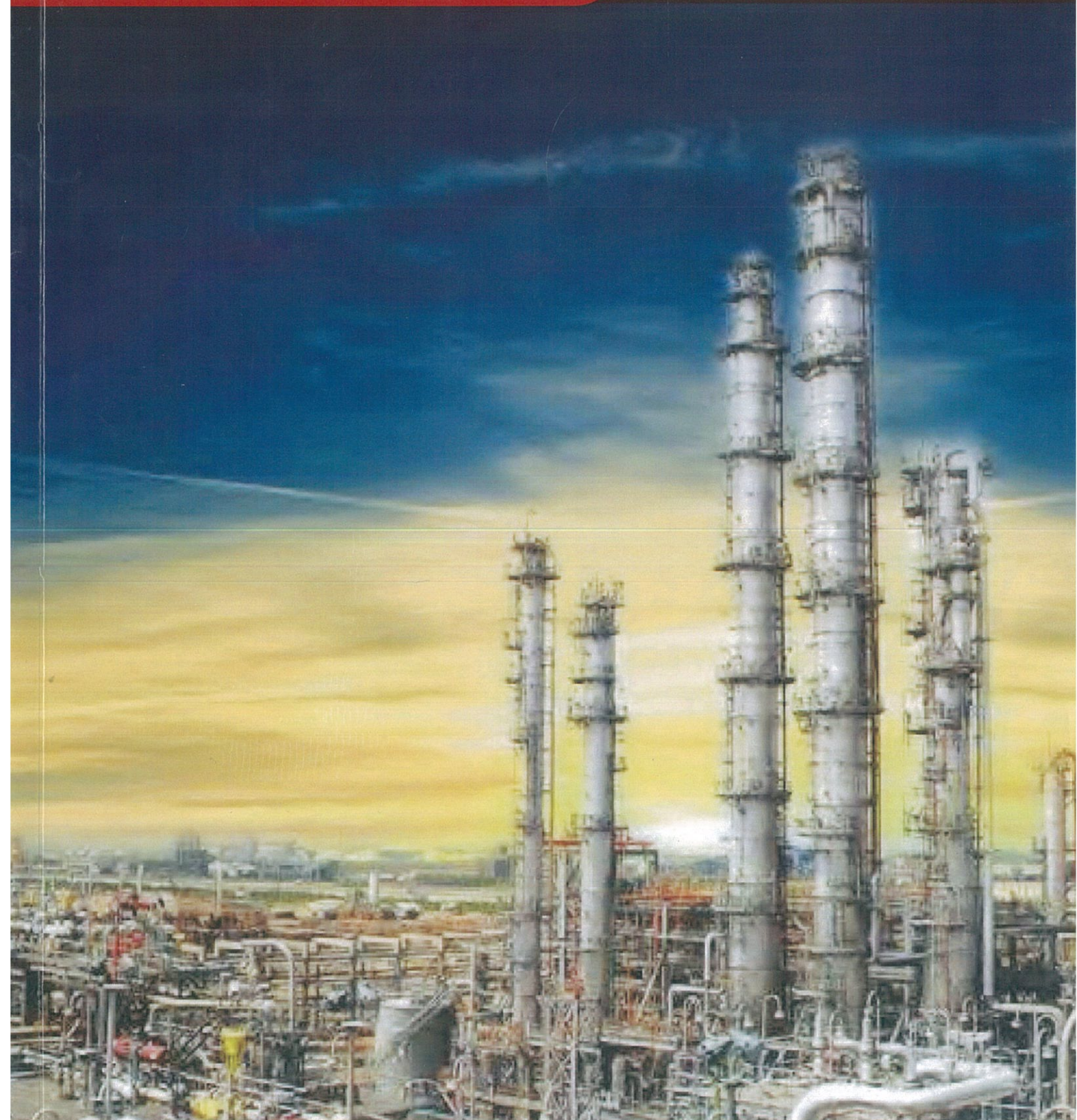


8th Annual Report

2013-2014



ONGC Petro additions Limited



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ONGC Petro additions Limited

BOARD OF DIRECTORS

Shri D.K. Sarraf (From 01.03.2014)	Chairman
Shri Sudhir Vasudeva (Up to 28.02.2014)	Chairman
Shri K.S. Jamestin (Up to 31.07.2014)	Director
Shri A.K. Banerjee (From 26.08.2014)	Director
Shri P.K. Borthakur (Up to 31.01.2014)	Director
Shri T.K. Sengupta (From 03.02.2014)	Director
Shri Tapan Ray	Director
Shri S.L. Raina (Up to 31.05.2013)	Director
Shri S. Venkatraman	Director
Shri M. Ravindran (From 07.06.2013)	Director
Shri M.M. Chitale	Director
Shri S. Balachandran	Director
Shri M.B. Lal (From 23.08.2013)	Director

CHIEF EXECUTIVE OFFICER

Shri K. Satyanarayana

COMPANY SECRETARY

Shri Subodh Prasad Pankaj

CHIEF FINANCE OFFICER

Shri S. P. Bandopadhyay

STATUTORY AUDITORS

M/s. Shah Mehta and Bakshi
Chartered Accountants, Vadodara

BANKERS

State Bank of India	Allahabad Bank	Syndicate Bank	Vijaya Bank
Canara Bank	Bank of India	Bank of Maharashtra	Karur Vysya Bank
Punjab National Bank	United Bank of India	The Jammu & Kashmir Bank	The Federal Bank Ltd.
UCO Bank	Oriental Bank of Commerce	Punjab & Sind Bank	EXIM Bank
Union Bank of India	Corporation Bank	Andhra Bank	IDBI Bank Ltd.
Bank of Baroda	Dena Bank	State Bank of Bikaner & Jaipur	The South Indian Bank Limited
Indian Bank	State Bank of Hyderabad	State Bank of Mysore	Karnataka Bank Limited
Indian Overseas Bank	State Bank of Patiala	State Bank of Travancore	Housing and Urban Development Corporation
Central Bank of India			

REGISTERED OFFICE

1st Floor, Omkara Building,
Sai Chokdi, Manjalpur, Vadodara-390011, Gujarat

DELHI OFFICE

3rd Floor, Mohan Dev Building
13, Tolstoy Marg, New Delhi-110001

LOCATION OF PLANT

Plot No. Z-1, Z-83, C/o DAHEJ SEZ LIMITED,
P.O. DAHEJ- 392130, Taluka Vagra, Distt. Bharuch, Gujarat

DIRECTORS' REPORT

Dear Members,

- On behalf of the Board of Directors of your company, I take immense pleasure in presenting the Eighth Annual Report along with the Audited statement of Accounts of the Company for the year ended 31st March, 2014 together with the Auditors' Report and comments on the accounts by the Comptroller and Auditor General of India (C&AG). You will be pleased to know that your Company is Anchor Tenant and the largest investor in Dahej PCPIR (Petroleum Chemical and Petrochemical Investment Region) and is setting up a mega Petrochemical Plant at Dahej SEZ in Gujarat.

