
Land Rent	323,263	281,368
Crude Oil Transportation	980,804	943,219
Royalty	19,350	21,841
Gess	33,970	38,346
Other Expenses		7,371
Abandonment cost	130,000	130,000
	<b>179,488,297</b>	<b>7,247,751</b>

Includes share in Joint Ventures

NOTE : 24

**GEOLOGICAL & GEOPHYSICAL EXPENSES**

Exploration Phase Expenses (SR-ONN Block)	3,680,762	9,176,258
G & G Studies (Permit 18/P)	1,535,072	2,756,088
	<b>5,215,834</b>	<b>11,932,346</b>



**PRIZE PETROLEUM COMPANY LIMITED**  
( A Wholly Owned Subsidiary of Hindustan Petroleum Corporation Ltd )

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

**NOTE : 25**

**EMPLOYER BENEFITS EXPENSES**

Manpower Cost	29,724,580	30,368,464
Contribution towards Provident Fund	219,589	230,027
Managerial Remuneration	4,218,424	3,697,868
Other Welfare Expenses	910,282	970,652
	<b>35,072,875</b>	<b>35,207,011</b>

**NOTE : 26**

**Amount in Rupees**  
**Figures as at**  
**31st March 2015**                      **31st March 2014**

**GENERAL & ADMINISTRATIVE EXPENSES**

Repairs & Maintenance	3,449,272	2,997,485
Auditor's Remuneration	878,986	457,119
Electricity & Utilities	1,485,273	1,360,861
Traveling & Conveyance	1,995,733	4,255,662
Legal Expenses	662,663	1,493,764
Consultancy Charges	38,138,433	75,936,936
Insurance	19,874,212	25,346
Rent	19,650,609	18,422,977
Advertisement & Business Relation Expenses	266,638	289,308
Telephone Charges	510,274	583,844
Bank Charges	60,225,357	1,166,712
Postage & Courier	88,416	72,894
Printing & Stationery	286,545	254,695
Meeting & Conference	38,282	145,873
Foreign Exchange Fluctuations	68,483,655	
Contract Labour	1,926,685	1,522,682
Transit House Expenses		134,025
Membership & Subscription	60,200	76,951
HQ Overheads	499,767	548,164
General Expenses	70,201	38,184
G & A Expenses (PPICPL)	843,689	1,463
	<b>219,434,890</b>	<b>108,875,945</b>

Less: Allocated to Projects

	4,150,084	12,480,945
	<b>214,984,806</b>	<b>96,395,900</b>

**NOTE : 27**

**Amount in Rupees**  
**Figures as at**  
**31st March 2015**                      **31st March 2014**

**FINANCE COST**

Interest on Long Term Loan	76,556,442	
Interest on Short Term Loan	31,216,484	3,691,820
	<b>107,772,926</b>	<b>3,691,820</b>

**NOTE : 28**

**Amount in Rupees**  
**Figures as at**  
**31st March 2015**                      **31st March 2014**

**DEPRECIATION, DEPLETION, AMORTISATION & IMPAIRMENT**

Depreciation	663,647	1,940,699
Depletion	94,871,205	1,459,058
Amortisation		287,299
Impairment		
Exploratory dry Well written off	1,309,205	73,564,454
	<b>96,844,057</b>	<b>77,251,510</b>



**NOTE - 29****PRIZE PETROLEUM COMPANY LIMITED**

(A Wholly Owned Subsidiary of Hindustan Petroleum Corporation Limited)

**NOTE FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE  
FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2015****1. DESCRIPTION OF BUSINESS**

Prize Petroleum Company Limited ('the Holding Company') is a Wholly Owned Subsidiary of Hindustan Petroleum Corporation Limited (HPCL) and engaged in the Exploration and Production of hydrocarbon and related activities thereto. The Holding Company and its subsidiaries are hereinafter collectively referred to as 'the Group'.

**2. PRINCIPLES OF CONSOLIDATION**

a) The Consolidated Financial Statements comprise the financial statements of the Company (Prize Petroleum Company Limited) and its' subsidiary. Subsidiary is the company in which Prize Petroleum Company Limited, directly or indirectly, has an interest of more than one half of voting power or otherwise has power to exercise control over the composition of the Board of Directors. Subsidiaries are consolidated from the date on which effective control is transferred to the Group to the date such control exists.

b) The subsidiary considered in the consolidated financial statements are given below:

Sr. No.	Name of the Group	Relationship	Country of Incorporation	Percentage of Group holding as at March 31, 2015
1	Prize Petroleum International Pte. Ltd.	Wholly owned subsidiary	Singapore	100%

- c) The Consolidated Financial Statement is prepared in accordance with Accounting Standard (AS) 21 "Consolidated Financial Statement" as notified by the Central Government of India under the Companies (Accounting Standard) Rules, 2006.
- d) The Financial Statements of the Company and its' subsidiary are combined on a line by line basis by adding together the book values of the items of assets, liabilities, incomes and expenditures after fully eliminating intra- group balances and intra-group transactions resulting in unrealized profits & losses in accordance with AS 21.
- e) The Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the manner as the Company's separate Financial Statements.
- f) The activities of the subsidiary are not an integral part of those of the Holding Company and hence, these have been considered to be Non-Integral foreign operations in terms of Accounting Standard 11 - 'The Effects of Changes in Foreign Exchange Rates. Consequently, the assets and liabilities, both monetary and non-monetary, of such subsidiary have been translated at the closing rates of exchange of the respective currencies as at 31<sup>st</sup> March, 2015. Revenue items are consolidated at the average rate prevailing during the period.





