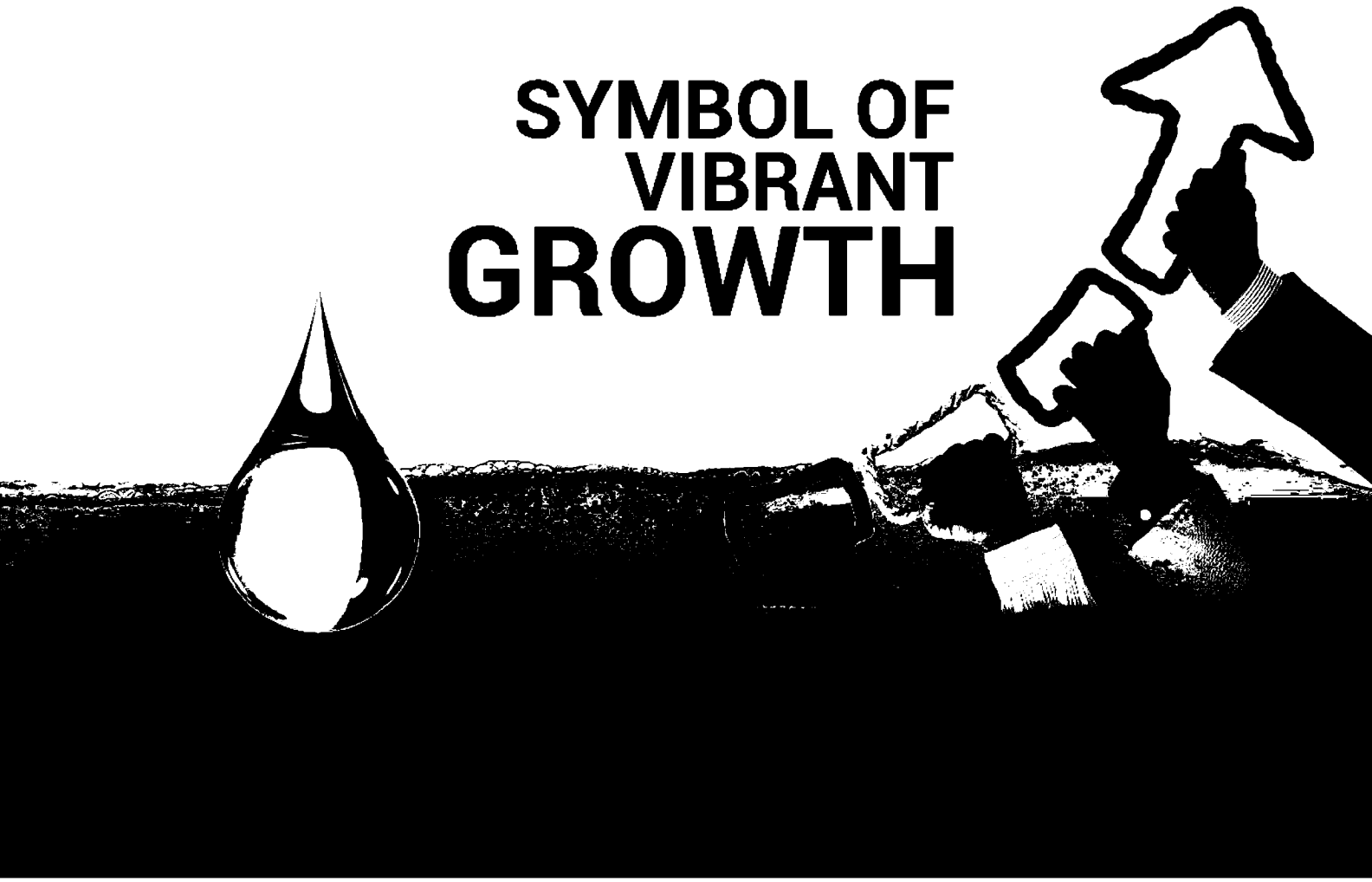
# ANNUAL REPORT 2016-17




**चेन्नै पेट्रोलियम कॉर्पोरेशन लिमिटेड**

*(इंडियनऑयल की ग्रुप कम्पनी)*

***Chennai Petroleum Corporation Limited***

*(A group company of IndianOil)*




# SYMBOL OF VIBRANT GROWTH

**CHENNAI PETROLEUM CORPORATION LIMITED**

# ANNUAL REPORT
# 2016-17


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# VISION

To be the most admired Indian energy company through world class performance creating value for stakeholders