1. Project Cost

OPaL Board approved the revised Project cost estimate of ₹ 213,960 million on 7th March, 2012 with Debt Equity Ratio of 70:30 before Commercial Operation Date (COD) and Debt/Equity Ratio of 60:40 after Commercial Operation Date (COD). Lenders' have agreed to Debt Equity Ratio of 70:30 upto 31st December, 2014 and Debt/Equity Ratio of 60:40 after 31st December, 2014.

The Project Cost is being revisited due to shift in COD. A detailed financial re-appraisal is being carried out by M/s SBI Capital Markets Limited on behalf of lenders.

2. Financial Results

The Company is yet to commence commercial operations. On cash basis, cumulative expenses of ₹ 181,535.37 million (Previous Year ₹ 153,409.3 million) have been incurred upto 31st March, 2014.

3. Dividend

The Directors do not recommend any dividend for the year ended 31st March, 2014, since the Company did not earn any income.

4. Economic Scenario – Global and Indian**Global Economy**

After a subdued activity in Financial Year (FY) 2012-2013, the global economy showed signs of modest recovery last fiscal. US showed positive advancement on multiple indicators including demand growth, reduction in fiscal drag and employment creation with major economic indicators demonstrating positive sentiments. While the growth trend is expected to accelerate, one expects potential consequences of 'tapering' of some of the quantitative easing policies of US Federal Reserve.

The EU zone, which witnessed a recession in 2012; turned the corner from recession to recovery in FY 2013-2014. The pickup is expected to be more modest in economies under stress, despite some upward revisions including Spain. Elsewhere in Europe, activity in the UK has been buoyed by easier credit conditions and increased consumer confidence.

Emerging economies like China showed investment led rebounded growth in the second half of the fiscal but is expected to have a softer landing. Policy measures disfavoring shadow banking and higher cost of capital coupled with slower credit growth is expected to have moderated growth for China going forward. Amidst this context, global growth is likely to increase from 3% in 2013 to 3.7% in 2014 and 3.9% in 2015.

Indian Economy

A sub-5% growth that we managed to achieve last fiscal, came along with partial unclogging of domestic policy logjam, fiscal drag, plaguing inflation, plunging rupee as well as subdued global growth prospects. With exports competitiveness becoming better while some export oriented sectors started faring better, we witnessed slower manufacturing growth on the back of very slow project implementations.

Gross Fixed Capital Formation which was pegged at ₹ 32.2 trillion at current prices against ₹ 30.7 trillion in 2012-13, shows just a marginal improvement while growth rate in per capita income is estimated at 2.8% against previous year's 2.1%, as per CSO.

Easing inflation coupled with likely global recovery scenario is expected to keep up the consumption led demand generation. The pick-up will be aided by implementation of stalled projects, debottlenecking / revamping of mining sector, power and infrastructure projects and a recovery in industry on higher external demand. A rebound in manufacturing and services growth backed by a recently elected politically stable government is likely to revitalise macro-economic frontiers pushing GDP growth in the coming fiscal.

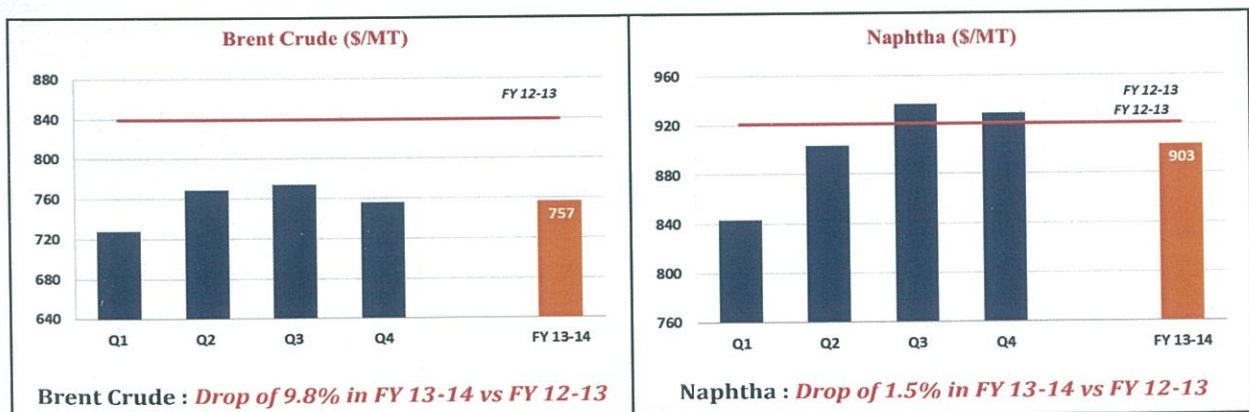
5. Petrochemicals Scenario

Crude Naphtha

Crude oil prices softened a bit for the Financial Year (FY) 2013-2014 with more or less a stability factored in. Average Brent crude price for the year stood at \$757/MT falling by 9.8% as compared to FY 2012-2013 average value of \$839/MT. The year saw an incremental jump of 1.3 MMBPD of oil well supported by economic recovery worldwide as against 1.1 MMBPD the year before. US emerged as second largest producer for crude oil globally and also prime region having alternate feedstock like shale gas.

Geopolitical environment in several countries like Nigeria, Libya has resulted in reduced oil supply. However, strong growth in non-OPEC countries, particularly US, is likely to offset the curtailed supplies. Shale gas abundance in US has resulted in delinking of crude and gas prices having potential impact on cost-economics of gas based petrochemical producers in the region and hence trade flows alterations.

The price envelopes for Crude-Naphtha continued to rise every quarter last fiscal. Sharp increase in GRM was observed in the later half. Naphtha cracks, relatively stable during the first half, improved significantly during the second half of the year on back of firm petrochemical demand. Average Naphtha prices benchmark CFR Singapore was \$903/MT; lower by 1.5% as compared to FY2012-2013; at an average price of \$921/MT.