### **3. SIGNIFICANT ACCOUNTING POLICIES**

#### **1. Basis of Accounting:**

- 1.1 The financial statements have been prepared to comply in all material aspects in respect with the Notified Accounting Standards by Companies Accounting Rules, 2006 and the relevant provisions of the Companies Act, 1956 and the Companies Act, 2013.
- 1.2 Financial statements are based on historical cost basis and are prepared on accrual basis, except where impairment is made and revaluation is carried out.
- 1.3 Accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.
- 1.4 The Company generally conforms to the internationally accepted "Successful Efforts Method" (SEM) of accounting read with the revised guidance note on "Accounting for Oil & Gas producing activities" issued by The Institute of Chartered Accountants of India (ICAI) for carrying out petroleum operations and evaluation of prospects for Acquisition Targets.

#### **2. Use of Estimates:**

The preparation of financial statements is in conformity with generally accepted accounting principles which require management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities at the date of financial statements and the results of operation during the reported period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

#### **3. Revenue Recognition:**

- 3.1 Revenue from Crude Oil and Natural Gas is recognized on transfer of custody to the concerned. Revenue from Crude Oil and Gas produced from exploratory / developing wells in progress is deducted from expenditures on such wells. Production is recognized as dry crude received at delivery point after adjusting bottom sediments and water contents.
- 3.2 Income from consultancy/ management income being recognized when service are rendered and no significant uncertainty attached to realization.
- 3.3 Interest income is being recognized on time proportion basis.

#### **4. Geological and Geophysical Expenditures:**

Expenditures other than tangible assets and equipment & facilities deployed in relation thereto on which usual depreciation allowance as admissible, are expensed in the year of incidence.



## **5. General and Administrative Expenses:**

General and Administrative expenses are allocated to "Acquisition of Assets" in case of successful bids / efforts, based on the deployment of resources in pursuing those efforts and the balance are charged to Statement of Profit and Loss.

## **6. Tangible Fixed Assets:**

The fixed assets are stated at historical cost less depreciation. All costs relating to acquisition of fixed assets till the time of commissioning of such assets are capitalized.

Producing properties are created in respect of an area/field having proved developed oil and gas reserves, when the well in the area /field is ready to commence commercial production. Producing properties reflected as Tangible Fixed Assets.

Cost of development wells, cost of related equipment, facilities, cost of hydrocarbon rights and concessions are capitalized and reflected as Tangible Fixed Assets.

Borrowing cost relating to acquisition of fixed assets which takes substantial period of time to get ready for its intended use are included to the extent they relates to the period till such assets are ready to be put to use.

## **7. Pre-producing Properties:**

- 7.1 All acquisition costs, exploration costs involved in drilling and equipping exploratory and appraisal wells, cost of drilling exploratory type stratigraphic test wells are initially capitalized as Exploratory Wells under Pre-producing Properties till the time these are either transferred to Producing Properties on completion of commencement of commercial production or expensed in the year when determined to be dry or of no further use, as the case may be.
- 7.2 All costs relating to development wells are initially capitalized as development Wells under Pre-producing Properties and transferred to producing properties on commencement of commercial production.
- 7.3 In respect of the wells pending completion of commencement of commercial production, all the expenses incurred net of the billing raised on test production supplied are classified as Pre-producing Properties.

## **8. Producing Properties:**

Producing properties are created in respect of fields/blocks having proved developed Oil and Gas reserves, when the well in the fields/blocks is ready to commence commercial production.

Cost of successful exploratory wells, development wells, related equipments, facilities, hydrocarbon rights, concessions and applicable acquisition costs are capitalized and reflected as producing properties.



## **9. Depreciation/ Amortization:**

### **Tangible Assets**

- 9.1 Depreciation on tangible fixed assets owned by the Company is provided based on the useful life as specified in Schedule II to the Companies Act, 2013.
- 9.2 In the case of furniture and vehicles provided to employees under approved schemes of the Company, the depreciation is charged at the rates of 15% and 13.5% respectively under the Straight Line Method as per the provision of the Scheme.
- 9.3 Individual items of Fixed Assets, the acquisition cost of which is up to Rs.5,000/- is depreciated in full in the year of acquisition.
- 9.4 The Company amortizes the expenses on office renovation over the unexpired lease tenor.

### **Intangible Assets**

- 9.5 Cost of G&G Software licenses are being amortized over useful.

## **10. Depletion of Producing Properties:**

- 10.1 Producing properties including acquisition cost are depleted using the "Unit of Production method" (UOP) based on the related Proved Developed Reserves in accordance with guidance note on "Accounting for Oil & Gas producing activities".
- 10.2 Interest capitalized on producing properties including acquisition cost, as required under AS-16 (borrowing cost), are also depleted using the Unit of Production Method.
- 10.3 Proved and Developed Reserves of Oil and Gas are being technically assessed regularly and are finally reviewed and estimated at the end of each year in house by following International practices.