# MISSION

To manufacture and supply petro products at competitive prices & meeting the quality expectations of the customer

To pro-actively fulfill social commitments, including environment and safety

To constantly innovate new products and alternate fuels

To recognize Human Resources as the most valuable asset and foster a culture of participation for mutual growth

To ensure high standards of business ethics and corporate governance

To maximize growth, achieve national pre-eminence and maximize stake holders wealth

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# CHENNAI PETROLEUM CORPORATION LIMITED

## REGISTERED OFFICE AND OTHER DETAILS

1. REGISTERED OFFICE
   No. 536, Anna salai, Teynampet,
   Chennai – 600 018.

2. REFINERIES
   Manali Refinery, Manali,
   Chennai – 600 068.
   Cauvery Basin Refinery
   Panangudi Village,
   Nagapattinam District, Tamil Nadu

3. Website : www.cpcl.co.in
   E-mail: sld@cpcl.co.in / shankarp@cpcl.co.in

4. REGISTRAR & TRANSFER AGENT
   M/s.Karvy Computershare Pvt Ltd
   Karvy Selenium Tower B, Plot 31-32,
   Gachibowli Financial District,
   Nanakramguda, Hyderabad – 500 032.
   Phone: 040-67162222
   E-mail: einward.ris@karvy.com
   Website: www.karvycomputershare.com

5. PRINCIPAL BANKER
   State Bank of India
   Corporate Accounts Group Branch,
   Egmore, Chennai – 600 006.
   Phone : 044-2857 6176

6. PUBLIC INFORMATION OFFICER
   Mr. S.Vaidyanathan,
   Chief Manager (Corporate Communications)

7. COMPLIANCE OFFICER
   Mr. P.Shankar
   Company Secretary

8. AUDITORS
   M/s. R. SUBRAMANIAN AND COMPANY LLP
   Chartered Accountants
   New No.6, Old No.36, Krishnaswamy Avenue,
   Luz, Mylapore, Chennai –600004.
   Phone: 044-24992261 / 24991347 / 24994231
   E-mail: rs@rscompany.co.in
   website:www.rscompany.co.in

   M/s. S. VISWANATHAN LLP
   Chartered Accountants
   No.17, Bishop Wallers Avenue (West)
   Mylapore,Chennai – 600 004.
   Phone: 044-24991147/24994423
   E-mail: sviswa@eth.net
   Website: www.sviswanathan.com

9. COST AUDITORS
   M/s. M.Krishnaswamy & Associates,
   Cost Accountants,
   Flat 1K, Ramaniyam Ganga,
   Plot No. 27-30, First Avenue,
   Ashok Nagar, Chennai – 600083.
   Phone: 044-23710069
   E-mail: mahalingamkrishnaswamy@gmail.com
   Website: www.gica.in

10. SECRETARIAL AUDITOR
    M/s.S.Sandeep & Associates
    No.20, 'F' Block, Ground Floor,
    Gemini Parsn Apts, New No.448, Old No. 599,
    Cathedral Garden Road (Behind Hotel Palmgrove),
    Anna Salai, Chennai – 600 006.
    Tel.: 044-43057999
    E-mail: sandeep@sandeep.cs.in
    Website: www.sandeep.cs.in

11. STOCK EXCHANGES
    BSE Ltd.,
    P.J.Towers, Dalal Street, Mumbai 400 001.
    Website: www.bseindia.com

    National Stock Exchange of India Ltd., (NSE)
    Exchange Plaza, 5th Floor, Plot C/1, `G'Block,
    Bandra-Kurla Complex, Bandra (E),
    Mumbai – 400 051.
    Website:www.nseindia.com