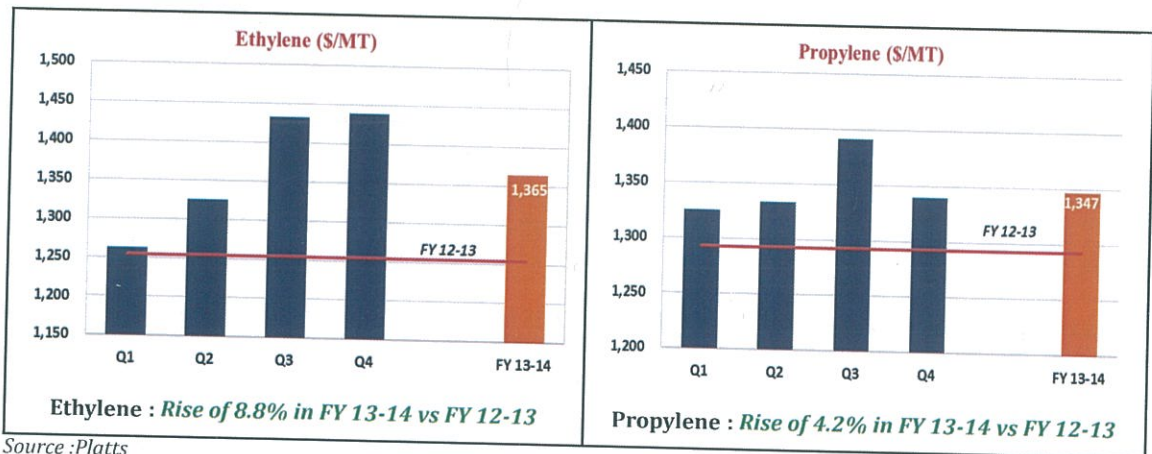
Source :Platts

ONGC Petro additions Limited

Olefins

The development of US shale gas reserves had enormous impact on global petrochemical industry accounting for approx. 70% of ethylene coming from ethane. Global Ethylene operating rates improved in FY 2013-2014 by approx. 80 basis points with a favourable impact on margins due to near stable crude and naphtha prices. High end use growth in downstream derivative of Polyethylene (PE) with limitations in supply from SE Asia and Middle East made Ethylene- PE deltas also look attractive in Asian markets. Global ethylene supplies look constrained because of project delays and similar trends are likely to continue the next fiscal also.

The prices rose from an average of \$1,263/MT in Q1 to \$1,439/MT in Q4 pushing the average year prices to \$1,365/MT against \$1,254/MT the year before, a rise of 8.8%.



Source :Platts

China witnessed a relatively higher inventory of Propylene with subdued activities in downstream derivatives. This enabled to maintain the prices of Propylene considerably and improving deltas. The average prices stood at \$1,347/MT against an average of \$1,293/MT a year before.

Polymers

Consumption of global commodity plastics in 2013 was estimated at 208 MMT including polyolefins (PE & PP), PVC, PS, ABS, PET and PC. Polyolefins represent 66% of major commodity thermoplastics usage, of which PE accounting for 39% and PP 27%. Demand for these polymers were primarily driven by North America and Asian countries including China with marginal improvements in European market. The growth has been in the range of 4-4.3% against last year as depicted below:

Global Polyolefins Demand (MMT)

Polyolefins	FY 12-13	FY 13-14	%ge Increase
PE	79.2	82.4	4.0%
HDPE	36.1	37.7	4.4%
LLDPE	24.3	25.5	4.8%
LDPE	18.9	19.3	2.0%
PP	54.5	56.8	4.3%

Source : IHS Chemical

ONGC Petro additions Limited

Polyolefins Prices (\$/MT)

Polyolefins	FY 12-13	FY 13-14	%ge Increase
HDPE	1358	1397	2.8%
LLDPE	1322	1396	5.6%
PP	1385	1403	1.3%

Source : IHS Chemical

Ref: **HDPE** - BM; FOB, SEA; **LLDPE**- Butene Film; FOB, SEA; **PP** - GP HP IM; FOB, SEA

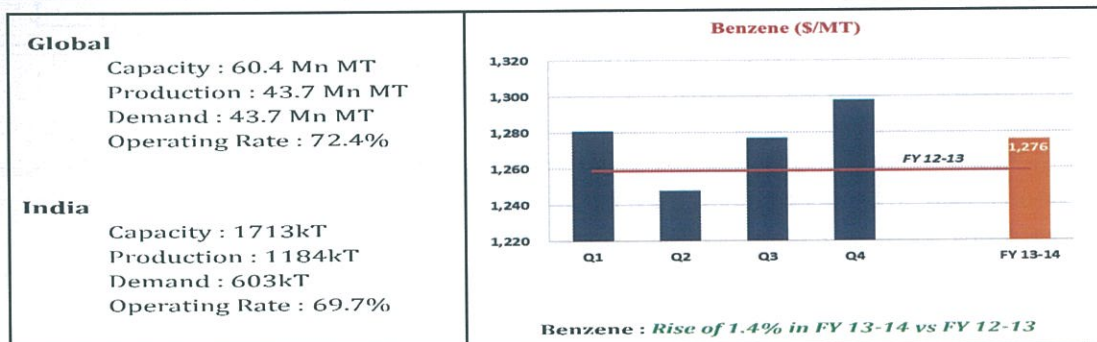
Taking cue from the monomer prices namely ethylene and propylene, the polymer prices too tracked the monomer market prices with improved deltas.

Back home, domestic demand for polymer products in general remained subdued at around 3% during FY 2013-2014 due to overall slow demand in end use sectors like consumer durables and automobiles. While PE consumption in India showed a nominal increase of 1% last fiscal, demand growth of 5% in PP is largely attributed to improved consumption in packaging, moulded products and non-woven segments. With manufacturing likely to be back on track this year, a better consumption growth is expected going forward.

Chemicals

Benzene :

Global Benzene demand in 2013-2014 was pegged at 43.7 Mn MT registering a growth of 2.7% Y-O-Y. Operating rates remained practically at same level as previous year at 72.4% (down by 10 basis points). Benzene is an excess commodity globally; Asia being largely surplus is suppliers to the rest of world.

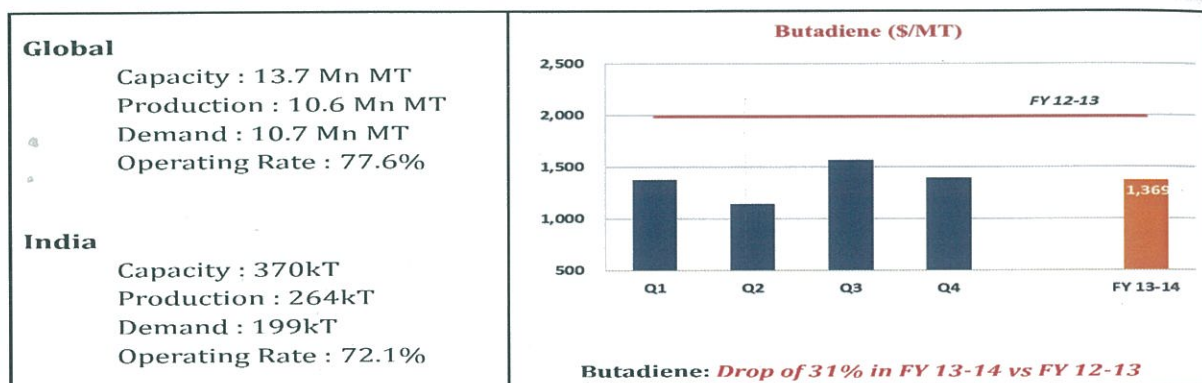


Source : IHS Chemical, Platts

Indian Benzene demand is pegged at 603kT while the production stands at 1184kT. Hence, India is surplus in Benzene and exporting rest of the domestic produce.