## **11. Earnings Per Share:**

- 11.1 Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.
- 11.2 For the purpose of calculating diluted earnings per share, net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

## **12. Segment Reporting:**

- 12.1 **Identification of Segments:** The Company's operating businesses are organized and managed separately according to the nature of products sold and/or services provided. The analysis of geographical segments is based on geographical location of the customer i.e. domestic and overseas.



12.2 **Unallocated items:** General Corporate income and expense items are not allocated to any business segment.

**13.Abandonment Cost:**

13.1 The estimated liability towards costs relating to dismantling, abandoning and restoring well sites and allied facilities of fields/blocks are recognized as cost based on the technical assessment available.

13.2 The abandonment cost on exploratory dry well is charged as expense when incurred.

13.3 The actual cost incurred on abandonment is adjusted against the liability and the ultimate gain or loss is recognized in the Statement of Profit and Loss, when the designated filed/ block ceases to produce.

**14.Joint Ventures:**

14.1 In respect of PSCs and Service Contracts (SCs) executed by the Company under Joint Ventures with Govt. of India and/or other parties; the financial statements reflect the Company's assets and liabilities as also the income and expenditure of the Joint Venture operations (to the extent of available details) in proportion to the participating interest (PI) of the Company as per the terms of the PSCs/SCs, on a line by line basis, in alignment with Company's policy.

14.2 Adjustments are made in the year in which the audited accounts of respective Joint Ventures are received, if applicable.

14.3 Interests capitalized on loan funds utilized in Joint venture projects, as required under AS-16 (borrowing cost), are included in the value of respective joint venture assets and are depreciated/ amortized on the same basis on which the original asset is depreciated/ amortized.

**15.Retirement and Other Employees Benefits:**

15.1 Employees benefit under defined benefits plans comprising of gratuity and leave encashment are recognized based on the present value of defined benefit obligation, which is computed on the basis of actuarial valuation using the projected unit credit method.

15.2 Contributions to Provident Fund are made with the Regional Provident Fund Commissioner.

15.3 Gratuity liability and leave salary to employees is not funded.

**16.Foreign Currency Transactions:**

16.1 Foreign currency transactions during the year are recorded at the exchange rate prevailing on the date of the transaction.

16.2 The Foreign Currency Assets and Liabilities are translated at the exchange rate prevailing on the balance sheet date.



16.3 Exchange difference, if any, depending on the nature of the expenditure are either allocated to respective projects or are directly treated as income/ expenses in the period they accrue.

16.4 The financial statements of non-integral foreign operations are translated into Indian rupees as follows:

- i. the all assets and liabilities, both monetary and non-monetary, are translated using the closing rate,
- ii. items of income and expenditures are translated at the average rate prevailing during the period.
- iii. The resulting net exchange difference is credited or debited to a foreign currency translation reserve.

#### **17.Impairment of Assets:**

17.1 At each Balance Sheet date, an assessment of assets is made to ascertain whether there is any event and/or circumstances which indicate impairment.

17.2 An impairment loss is recognized whenever the carrying amount of assets of cash generating units (CGU) exceeds their recoverable amount.

#### **18.Inventory:**

18.1 Closing stock of Crude Oil in unfinished condition in storage tank is not valued.

18.2 Stores and spares are valued at weighted average cost or net realizable value, whichever is lower.

#### **19.Taxes on Income:**

19.1 Provision for current tax is made in accordance with the provisions of Income tax Act, 1961.

19.2 Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Unrecognized deferred tax assets of earlier years are re-assessed and recognized to the extent that it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realized. If the Company has carry forward of unabsorbed depreciation and tax losses, deferred tax are recognized only if there is virtual certainty that such deferred tax assets can be realized against future taxable profits.



## **20. Contingent Liabilities / Assets and Provisions**

- 20.1 Liabilities contingent upon happening of future events are disclosed by the way of note to the accounts.
- 20.2 Contingent assets neither recognized nor disclosed in the financial statements.
- 20.3 The Company has made provision for all known liabilities.

## **21. Investments**

- 21.1 Long term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investment.

## **I. NOTES FORMING PART OF FINANCIAL STATEMENTS**

### **1. Contingent Liabilities and commitment:**

- 1.1 Counter claim dated 23<sup>rd</sup> August, 2010 of US\$ 42.6 Million, equivalent to Rs.255,25,92,000/- (at exchange rate one US\$ equal to INR=62.505) lodged by M3energy, Berhad, Malaysia (formerly known as Trenergy, Berhad, Malaysia) before the Arbitral Tribunal in the matter of Cluster -7 field against HPCL and the Company. The share of the Company is 1/7<sup>th</sup> i.e. Rs.38,03,87,571/- (PY: Rs.36,46,56,000/-).

Partial Award is passed by the Tribunal on 9<sup>th</sup> January, 2014 dismissing the Counter Claim of the Respondents and holding them liable for termination of Service Contract by ONGC. Next tranche wherein the quantification of liability of M3energy would be done is still pending. The Partial Award passed by Arbitral Tribunal on 9<sup>th</sup> January, 2014 is also challenged by M3energy before High Court of Bombay.