12. DEBENTURE TRUSTEE
    Registered Office:
    No.14, India Exchange Place,
    1st floor, Kolkatta – 700 001.
    Phone : 033-22487864 / 22487896
    Corporate Office:
    Allahabad Bank Bldg; 2nd floor
    No.37, Mumbai Samachar Marg, Fort,
    Mumbai – 400 023
    Phone : 022-22626283

## CHENNAI PETROLEUM CORPORATION LIMITED

# Board of Directors

**Mr. Sanjiv Singh**
*Chairman*

**Mr. Gautam Roy**
*Managing Director & Director (Operations)i/c*

**Mr. U. Venkata Ramana**
*Director (Technical)*

**Mr. S. Krishna Prasad**
*Director (Finance)*

**Mr. K.M. Mahesh**
*Director*

**Mr. S.M. Vaidya**
*Director*

**Mr. Mrutunjay Sahoo**
*Independent Director*

**Dr. P.B. Lohiya**
*Independent Director*

**Mr. Farzad Bahrami**
*Director,*
*Naftiran Intertrade Company Limited*

**Mr. M.B. Dakhili**
*Director,*
*Naftiran Intertrade Company Limited*

## CHENNAI PETROLEUM CORPORATION LIMITED

# Executives

**Mr. D.P.Naidu**
*Chief Vigilance Officer*

**Mr. A.Paul Christudass**
*General Manager (Finance)*

**Mr. S.Visveswaran**
*General Manager (Technical)*
*(upto 31.07.2017)*

**Mr. G.Aravindan**
*General Manager (Services)*

**Mr. G.Suresh Kumar**
*General Manager (Projects & Development / R&D)*

**Mr. R.Srikanthan**
*General Manager (Cauvery Basin Refinery)*

**Mr. M.Manoharan**
*General Manager (Maintenance)*

**Mr. B.Panneerselvam**
*General Manager (Operations)*

**Mr. P.Subrahmanyam**
*General Manager (Corporate Planning)i/c*

**Mr. M.Sankaranarayanan**
*General Manager (Human Resources)i/c*

**Mr. P.Shankar**
*Company Secretary*

# TEN YEAR PROFILE

**WHAT WE OWE AND WHAT WE OWN** (₹ in Lakhs)

| | 2007-08 | 2008-09 | 2009-10 | 2010-11 | 2011-12 | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|---|---|---|---|---|---|---|---|---|---|---|
| **What We Owe** | | | | | | | | | | |
| Equity Share Capital | 14900 | 14900 | 14900 | 14900 | 14900 | 14900 | 14900 | 14900 | 14900 | 14900 |
| Reserves | 331552 | 291824 | 331308 | 361692 | 364414 | 187729 | 157345 | 150608 | 221243 | 316481 |
| **Networth** | **346452** | **306724** | **346208** | **376592** | **379314** | **202629** | **172245** | **165508** | **236143** | **331381** |
| Borrowings | 245046 | 154791 | 407789 | 422253 | 367234 | 590545 | 559962 | 539906 | 356685 | 450106 |
| Preference Share Capital | - | - | - | - | - | - | - | - | 100000 | 100000 |
| **Total Borrowings** | **245046** | **154791** | **407789** | **422253** | **367234** | **590545** | **559962** | **539906** | **456685** | **550106** |
| Deferred Tax Liability | 60736 | 41400 | 57596 | 60447 | 63795 | 70710 | 70340 | - | - | 2425 |
| **Total** | **652234** | **502915** | **811593** | **859292** | **810343** | **863884** | **802547** | **705414** | **692828** | **883912** |
| **What We Own** | | | | | | | | | | |
| Fixed Assets | 506590 | 516390 | 544473 | 624627 | 688592 | 805568 | 816566 | 817604 | 437899 | 445637 |
| Less: Depreciation | 205411 | 230557 | 253579 | 282792 | 318460 | 349837 | 388159 | 410568 | 26495 | 57854 |
| **Fixed Assets (Net WDV)** | **301179** | **285833** | **290894** | **341835** | **370132** | **455731** | **428407** | **407036** | **411404** | **387783** |
| Intangible Assets | 6011 | 2563 | 3792 | 4215 | 4754 | 4754 | 4862 | 4862 | 654 | 684 |
| Less: Amortisation | 2303 | 1212 | 1773 | 2470 | 3241 | 3701 | 4082 | 4218 | 110 | 184 |
| **Intangible Assets ( Net WDV)** | **3708** | **1351** | **2019** | **1745** | **1513** | **1053** | **780** | **644** | **544** | **500** |
| Capital WIP | 29598 | 71821 | 128074 | 115590 | 101945 | 17600 | 36448 | 83969 | 175292 | 284305 |
| Investments | 11047 | 2281 | 2343 | 2250 | 2363 | 2425 | 2482 | 2542 | 1194 | 1194 |
| Working Capital | 306702 | 141629 | 388263 | 397872 | 334390 | 387075 | 334430 | 211223 | 104394 | 210130 |
| **Total** | **652234** | **502915** | **811593** | **859292** | **810343** | **863884** | **802547** | **705414** | **692828** | **883912** |