Butadiene:

Global Butadiene demand in 2013-2014 was pegged at 10.7 Mn MT, a growth of 3.5% Y-O-Y. Global butadiene usage is dominated by the production of PBR and SBR accounting for 57% of the global demand. Indian Butadiene demand is pegged at 199kT with production of 264kT exporting surplus of 65kT chiefly in NE Asia and SE Asia.



Source :IHS Chemical, Platts

Product Slate

OPaL will be producing around 1.9 Million tons of products from its mega petrochemical complex at Dahej, Gujarat of which about 74% of the total produce will be polymers namely HDPE, LLDPE and PP.

Product Table

Sl. No.	Unit/Product	Configuration	Capacity (KTA)
1.	HDPE/LLDPE Swing	2 x 360	720
2.	Dedicated HDPE	1 x 340	340
3.	PP	1 x 340	340
4.	Benzene		150
5.	Butadiene		115
6.	PyGas		165
7.	CBFS		70

Dahej – New Investment Destination

Dahej SEZ is the only region in the country which has found place in the global hotlist of top 25 investment destination based on the survey carried out by a London based Financial Institute. OPaL has received expression of interest from large number of units showing interest in putting up their units based on OPaL's products like Py-gas, C4, Raffinate, Butadiene and Polymers including PSUs of Government of Gujarat like GSFC, GNFC, GPPL etc. apart from many private sector enterprises. Apart from Dahej SEZ area, many plastic convertors have bought land in Dahej DTA (AIPMA Plastic Park) to set up processing units based on our products.

6. Progress in Implementation of the Project

You will be pleased to know that your Company has achieved 90.4% actual progress against scheduled progress of 100%, with regard to the Project execution till April 2014. Progress made during the current year has been as under:

ONGC Petro additions Limited

❖ Project Implementation

A. Approvals:

OPaL has obtained all necessary statutory approvals for the project.

S. No.	Approval	Date
1	Industrial Entrepreneurs' Memorandum (IEM) submitted with MoCI	6 Dec' 05
2	Certificate of commencement of Business	12 Dec' 06
3	Certificate of Incorporation	15 Nov' 06
4	NOC/In- principle approval from Chief Controller of Explosive, Nagpur	27 Apr' 07
5	Approval for setting up the unit in Dahej SEZ from Development Commissioner, Kandla SEZ	16 Oct' 07 (Extended till 15.10.14)
6	NOC from Gujarat Pollution Control Board	24 Oct' 07 (Extended till 23.10.17)
7	Final Environment Clearance from MoEF	21 Nov' 07 (Extended till 20.11.17)
8	Eligibility Certificate No. 001/2007-08 Exemption from Taxes, Cess, Duties, Fees	30 Jun' 08
9	Import-Export Code from DGFT, MOC	30 Jan' 09
10	SIA Approval for Cracker LSTK (Licensor + EPC)	25 Feb' 09
11	CST, VAT registration number	18 Mar' 09
12	Service Tax registration Number	9 Apr' 09
13	NOC for Height clearance for C3 splitter from AAI received	18 Jan' 11
14	Amendment to NOC from GPCB	31 Jan' 11
15	Plot plan approval from PESO	14 Jun' 11
16	Approval for helipad	17 Jun' 11
17	NOC for Captive Power Plant from GPCB	26 Mar'13

B. Contracts Awarded

Your Company has awarded the following contracts of the Project:

- 1) Front End Technical Consultant (FETC)
- 2) Site Infrastructure Development Contract
- 3) Project Management Consultancy
- 4) Dual Feed Cracker Unit & Associated Units
- 5) Technology Licensing for Downstream Polymer units
- 6) Cooling Water System
- 7) Double Wall Storage Tank
- 8) Inert Gas and Compressed Air System
- 9) Balance Utilities and Offsites
- 10) Captive Power Plant(CPP)
- 11) Butene-1
- 12) DCS
- 13) HDPE
- 14) PE (Swing)
- 15) PP unit
- 16) Effluent Treatment & Collection System (ECTS)
- 17) C2, C3, C4 Pipelines
- 18) Product Warehouse
- 19) Central Laboratory and Associated Services
- 20) Supply of software licenses and implementation of ERP system in OPaL
- 21) Raw Water Treatment



POLYPROPYLENE UNIT (Finishing Building)



INST. AIR / PLANT AIR & NITROGEN PLANT



DEDICATED HDPE

ONGC Petro additions Limited



DFCU – AU

7. Financing Structuring

The Financing Structure of the current approved Project Cost of ₹ 213,960 million, with a Debt Equity ratio of 70:30 upto 31st December 2014 and 60:40 thereafter is as follows:

(₹ in million)

Description	Upto 31 st December 2014		Post – 31 st December 2014	
	%age	Amount	%age	Amount
Debt	70%	14,9770	60%	12,8370
Equity	30%	6,4190	40%	8,5590
Total	100%	213, 960	100%	213, 960

Equity: Of the total equity requirement, ONGC will subscribe 26% and GAIL will subscribe upto 15.5% of the total diluted equity. The balance equity would be sourced through other PSUs, Strategic/ Financial Investors and Initial Public Offering. GAIL has pegged their equity at ₹ 994.94 crore.

Debt: Based on the revised "As-Built" Project cost of ₹ 213,960 million, consortium of 33 banks/ financial institutions led by SBI executed loan documents for debt of ₹ 149,770 million on 29th January, 2013.

Further more, OPaL executed loan documents, on 11th September, 2013, for availing External Commercial Borrowing facility of \$ 300 million through consortium of 3 lenders. The facility is carved out of the aforesaid Rupee loan facility.

The financing structure of the Company is being reviewed in the backdrop of revision in project cost.

During the current financial year, OPaL tied up sub-ordinated debt facility of ₹ 20,000 million with subservient charge on project assets and drawdown under the facility also started.

ONGC Petro additions Limited

8. Source of Funds

- As on 30th April 2014, expenditure of ₹ 182,489.50 million has been incurred, on cash basis, and OPaL holds cash/ cash equivalent of ₹ 3,274.90 million and USD 47.4 million respectively. The sources of funds, as on 30th April 2014, have been, Medium Term Loan of ₹ 21,399.74 million, Rupee Long Term Loan of ₹ 110,303.61 million, External Commercial Borrowings of \$ 220 million, Sub-ordinated debt of ₹ 16,434.62 million and ₹ 26,928.54 million has been funded through Equity/ advance against Equity.
- ONGC, GSPC and GAIL have contributed ₹9,979.56 million, ₹ 290.04 million and ₹9,949.45 million respectively, as Share Capital. Additionally, OPaL has received ₹6,709.24 million from ONGC towards 'Share application money' under Right Issue.

9. Human Resource (HR)

At OPaL, employees are our most important asset. OPaL is committed for creating an open and transparent organization that is focused on employees, their capabilities and fostering an environment that enables them to deliver superior performance.