- 1.2 The Company is Operator in exploration block; SR-ONN-2004/1, awarded under NELP round -VI with 10% PI along with Consortium partner M/s Jaiprakash Limited. The consortium has completed all Minimum Work Program in Phase-1 except drilling of one exploratory well for which environmental clearance (EC) was not granted from Ministry of Environment and Forests due to drilling location falling within the radius of 10km from a wildlife sanctuary. Further as per recent Policy Framework Guidelines issued by MoP&NG dated 10<sup>th</sup> November, 2014, consortium has requested DGH to allow to exit from the block without paying any Liquidity Damage (LD) towards non-drilling of 3<sup>rd</sup> well. The proposal is under review with DGH. Impact of LD could not be ascertained.
- 1.3 The Company is Executive Contractor in Service Contract signed with ONGC for development of Hirapur Marginal Field along with Associate Contractor M/s Valdel Oil & Gas Private Limited. The Company has to drill three wells under development phase as per the Contract. Final Development Plan has been finalized for submission to ONGC.

In view of the legal opinion taken by the management, Service tax on the above contract has not been charged while billing to ONGC in continuation of previous years practice.

- 1.4 The Company was awarded an Exploration block AA-ONN-2010/1 in Tripura under NELP bidding round IX in consortium with ABG Energy Ltd. The Product Sharing



agreement was signed with Govt. of India (GOI) by the consortium on 30<sup>th</sup> August, 2012. The Company has 20% Participating interest and ABG 80%. As per the Joint Bidding agreement, ABG will carry the Company during the exploration phase meaning, 20% share of expenditures during exploration phase also shall be borne by ABG. In case of any discovery, 10% of Prize share paid by ABG will be recovered by them out of Profit petroleum and 10% will be paid by them anyway. As per discussions before signing of PSC and written confirmation, ABG was to submit back up guarantee to the Company to enable the Company to submit BG to GOI for Company's share of 20%. The value of back guarantee to be submitted by ABG to Prize is USD 1.801 Million. ABG did not submit BG of their 80% share by due date to GOI. Also since back up guarantee was not submitted by ABG to the Company, the Company also could not submit the BG for 20% of its share to GOI.

In view of non-submission, GOI terminated PSC dated 30<sup>th</sup> August, 2012 vide termination letter dated 15<sup>th</sup> Oct, 2013 and has imposed LD of USD 9,005,000 as per Article 5.6 of PSC. The Company has kept ABG on notice that it is their responsibility to pay entire quantum of LD, including the share of the Company. MOP&NG has also been kept informed about the same. In case the Company is compelled to pay its share of LD i.e. USD 1,801,000 (equivalent to Rs.11,25,71,505/- at the rate of Rs.62.505 per USD) by the GOI, and if such payment is made by the Company to GOI, then the Company will claim such amount from ABG and such amount shall be disclosed as receivable.

## **2. Joint Venture Operations:**

In compliance of Accounting Standard 27 on "Financial reporting of Interests in Joint Ventures", a brief description of Production Sharing Contracts (PSCs) and Service Contracts (SCs) under joint venture contracts entered into by the Company are given below:

### **2.1 ONGC Onshore Marginal Fields**

The Company along with M/s Aban Loyd Chiles Offshore Limited was awarded Service Contract dated 28<sup>th</sup> April, 2004, for development of ONGC's Hirapur onshore marginal oil field.

On 9<sup>th</sup> December, 2009, the Company executed an Agreement for development of Hirapur onshore marginal field with Valdel Oil and Gas Private Limited (Valdel) as Associate Contractor with equal share in the Service Contract.

The Company's share of assets and liabilities as at 31<sup>st</sup> March 2015 and the Income and expenditure for the year in respect of above joint venture is as follows:

<b>Figures in Rupees</b>			
	<b>Particulars</b>	<b>2014-15</b>	<b>2013-14</b>
A	Gross Tangible Assets	9,98,32,030	9,94,71,555
B	Pre-Producing Properties (CWIP)	1,35,52,000	1,35,52,000
C	Other Net Non-Current Assets	(1,610)	(96,610)
D	Net Current Assets (*)	1,03,30,954	1,12,37,053
E	Income – Revenue from Crude Oil	97,76,712	1,00,60,313
F	Expenditure (**)	1,21,84,645	1,52,84,864

(\*) Includes advances to joint venture amounting to 59,65,571/-, (Previous year Rs.59,79,373/-).



(\*\*) Includes expenses written off amounting to Rs. Nil in the F.Y. 2014-15 (Previous year Rs.4,25,595/-)

## 2.2 Sanganpur Field

The Company acquired 50% participating interest in Sanganpur field from M/s Hydrocarbon Development Company Pvt. Ltd. (HDCPL) effective 1<sup>st</sup> September, 2004. Accumulated amount prior to acquisition of Sanganpur field amounting Rs.1,18,17,034/- have been included in Sanganpur field Assets. The Company has accounted its proportionate share in the Sanganpur field based on un-audited accounts as at 31<sup>st</sup> March, 2015 as made available by the Operator.