**WHAT WE EARNED AND WHAT WE SPENT** (₹ in Lakhs)

| | 2007-08 | 2008-09 | 2009-10 | 2010-11 | 2011-12 | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|---|---|---|---|---|---|---|---|---|---|---|
| **WHAT WE EARNED** | | | | | | | | | | |
| **Income** | | | | | | | | | | |
| Turnover | 3288931 | 3648967 | 2918384 | 3812826 | 4538491 | 4684246 | 5392370 | 4787782 | 3495341 | 4058590 |
| Interest | 1472 | 1933 | 2285 | 2798 | 4435 | 1172 | 1393 | 2592 | 1597 | 1573 |
| Miscellaneous Receipts | 11375 | 3474 | 21224 | 8809 | 4111 | 2882 | 4445 | 2927 | 3760 | 4594 |
| Inventory Difference | 51001 | (122443) | 65799 | 44661 | 53739 | 20499 | 7211 | (132081) | (20857) | (10503) |
| Adjustment - Prior Years | 78 | 877 | - | (7) | (921) | (60) | 1346 | (446) | - | - |
| **Sub-Total** | **3352857** | **3532808** | **3007692** | **3869087** | **4599855** | **4708739** | **5406765** | **4660774** | **3479841** | **4054254** |
| | | | | | | | | | | |
| **WHAT WE SPENT** | | | | | | | | | | |
| **Expenditure** | | | | | | | | | | |
| Raw Materials | 2590368 | 2980350 | 2395053 | 3155635 | 3973042 | 4270888 | 4746943 | 3955805 | 2310691 | 2444196 |
| Excise Duty | 488308 | 444877 | 425657 | 502594 | 463024 | 399573 | 458283 | 601011 | 912481 | 1291598 |
| Manufacturing Expenses | 23453 | 24406 | 27353 | 21678 | 22335 | 29638 | 30583 | 27710 | 31016 | 31503 |
| Salaries & Benefits to Employees | 14264 | 19294 | 27232 | 24022 | 25321 | 31543 | 29186 | 33871 | 35700 | 51288 |
| Other Expenses | 19659 | 75109 | 23570 | 31913 | 70474 | 62537 | 79111 | 53631 | 51548 | 37844 |
| Interest | 19481 | 22366 | 13737 | 25446 | 24938 | 46876 | 56797 | 40373 | 35172 | 27278 |
| Depreciation and Amortisation | 25161 | 25717 | 26714 | 31447 | 36542 | 37453 | 38958 | 22612 | 27369 | 27863 |
| Impairment of Non Current Assets | - | - | - | - | - | - | - | - | - | 6179 |
| **Sub-Total** | **3180694** | **3592119** | **2939316** | **3792735** | **4615676** | **4878508** | **5439861** | **4735013** | **3403977** | **3917749** |
| **Profit Before Tax** | **172163** | **(59311)** | **68376** | **76352** | **(15821)** | **(169769)** | **(33096)** | **(74239)** | **75864** | **136505** |