As on 30th April, 2014, total number of employees working in OPaL at various levels is 214 nos. 37 professionals working on deputation from ONGC/GAIL/MRPL.

The comprehensive HR policy comprising of administrative, compensation & benefits, welfare policies, etc. has been approved by the Board of Directors and implementation being taken up.

10. Corporate Social Responsibility (CSR)

Your Company is maintaining cordial relations with the nearby villagers around its Plant located at Dahej SEZ by doing CSR activities.

To encourage the girl education in the state, OPaL has actively participated in "Kanya Kelvani Scheme".

OPaL has also participated in various environment protection related schemes for creating awareness among the public.

11. Particulars of Employees

No employee was in receipt of remuneration exceeding the limits set out under Section 217 (2A) of the Companies Act, 1956.

12. Public Deposits

The Company has not accepted any deposit from the public during the period within the meaning of Section 58A of the Companies Act, 1956 and rules framed there under.

13. Auditors

The Statutory Auditors of your Company are appointed by the Comptroller & Auditor General of India (C&AG). M/s Shah Mehta and Bakshi, Chartered Accountants (Firm Registration No. 103824W), were appointed as the Statutory Auditors for the Financial Year 2013-2014. The Statutory Auditors have been paid a remuneration of ₹ 0.275 million (previous year ₹ 0.25 million) towards audit fee. The above fees are exclusive of applicable service tax and reimbursement of reasonable travelling and out of pocket expenses actually incurred.

14. Auditors' Report

The Comments of Comptroller & Auditor General of India (C&AG) form part of this Report as per Annexure - A. There is no qualification in the Auditors' Report and there are no supplementary comments by C&AG under section 619(4) of the Companies Act, 1956. Notes on Accounts referred to in the Auditors' Report are self explanatory and therefore do not call for any further comments.

15. Particulars of Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

The Company is yet to commence commercial operations. No particulars therefore are given in terms of provisions of Section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the report of the Board of Directors) Rules, 1988, though these are given due regard while implementing the project. The Company has earned foreign exchange equivalent to ₹ 9.14 million on account of interest income on short term deposits with banks and incurred foreign currency expenditure equivalent to ₹ 9,915.88 million (Previous Year ₹12,340.51 million) during the accounting period ended 31st March, 2014.

16. Directors' Responsibility Statement

In terms of provisions of Section 217(2AA) of the Companies Act, 1956 amended as per the Companies (Amendment) Act, 2000, the Directors of the Company hereby state and confirm that:

- (i) in the preparation of the Annual Accounts for the financial year 2013-2014, the applicable Accounting Standards have been followed and there are no material departures;
- (ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2014;
- (iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- (iv) they have prepared the Annual Accounts of the Company on a 'going concern' basis.

The Board of Directors has also taken sufficient care to maintain adequate accounting records in accordance with the provisions of the Companies Act, 2013, (to the extent notified), to safeguard the assets of the Company and prevent and detect fraud and other irregularities.

17. Directors

In accordance with the provisions of the Companies Act and the Articles of Association of the Company, Shri Tapan Ray, Director and Shri M. Ravindran, Director are liable to retire by rotation at the ensuing Annual General Meeting and being eligible, have offered themselves for re-appointment.

17.01 Shri M.B. Lal was appointed as Additional Director under Section 260 of Companies Act, 1956, read with Articles of Association of the Company with effect from 23.08.2013 on the Board of Directors of the Company. He was regularized as Director in the 7th AGM held on 06.09.2013.

17.02 Shri T.K. Sengupta (Nominee ONGC) was appointed as an Additional Director under Section 260 of Companies Act, 1956, read with Articles of Association of the Company with effect from 03.02.2014 on the Board of Directors of the Company to hold office up to the date of ensuing Annual General Meeting of the Company. Notice under Section 160 of Companies Act, 2013, has been received from a member proposing his candidature for the office of Director.

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- 17.03** Shri D.K. Sarraf (Nominee ONGC) was appointed as Chairman and Additional Director under Section 260 of Companies Act, 1956, read with Articles of Association of the Company with effect from 01.03.2014 on the Board of Directors of the Company to hold office up to the date of ensuing Annual General Meeting of the Company. Notice under Section 160 of Companies Act, 2013, has been received from a member proposing his candidature for the office of Director.
- 17.04** Shri A.K. Banerjee (Nominee ONGC) was appointed as Additional Director under Section 161 of Companies Act, 2013, read with Articles of Association of the Company w.e.f. 26.08.2014 on the Board of Directors of the Company to hold office up to the date of ensuing Annual General Meeting of the Company. Notice under Section 160 of Companies Act, 2013, has been received from a member proposing his candidature for the office of Director.
- 17.05** Shri P.K. Borthakur (Nominee ONGC) ceased to be Director w.e.f. 01.02.2014 on account of his resignation. The Board of Directors places on record its deep appreciation for the valuable advice and guidance provided by Shri P.K. Borthakur during his tenure as a Director.
- 17.06** Shri Sudhir Vasudeva (Nominee ONGC) ceased to be Chairman & Director w.e.f. 01.03.2014 on account of his resignation. The Board of Directors places on record its deep appreciation for the valuable advice and guidance provided by Shri Sudhir Vasudeva during his tenure as Chairman & Director.
- 17.07** Shri K.S. Jamestin (Nominee ONGC) ceased to be Director w.e.f. 01.08.2014 on account of his resignation. The Board of Directors places on record its deep appreciation for the valuable advice and guidance provided by Shri K.S. Jamestin during his tenure as Director.
None of the Directors are disqualified from being appointed as Directors in terms of provisions of Companies Act.

18. Other Material Changes

Save as aforesaid in this Report, no material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year of the Company i.e. March 31, 2014 and the date of this Report.

19. Corporate Governance

Corporate Governance is a set of systems and practices to ensure that the affairs of the company are being managed in a way which ensures accountability, transparency, fairness in all its transactions in the widest sense and meet its stakeholders aspirations and societal expectations. Good governance practices stem from the culture and mindset of the organisation and at OPaL, we are committed to meet the aspirations of all our stakeholders. OPaL is committed to run its business in a legal, ethical and transparent manner with dedication that originates from the very top and permeate throughout the organization. The Company, through its Board and Committees, endeavors to strike and deliver the highest governing standards for the benefit of its stakeholders.