The Company's share of assets and liabilities as at 31<sup>st</sup> March 2015 and the Income, expenditure for the year in respect of above joint venture is as follows:

		<b>Figures in Rupees</b>	
	<b>Particulars</b>	<b>2014-15</b>	<b>2013-14</b>
A	Gross Tangible Assets	5,62,66,993	5,62,54,443
B	Other Net Non-Current Assets	(34,262)	15,738
C	Net Current Assets (*)	(7,53,648)	1,31,119
D	Income – Revenue from Crude Oil	13,18,939	18,17,850
E	Expenditure	22,41,158	30,97,760

(\*) Includes advances to joint venture amounting to Rs.(7,55,710)- (Previous year Rs.-1,81,269/-).

## 2.3 ONGC Offshore Marginal Fields (Cluster-7)

The Company along with Consortium member, M/s Hindustan Petroleum Corporation Limited (HPCL) (PI - 60%) and M/s Trenergy (PI - 30%) was awarded a Contract vide letter of award dated 31<sup>st</sup> March, 2006 for the development of ONGC's offshore marginal Oilfields viz. B -192, B - 45 and WO - 24. The Service Contract for Cluster-7 was signed on 27<sup>th</sup> September, 2006 between ONGC and Consortium members. The Company is the Executing Contractor and its participating interest ( PI) is 10%.

The said Service Contract was terminated by ONGC. Subsequently, HPCL/PPCL started arbitration proceedings against Trenergy which are still in progress, hence the joint bank account has not been closed on the advise of the legal department- HPCL.

## 2.4 SR – ONN – 2004 / 1 (South Rewa Block):

The Company along with Consortium member M/s Jaiprakash Associates Limited (PI - 90%) was awarded PSC for the SR-ONN-2004/1 block vide letter dated 12<sup>th</sup> February, 2007 of Ministry of Petroleum & Natural Gas (MOP & NG) under NELP – VI round. The Company is the executing contractor and its PI is 10%. The PSC was signed on 2<sup>nd</sup> March, 2007.

Consortium has relinquished the block effective from 23<sup>rd</sup> October, 2014 and Operating Committee resolution (OCR) for relinquishment of the block has been submitted to Directorate General of Hydrocarbon (DGH).

The Company is following "Successful Efforts Method" as per revised Guidance Note for Accounting of Oil and Gas Producing Activities issued by ICAI. Expenditures relating to





exploration activities are charged off to Statement of Profit & Loss in line with Guidance Note. The Company has accounted its proportionate share in the SR-ONN-2004/1 project based on audited accounts as of 31<sup>st</sup> March, 2015.

The Company's share of assets and liabilities as at 31<sup>st</sup> March, 2015 in respect of above joint venture is as follows:

Figures in Rupees			
	Particulars	2014-15	2013-14
A	Gross Tangible Assets	10,280	10,280
B	Pre-producing Properties (CWIP)	-	3,21,954
C	Other Net Non-Current Assets	15,000	15,000
D	Net Current Assets (*)	1,34,41,434	1,39,14,101
E	Expenditure (**)	80,50,387	8,27,41,821

(\*) Includes advances to joint venture amounting to Rs.94,80,814/- (Previous year Rs.53,55,056/-).

(\*\*) Includes Rs.13,09,206/- (Previous year Rs.7,35,64,454/-) written off towards dry wells cost. Also includes Inventory written off amounting to Rs.30,59,990/- in the F.Y. 2014-15 (Previous year Rs. Nil)

3. Estimated Hydrocarbon Proved Reserves as on 31<sup>st</sup> March, 2015 in the Oil fields are as follows:

**a) Hirapur and Sangapur (On-shore Marginal Fields):**

Particulars (*)	2014-15		2013-14	
	MM BBLs	MMT	MM BBLs	MMT
Recoverable Reserves	3.08	0.411	3.12	0.416

(\*) The Company Share is 50% of total

**b) Yolla Field (Australia)- License T/L1 (Offshore Field):**

Particulars (*)	2014-15	
	MM BOE	MM BOE
Recoverable Reserves	5.279	-

(\*) The figures represents Subsidiary Company's Participating Interest i.e.11.25%

4. Quantitative Particulars of Petroleum:-

Particulars (*)	2014-15	2013-14
Total Dry Crude Production	BOE	BOE
Yolla Field (T/L1) *	1,22,164	-
Hirapur Field (**)	38,326	39,874
Sanganpur Field (**)	572	645
<b>TOTAL</b>	<b>1,61,062</b>	<b>40,519</b>

(\*)Represent Subsidiary Company's share i.e.11.25%.

(\*\*) Represent total production of the fields and Company's Share is 50%



5. Remittance in Foreign Currencies (\*):

Particulars #	Figures in Rupees	
	2014-15	2013-14
Foreign Travel	-	7,71,276
Consultancy Fees/Reimbursements etc.	6,23,34,629	5,23,82,062
Capital Equipments, Spares etc.	42,642	43,96,292
Equity Contribution	-	6,21,800

(\*) Represent the total value of foreign exchange outflow. Include share of its consortium partner(s) Rs.5,63,77,622/- (Previous Year -Rs.3,53,18,853/-)

# As certified by the management

6. The limit of non-funded credit facilities of bank guarantees/Letter of Credit is Rs.10,00,00,000/- with Corporation Bank, New Delhi. Against the said limit bank guarantees totaling to Rs.1,81,55,850/- have been issued by the banker. (Previous Year Rs.4,50,88,400/-).

7. Rights of Shareholders Rights, Preferences & Restrictions attached to each class of shares. The Company has classified its share capital into Equity & Preference Capital.

7.1 **Equity Shares** – Equity shares of the Company has a par value of Rs.10 per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the Company the holder of equity shares will be entitled to receive remaining assets (if any) after distribution of all preferential accounts. The distribution will be in pro-rata to the equity shares held by the shareholder.

7.2 **Preference Shares** - No Voting rights are attached to the holder of the Cumulative Convertible Preference Shares except to vote only on resolution(s) placed before the Company which directly affect the rights attached to the Cumulative Convertible Preference Shares.

8. During the year, the Company has received Rs. Nil (PY: Rs.47,50,00,000) from HPCL towards Equity Share Capital.

9. Current liabilities include Rs.84,500/- towards recoveries from employees covered under the vehicle policy as per the scheme of the Company. (Previous Year Rs.65,000/-).

10. Information as per Accounting Standard (AS) 18 "Related Party Disclosures":

10.1 **Related Party relationships:**

	<u>Name of the related party</u>	<u>Relationship</u>
1.	Hydrocarbon Development Pvt. Co. Ltd.	Consortium Partner
2.	Jai Prakash Associates Limited	
3.	Valdel Oil & Gas Private Limited	
4.	Hindustan Petroleum Corporation Limited	Holding Company
5.	Prize Petroleum International Pte. Ltd. Singapore	Wholly Owned Subsidiary Company



## 10.2 Key Management Personnel:

- a) Mr. M. K. Surana
- b) Mr. U. C. Agrawal

"Manager " & CEO  
Company Secretary (\*)

(\*) pursuant to the Companies Act, 2013.

## 10.3 Transactions during the period with related parties are:

Figures in Rupees

Particulars	2014-15		2013-14	
	Holding Company	Total	Holding Company	Total
Services rendered	8,44,28,424	8,44,28,424	7,67,53,116	7,67,53,116
Expenses recovered from us	7,22,30,491	7,22,30,491	7,01,61,633	7,01,61,633
Expenses recovered by us	2,60,135	2,60,135	2,35,916	2,35,916
Share Capital Received	-	-	47,50,00,000	47,50,00,000
Amount outstanding	24,93,927 (Cr.)	24,93,927 (Cr.)	15,42,354 (Cr.)	3,10,879 (Cr.)

Note: The Expenses recovered by Holding Company also includes the amount of Remuneration paid to the Managing Personnel of Rs.93,73,167/- (PY: Rs.79,26,553/-).

## 11. Auditors Remuneration includes: (\*)

Figures in Rupees

Particulars	2014-15	2013-14
Statutory Audit fees	1,00,000	1,00,000
Tax Audit fees	22,000	22,000
Reimbursement towards out of pocket expenses	9,490	11,486
<b>TOTAL</b>	<b>131,490</b>	<b>133,486</b>

(\*) Corporate audit fee only (excludes cost audit fee, amount paid to JVs auditors and subsidiary's auditors)

**12.** Included under Cash and Bank Balances, balance held as margin money towards Bank Guarantees issued of Rs.18,15,585/- (Previous Year- Rs.49,87,297/-)

**13.** Disclosures as required by Accounting Standards 19, "Leases": Where the Company is a lessee, Lease payments are recognized in the Statement of Profit & Loss under "Rent".

**14.** As the Company has no book profit as per income tax during the financial year, there was no tax liability under Section 115JB of the Income Tax Act, 1961 and as such no provision for taxation was required.



## 15. Deferred Tax Assets / Liability:

- 1.1. The Company has accumulated losses as at 31<sup>st</sup> March, 2015 amounting to Rs.55,91,40,341/-. The Company has been recognizing net deferred tax assets till 31<sup>st</sup> March, 2013 on accumulated business losses and unabsorbed depreciation. After the Company was made a Wholly Owned Subsidiary in December, 2011, various actions were initiated in terms of acquisition of new assets and speeding up exploration activities.

During the previous year the company has formed a wholly owned subsidiary in Singapore. The Singapore subsidiary has signed Sales Purchase Agreement for acquisition of a producing asset & a discovered asset in Australia. The deal of acquisition has been completed on 3<sup>rd</sup> November, 2014 and acquired assets are held in the name of the Singapore subsidiary. The producing assets is cash generating asset and based on techno -financial study carried out, the Singapore based subsidiary is likely to generate reasonable profits in future to provide income to the holding company.

However, following conservative accounting approach, in accordance with AS-22 the management has decided not to recognize deferred tax assets on accumulated business losses from the financial year 2013-14 and to charge off deferred tax assets recognized on accumulated business Loss till 31<sup>st</sup> March, 2013 to Statement of Profit & Loss amounting to Rs,9,23,59,000/-.

In view of the fact that the Singapore subsidiary is likely to have sufficient future profits, deferred tax assets is being recognized on unabsorbed depreciation loss, as per management judgment which is based on the convincing evidence.