20.01 BOARD MEETINGS

During the year 2013-2014, 6 Board Meetings were held as per the following details:-

Sl.No.	Date of the Meeting	Place of meeting
1	20-04-2013	Office of ONGC, 11 High, Bandra Sion Link Road, Mumbai-400017
2	08-05-2013	6 th Floor, Jeevan Bharti, Tower-II 124, Indira Chowk, New Delhi- 110001
3	19-08-2013	6 th Floor, Jeevan Bharti, Tower-II 124, Indira Chowk, New Delhi- 110001
4	23-08-2013	6 th Floor, Jeevan Bharti, Tower-II 124, Indira Chowk, New Delhi- 110001
5	16-12-2013	6 th Floor, Jeevan Bharti, Tower-II 124, Indira Chowk, New Delhi- 110001
6	03-02-2014	6 th Floor, Jeevan Bharti, Tower-II 124, Indira Chowk, New Delhi- 110001



Board Meeting

20.02 GENERAL MEETINGS

Details of last 3 Annual General Meetings held are as follows:-

Sl. No.	Date of the Meeting	Place of Meeting
1	21-09-2011	1st Floor, Omkara Building, Sai Chokdi, Manjalpur, Vadodara – 390011, Gujarat
2	14-09-2012	The Gateway Hotel, Akota Gardens, Vadodara, Gujarat
3	06-09-2013	The Gateway Hotel, Akota Gardens, Vadodara, Gujarat

Details of Extra Ordinary General Meetings held in the year 2013-2014 as follows:-

Sl. No.	Date of the Meeting	Place of Meeting
1	14-05-2013	6 th Floor, Jeevan Bharti, Tower-II, 124, Indira Chowk, New Delhi-110001
2	12-11-2013	6 th Floor, Jeevan Bharti, Tower-II, 124, Indira Chowk, New Delhi-110001

20.03 BOARD COMMITTEES

The Company has the following Committees of the Board:

20.03.01 Audit Committee:

The Audit Committee is headed by Shri S. Balachandran, Non Executive Independent Director. Other members of the Committee are Shri T.K. Sengupta, Non Executive Director, Shri S.Venkatraman, NonExecutiveDirector, Shri M.M.Chitale, NonExecutiveIndependentDirector and Shri M.B.Lal, Non

ONGC Petro additions Limited

Executive Independent Director. Company Secretary acts as a secretary to the Audit Committee of the Board.

During the year 2013-2014, 3 meetings of Audit Committee were held.

20.03.02 Project Review Committee of the Board

The Project Review Committee of the Board is headed by Shri K.S. Jamestin, Non Executive Director. Other members of the Committee are Shri T.K. Sengupta, Non Executive Director, Shri S. Venkatraman, Non Executive Director, Shri S. Balachandran, Non Executive Independent Director and Shri M.B. Lal, Non Executive Independent Director. Company Secretary acts as a coordinator to the Project Review Committee of the Board.

During the year 2013-2014, 2 meetings of Project Review Committee of the Board were held.

20.03.03 HR Committee of the Board

The HR Committee reviews and recommends various HR Policies of the Company to the Board. The HR Committee of the Board is headed by Shri S. Balachandran, Non Executive Independent Director. Other members of the Committee are Shri K.S. Jamestin, Non Executive Director, Shri S. Venkatraman, Non Executive Director, Shri M. Ravindran, Non Executive Director and Shri M.B. Lal, Non Executive Independent Director. Company Secretary acts as a coordinator to the HR Committee of the Board.

During the year 2013-2014, 1 meeting of HR Committee of the Board was held.

20.03.04 Marketing Committee of the Board

The Marketing Committee of the Board was constituted to go into the details of the Marketing plan and Strategy to develop methodology and criteria for selection of downstream companies. The Committee is headed by Shri S. Venkatraman, Non Executive Director. Other Members of the Committee are Shri K.S. Jamestin, Non Executive Director, Shri S. Balachandran, Non Executive Independent Director and Shri M.B. Lal, Non Executive Independent Director. Company Secretary acts as a coordinator to the Marketing Committee of the Board.

During the year 2013-2014, 1 meeting of Marketing Committee of the Board was held.

20.03.05 Financial Management Committee of the Board

The Financial Management Committee of the Board was constituted for all the matters related to financing of the petro-chemical project of the Company and any other matter referred by Chairman of the Board. Business Model Committee of the Board was merged into the Financial Management Committee. Last meeting of the Business Model Committee of the Board was held on 17.04.2013.

The Committee is headed by Shri S. Balachandran Non Executive Independent Director. Other members of the Committee are Shri K.S. Jamestin, Non Executive Director, Shri Tapan Ray, Non Executive Director, Shri S. Venkatraman, Non Executive Director, Shri M.M. Chitale, Non Executive Independent Director and Shri M.B. Lal, Non Executive Independent Director. Company Secretary acts as a coordinator to the Financial Management Committee of the Board.

During the year 2013-14, 6 meetings of the Financial Management Committee of the Board were held.

ONGC Petro additions Limited

20.03.06 Remuneration Committee of the Board

Remuneration Committee of the Board was constituted for finalization of detailed terms and conditions of extension and fixation of remuneration of CEO.

The Committee is headed by Shri S. Balachandran Non Executive Independent Director. Other members of the Committee are Shri K.S. Jamestin, Non Executive Director, Shri S. Venkatraman, Non Executive Director, Shri M.M. Chitale, Non Executive Independent Director and Shri M.B. Lal, Non Executive Independent Director. Company Secretary acts as a Secretary to the Remuneration Committee of the Board.

20.03.07 Share Allotment Committee of the Board

The Committee is headed by Shri S. Balachandran Non Executive Independent Director. Other members of the Committee are Shri K.S. Jamestin, Non Executive, Shri S. Venkatraman, Non Executive Director and Shri M.B. Lal, Non Executive Independent Director. Company Secretary acts as Secretary of the Share Allotment Committee of the Board.

Meeting of the Share Allotment Committee of the Board was held on 16th May 2013.

21. Shareholding Pattern as on 31.03.2014

Shareholding Pattern of the Company as on 31.03.2014 is as follows:

S. No.	Name of the Shareholders	No. of Equity Shares held @ Rs. 10/- each	% of Shares held
1	Oil and Natural Gas Corporation Limited	99,79,55,639	49.36%
2	GAIL India Limited	99,49,45,000	49.21%
3	Gujarat State Petroleum Corporation Limited	2,90,04,033	1.43%
4	Others (Individuals)	24,999	-
Total		202,19,29,671	100%

22. Acknowledgment

The Board of Directors acknowledges with gratitude, the cooperation and assistance received from the Rupee Loan Lenders, ECB Lenders, Government Agencies, ONGC, GAIL and GSPC. The Directors also wish to place on record their appreciation for the all round contribution made by the employees at all levels.

on behalf of the Board of Directors
for ONGC Petro additions Limited



(D.K.Sarraf)
Chairman

Place: New Delhi
Date:26.07.2014



2nd Floor, Prasanna House, Associated Society,
Nr.Akota Stadium, Akota, Vadodara - 390020

Phone: +91-265-2331060, 2337727, 2355435
Fax: + 91-265-2343227 Cell : +91-91732-02343
Email: office@smb-ca.com



Independent Auditors' Report

To the Members of
ONGC Petro Additions Limited

Report on the Financial Statements

We have audited the accompanying financial statements of ONGC Petro Additions Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and the 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

Management is responsible for the 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 Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatements, 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 conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and 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 control relevant to the Company's preparation and fair presentation of the financial statements 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 company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.