Major Components of deferred tax assets/liabilities arising on account of timing difference are:

Figures in Rupees			
Particulars	As at 31.03.2014	Movement for the year	As at 31.03.2015
<b>Deferred Tax Asset</b>			
Depreciation loss	6,01,03,000	4,90,00,000	6,05,93,000
<b>Deferred Tax Liability</b>			
Depreciation Differential	4,68,71,000	(20,000.00)	4,68,51,000
<b>Net Deferred Tax Asset</b>	<b>1,32,32,000</b>	<b>5,10,000.00</b>	<b>1,37,42,000</b>

16. In the management assessment there is no impairment to any Cash Generating Units as at March 31, 2015 (AS-28)

## 17. Employee Benefits:

Effective 1<sup>st</sup> April, 2008, the Company has adopted AS-15 (Revised 2005) for employee's benefits. Consequent to the adoption, the following disclosure related to accounting, etc., are made as far as practicable under AS-15 (revised 2005) requirement.



### 17.1 Defined Contribution Plans:

The Company's contribution to provident fund of Rs.1,83,948/- (PY Rs.2,00,023/-) and the same is recognized and included in "Manpower Cost" in Note-25 to Statement of Profit & Loss.

### 17.2 Defined Benefit Plans:

The present value of obligation in respect of gratuity and leave encashment is determined based on Actuarial Valuation using the Projected Unit Credit method. The amount recognized is included in Note-4 & 7 to the Balance Sheet.

#### Certified Actuarial Data:

A. The amount recognized in Balance Sheet for post-employment benefits:

Particulars	Gratuity	Leave Encashment
Present value of obligation at the end of the year	6,07,338 (8,32,537)	5,97,202 (4,00,021)
Fair value of Plan Assets at the end of the year	-	-
<b>Fund Status at the end of the year {(Net Assets)/Net liability}</b>	<b>6,07,338 (8,32,537)</b>	<b>5,97,202 (4,00,021)</b>

B. Reconciliation of opening and closing balances of defined benefits obligations:

Particulars	Gratuity	Leave Encashment
Present value of obligation at the beginning of the year	8,32,537 (10,04,241)	4,00,021 (7,87,945)
Interest Cost	72,431 (80,340)	34,802 (63,036)
Current Service Cost	56,040 (73,347)	21,784 (55,077)
Benefits Paid	- (-1,81,751)	-92,519 (-3,49,742)
Actuarial (Gains)/ Loss on obligations	-3,53,670 (-1,43,643)	2,33,114 (-1,56,295)
<b>Present value of obligation at the end of the year</b>	<b>6,07,338 (8,32,537)</b>	<b>5,97,202 (4,00,021)</b>



C. Reconciliation of opening and closing balances of Fair value of Plan assets:

Particulars	Gratuity	Leave Encashment
Fair value of plan assets at the beginning of the year	-	-
Expected return on plan assets	-	-
Contributions	-	-
Benefits Paid	-	-
Actuarial (Gains)/ Loss on plan assets	-	-
<b>Fair value of plan assets at the end of the year</b>	<b>-</b>	<b>-</b>

D. Expenses recognized in Statement of Profit & Loss:

Particulars	Gratuity	Leave Encashment
Current Service Cost	56,040 (73,347)	21,784 (55,077)
Interest Cost	72,431 (80,340)	34,802 (63,036)
Expected return on plan assets	-	-
Actuarial (Gains)/ Loss	-3,53,670 (-1,43,643)	2,33,114 (1,56,295)
<b>Expenses recognized in Statement of Profit &amp; Loss</b>	<b>-2,25,199 (10,044)</b>	<b>2,89,700 (-38,182)</b>

E. Actuarial assumptions:

Particulars	Gratuity	Leave Encashment
Mortality Table	2006-08 (2006-08)	2006-08 (2006-08)
Superannuation age	60 (60)	60 (60)
Withdrawal rate (all ages)	Nil (28.54%)	Nil (28.54%)
Discount rate	7.90% (8.70%)	7.90% (8.70%)
Rate of increase in compensation levels	8.27% (10%)	8.27% (10%)
<b>Expected rate of return on plan assets</b>	<b>-</b>	<b>-</b>



F. Current /Non-Current classification of employee benefits:

Particulars	Gratuity	Leave Encashment
Current liability	2,371 (2,36,373)	2,18,570 (2,28,849)
Non-current liability	6,04,967 (5,96,164)	3,78,632 (1,71,172)
<b>Total</b>	<b>6,07,338</b> <b>(8,32,537)</b>	<b>5,97,202</b> <b>(4,00,021)</b>

Figures in brackets represent corresponding previous year's figure.

**18.** Closing stock of Crude Oil in unfinished condition in storage tank is not valued as the net realizable value is not ascertainable.

**19.** Pursuant to adoption of Schedule II to the Companies Act, 2013, the depreciation charge for the year is lower by Rs.11,16,629/-.

**20.** The Company is primarily and solely engaged in exploration and production of crude oil and natural gas. Consultancy/Management fee incomes are isolated transactions for which no segment assets / liabilities or expenses attributable directly on reasonable basis. In view of this management considers the Company is in single segment i.e. Exploration and production of crude oil and natural gas.

**21.** In the opinion of the management, assets other than fixed assets and non-current investments have a value on realization in the ordinary course of business at least equal to them out at which they are stated in the Balance sheet.