ONGC Petro additions Limited

Shah Mehta & Bakshi
Chartered Accountants

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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:

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b) In the case of the Statement of Profit and Loss, of the loss of the Company for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a) We have 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 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 referred to in subsection (3C) of section 211 of the act.
 - e) On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

For Shah Mehta & Bakshi
Chartered Accountants
FRN: 103824W



(J P Shah)
Partner

M. No.033115

Place: Vadodara

Date: 20th May, 2014



Annexure to Independent Auditor's Report

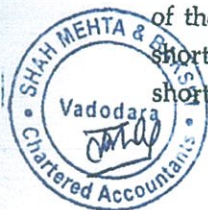
As required by the Order issued by the Company Law Board in terms of Section 227 (4A) of the act, we further report that:

- I. In respect of Fixed Assets;
 - a) The Company has generally maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
 - b) We are informed that fixed assets having substantial value have been physically verified by the management at reasonable intervals. No significant discrepancy has been noticed.
 - c) No substantial part of fixed assets has been disposed off during the year, which will affect its status as going concern.
- II. The company has not commenced commercial operations and hence it does not hold any physical inventories. Accordingly paragraph 4(ii) of the order is not applicable.
- III. As informed to us, the company has neither granted nor taken any loans, secured or unsecured to/from companies, firms or other parties covering register maintained under section 301 of the act during the year.
- IV. In our opinion and according to information and explanations given to us, there is adequate internal control system commensurate with the size of the company and the nature of its business with regard to the purchase of fixed assets. There had been no transactions of sale of goods & services. During the course of audit, we have not observed any continuing failure to correct major weakness in internal control system.
- V. According to information and explanations given to us, there is no contract or arrangement referred to section 301 of the act which is required to be entered in the register maintained under the Section.
- VI. The company has not accepted deposits from the public within the meaning of section 58A and 58AA of the act.
- VII. In our opinion, the company has an adequate internal audit system commensurate with the size and nature of its business.



As the project is under implementation stage, this paragraph 4(viii) of the order relating to maintenance of cost records is not applicable.

- IX. According to information and explanations given to us in respect of statutory dues;
- The company is generally regular in depositing undisputed statutory dues including Provident Fund, Income Tax, Service Tax, Custom Duty, Cess and other statutory dues applicable to it with the appropriate authorities.
 - There were no undisputed amount payable in respect of Income Tax, Service Tax, Custom Duty, Cess and any other statutory dues in arrears as at 31st March, 2014 for the period of more than six months from the date they become payable.
 - There are no disputed statutory dues as at 31st March 2014 which have not been deposited except an amount of Rs.20 lacs in respect of demand for stamp duty by the Deputy Commissioner of Revenues & Stamp for the year 2009.
- X. In our opinion, the company does not have accumulated losses more than fifty percent of its net worth. The company has incurred cash losses in current and previous financial year.
- XI. According to information and explanations given to us, the company has not issued any debentures and has also not defaulted on repayment of dues to financial institutions or banks.
- XII. According to information and explanations given to us, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- XIII. In our opinion, the company is not a chit fund, nidhi or mutual benefit fund/society.
- XIV. In our opinion and according to information and explanations given to us, the company is not dealing or trading in shares, securities, debentures and other investments.
- XV. As per information and explanations given to us and as the records examined by us, the company has not given any guarantee for loans taken by others from bank or financial institutions.
- XVI. According to information and explanations given to us, the company has applied the term loans for the purpose for which same were taken.
- XVII. According to information and explanations given to us and on overall examination of the balance sheet of the company, we report that no funds have been raised on short-term basis during the year. No long-term funds have been used to finance short-term asset.



Shah Mehta & Bakshi
Chartered Accountants

- XVIII. In our opinion and according to information and explanations given to us, the company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Act.
- XIX. According to the information and explanation given to us and the records examined by us, the company has not issued any debentures during the year.
- XX. The company has not raised money by public issue during the year.
- XXI. As per information and explanations given to us, no fraud on or by the company has been noticed or reported during the year under report.

For Shah Mehta & Bakshi

Chartered Accountants

FRN: 103824W



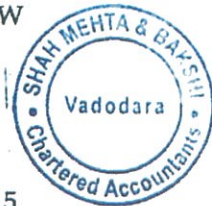
(J P Shah)

Partner

M. No. 033115

Place: Vadodara

Date: 20th May, 2014



**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA
UNDER SECTION 619 (4) OF THE COMPANIES ACT, 1956 ON THE ACCOUNTS
OF ONGC PETRO ADDITIONS LIMITED FOR THE YEAR ENDED 31 MARCH
2014**

The preparation of financial statements of ONGC Petro Additions Limited for the year ended 31 March 2014 in accordance with the financial reporting framework prescribed under the Companies Act, 1956 is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under Section 619 (2) of the Companies Act, 1956 are responsible for expressing opinion on these financial statements under section 227 of the Companies Act, 1956 based on independent audit in accordance with the standards on auditing prescribed by their professional body the Institute of Chartered Accountants of India. This is stated to have been done by them vide their Audit Report dated 20 May 2014.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 619 (3) (b) of the Companies Act, 1956 of the financial statements of ONGC Petro Additions Limited for the year ended 31 March 2014. On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditors' report under section 619 (4) of the Companies Act, 1956.

For and on the behalf of the
Comptroller and Auditor General of India



Parama Sen
Principal Director of Commercial Audit
& ex-officio Member Audit Board II, Mumbai

Place: Mumbai
Date: 26 June 2014

ONGC Petro additions Limited



ONGC PETRO ADDITIONS LTD Balance Sheet as at 31st March 2014

(Rs in million)

Particulars	Note No.	As at	
		31st March 2014	31st March 2013
I EQUITY AND LIABILITIES :			
1 Shareholders' funds			
a) Share Capital	3	20,219.30	13,009.20
b) Reserves and Surplus	4	(5.73)	(2.10)
2 Share application money pending allotment	5	6,709.24	3,328.69
3 Non-current liabilities			
a) Long-term borrowings	6	1,40,046.03	16,740.00
b) Other Long term liabilities	7	2,638.53	1,769.48
c) Long-term provisions	8	5.56	1.42
4 Current liabilities			
a) Short-term borrowings	9	-	1,04,003.95
b) Other current liabilities	10	25,598.11	13,782.26
c) Short-term provisions	11	0.92	0.10
TOTAL		1,95,211.96	1,52,633.00
II ASSETS :			
1 Non-current assets			
a) Fixed Assets			
(i) Tangible assets	12	10,146.95	10,529.00
(ii) Intangible assets	13	4.27	1.33
(iii) Capital work-in-progress	14	1,41,087.29	1,01,596.50
b) Long-term loans and advances	15	36,927.44	40,318.56
c) Other non-current assets	16	42.99	-
2 Current assets			
a) Cash and cash equivalents	17	6,838.94	0.18
b) Short term loans and advances	18	140.03	162.58
c) Other current assets	19	24.05	24.85
Significant accounting policies & notes to financial statements	1 to 39		
TOTAL		1,95,211.96	1,52,633.00