**22.** The company through its Singapore based subsidiary company has acquired a producing field and a discovered field in Australia ('Australian assets') valuing AUD 85 million. The effective date of the Australian assets under acquisition is 1<sup>st</sup> July, 2013 and the deal of acquisition was completed on 3<sup>rd</sup> November, 2014. An amount of USD 5.19 Million (equivalent to AUD 6.36 Million) was received as completion adjustment for the period July 2013 to Sept, 2014 which has been treated as reduction in Acquisition cost of the assets in line with the provision of Sale Purchase Agreement (SPA). Therefore revenue earned and operating expenses incurred considered in statement of profit and loss are related to the balance period of the year upto March, 2015.

**23.** Allocated Overheads recovered from Joint Ventures are shown as deduction from General and Administrative expenses in the Statement of Profit and Loss.

**24.** Other additional information are either nil or not applicable.

**25.** Previous year figures have been regrouped / reclassified wherever necessary to make them comparable with current year figures.

**M.K. Surana**  
Chief Executive Officer

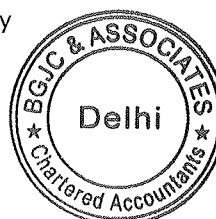
**U. C. Agrawal**  
Company Secretary

**For BGJC & Associates**  
Chartered Accountants  
**Registration No.003304N**

**P. K. Joshi**  
Director

**K. V. Rao**  
Director

**CA Dakshin Chhajjer**  
Partner  
M No.:088308



**Place : Mumbai**  
**Date : 7<sup>th</sup> May, 2015**

**PRIZE PETROLEUM COMPANY LIMITED**  
( A Wholly Owned Subsidiary of Hindustan Petroleum Corporation Ltd. )  
**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015**

	Year Ending March 31, 2015	Year Ending March 31, 2014
<b>( A ) Cash flow from Operating activities:-</b>		
Profit before tax	(307,956,844)	(116,535,834)
Adjustment for:-		
- Depreciation / Depletion / Impairment	95,534,852	3,687,056
- Expenses Written off	4,369,195	73,990,048
- Unrealized Exchange gain/loss	(673,524)	(26,202,737)
- Loss on sale of Fixed assets	-	-
- Interest Paid	107,772,926	3,691,820
- Interest received	(30,671,226)	(4,159,545)
<b>Operating profit before working capital changes</b>	<b>(131,624,621)</b>	<b>(65,529,192)</b>
Adjustment For (Increase) / Decrease		
- Trade Receivables	(16,452,893)	19,199,058
- Loans & Advances	1,365,619	(43,272,024)
- Inventories	(26,062,653)	1,227,005
- Trade Payables & Other Current liabilities	771,577,214	38,072,054
<b>Cash generated from operation</b>	<b>598,802,666</b>	<b>(50,303,099)</b>
- Direct Taxes paid ( Net of Refund )	(10,546,403)	(7,666,018)
<b>Cash Flow before prior period</b>	<b>588,256,263</b>	<b>(57,969,117)</b>
- Prior Period Item	-	-
<b>Net Cash Flow from operating activities ' A '</b>	<b>588,256,263</b>	<b>(57,969,117)</b>
<b>( B ) Cash Flow from investing activities :</b>		
- Purchase of fixed assets ( Net )	(4,133,451,741)	(485,683)
- Sale of Assets	24,874	58,610
- Addition to Pre-Producing Properties / Misc Expenditure	(852,119,871)	(56,295,359)
- Interest received	30,671,226	4,159,545
- Deposits towards acquisition of assets	886,528,384	(861,163,236)
- Investment made	-	-
<b>Net cash flow from investing activities ' B '</b>	<b>(4,068,347,128)</b>	<b>(913,726,123)</b>
<b>( C ) Cash flow from financing activities :</b>		
- Increase in Share Capital	-	475,000,000
-( Decrease)/(Increase) in loan	4,464,646,000	910,784,000
- Interest paid	(107,772,926)	(3,691,820)
<b>Net Cash flow from financing activities ' C '</b>	<b>4,356,873,074</b>	<b>1,382,092,180</b>
Forex Fluctuation Difference arising out of Consolidation	-	818
<b>Net increase in cash and cash equivalents ( A+B+C)</b>	<b>876,782,207</b>	<b>410,397,759</b>
Cash and Cash equivalent at the beginning of the period	442,409,773	32,012,014
Cash and Cash equivalent at the end of the period	1,319,191,980	442,409,773

- Notes :**
- a Cash & Cash equivalents ( Note - 16 ) :
- i) Cash & Cheques in hand
- ii) Current accounts & term Deposit in Scheduled Banks
- b The above cash flow statement has been prepared under the " indirect method as set out in the Accounting Standard - 3, "Cash Flow Statements" issued by The Institute of Chartered Accountants of India.
- c Figures in brackets represent cash outflows.

As per our Report of Even Date

**M.K Surana**  
Chief Executive Officer

**P. V Joshi**  
Director

**Place: Mumbai**  
**Date: 7th May, 2015**

**U. C. Agrawal**  
Company Secretary

**K. V. Rao**  
Director



**For BGJC & Associates**  
Chartered Accountants  
Registration No. 003304N

**Partner : Darshan Chhajjer**  
M No: 088308