Notes referred to above form an integral part of the Balance sheet

For Shah Mehta and Bakshi
Chartered Accountants


(J P Shah)
Partner
M No: 033115
FRN No: 103824W




(Subodh Prasad Pankaj)
Company Secretary

For and on behalf of the Board of Directors


(S.P. Bandopadhyay)
Chief Finance Officer


(K. Satyanarayana)
Chief Executive Officer

Place : Vadodra
Date : 20/5/2014


(S. Venkatraman)
Director


(D.K. Sarraf)
Chairman

ONGC PETRO ADDITIONS LTD
Statement of Profit and Loss for the year ended 31st March 2014

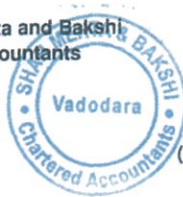
(Rs in million)

Particulars	Note No.	For the Year Ended	For the Year Ended
		31st March 2014	31st March 2013
I Revenue from Operations		-	-
II Other income	20	-	-
A : TOTAL INCOME		-	-
III Expenses :			
Employee Benefits Expense	21	-	-
Finance Costs	22	-	-
Power and Fuel	23	-	-
Depreciation and Amortization Expense	24	-	-
Rates Taxes and Duties	25	-	-
Other Expenses	26	3.63	2.10
Prior Period Items (Net)	27	-	-
B : TOTAL EXPENSES		3.63	2.10
IV Profit / (Loss) Before Tax (A - B)		(3.63)	(2.10)
V Tax Expenses			
(1) Current Tax		-	-
(2) Deferred Tax		-	-
VI Profit (Loss) For the Period		(3.63)	(2.10)
Earning Per Share (Face Value of Share is Rs. 10/-)			
Basic		(0.01)	(0.01)
Diluted		(0.01)	(0.01)
Significant accounting policies & notes to financial statements	1 to 39		

Notes referred to above form an integral part of Statement of the Profit and Loss

For Shah Mehta and Bakshi
Chartered Accountants


(J P Shah)
Partner
M No: 033115
FRN No: 103824W




(Subodh Prasad Pankaj)
Company Secretary

For and on behalf of the Board of Directors


(S.P. Bandopadhyay)
Chief Finance Officer


(K. Satyanarayana)
Chief Executive Officer

Place : Vadodra
Date : 20/5/2014


(S. Venkatraman)
Director


(D.K. Sarraf)
Chairman

ONGC PETRO ADDITIONS LTD.
NOTES FORMING PART OF ACCOUNTS

1. Corporate Information :

ONGC Petro additions Limited (OPAL), a joint venture company, was incorporated in 2006, as a Public Limited Company under the Companies Act, 1956, promoted by Oil and Natural Gas Corporation (ONGC) and co-promoted by GAIL and GSPC. The company is developing a Greenfield Petrochemical complex at Dahej SEZ - Gujarat.

2. SIGNIFICANT ACCOUNTING POLICIES

I. Basis for Preparation of Financial Statements

The Financial Statements have been prepared to comply in all material respect with the Notified Accounting Standards by Companies (Accounting Standards) Rules, 2006 read with the General Circular 15/2013 dated 13th September 2013 issued by Ministry of Company Affairs in respect of Section 133 of Companies Act, 2013 and the relevant provisions of the Companies Act, 1956 read with the General Circular 8/2014 dated 4th April 2014 issued by Ministry of Companies Affairs regarding various Provisions / Schedules / Rules. The financial Statements have been prepared under the historical cost convention on accrual basis, in accordance with the generally accepted accounting principles.

The Accounting policies applied are consistent with those used in the previous year unless otherwise stated.

II. Use of Estimates

The Preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at that date of the financial statements and the results of the operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates and such differences are recognized in the period in which the results are known or materialized.

III. Fixed Assets

a) Tangible Assets

Tangible Fixed assets are stated at cost less accumulated depreciation/amortization and impairments, if any. Direct cost including the purchase price and any attributable cost of bringing the asset to its working condition for its intended use are capitalized when fixed assets are ready for use.

b) Intangible Assets

Intangible assets resulting in future economic benefits, where the cost can be reliably measured, are capitalized.



ONGC PETRO ADDITIONS LTD.
NOTES FORMING PART OF ACCOUNTS

c) **Capital Work in Progress (Project Development Expenses)**

- i) CWIP includes all expenditure (net of any income) including administrative and general overhead expenses which are attributable to the project. Such expenses incurred upto the date of commencement of commercial operations are capitalized as part of the cost of fixed assets, based on proportionate cost of each asset.
- ii) In respect of Dahej Project Turnkey contracts, the value of supplies received at site, accepted and settled is treated as Capital Work in Progress.

IV. **Depreciation & Amortization :**

- a) Depreciation on Fixed Assets is provided for under the straight line method in accordance with the rate specified in Schedule XIV to the Companies Act, 1956.
- b) Leasehold land (including expenditure on development of Leasehold land) is amortized over the primary lease period. Depreciation on assets is provided on rates specified in Schedule XIV of Companies Act, 1956 or lease period (including extendable lease period) whichever is higher.
- c) Depreciation on individual assets costing upto Rs. 5,000/- is provided at the rate of 100% in the year of purchase.
- d) Intangible assets are amortized over the estimated useful life on SLM basis.

Intangible Asset	Estimated useful life (in years)
Computer Software	5 years

V. **Foreign Currency Transaction**

- a) Foreign currency transactions are recorded on initial recognition using exchange rate prevailing on the date of the transaction.
- b) Gains and losses resulting from the settlement of such transactions and from the translation of foreign currency monetary items as at the Balance Sheet date are recognized in the financial statements.

VI. **Employee Benefits**

- a) All short term employee benefits are recognized at undiscounted amount in the accounting period in which they are incurred.
- b) Defined contribution plan:
Company is registered under Provident Fund Act and monthly contributions are made by employees as per terms of the act. Matching contribution is made by the Company and the amount is deposited with provident fund authority. On retirement or separation, the contributions made are payable by the Provident Fund authority to the respective employees.



ONGC Petro additions Limited

ONGC PETRO ADDITIONS LTD. NOTES FORMING PART OF ACCOUNTS

Defined Benefit Plan & Other Long term Employee Benefits:

Benefit Plans in respect of Leave encashment, Compensated absence and Gratuity are recognized based on the present value of defined benefit obligation, which is computed on the basis of actuarial valuation using the Projected Unit Cost Method. Liability in excess of respective plan asset is recognized during the year. Provision for Gratuity is funded with a separate trust fund.

VII. Borrowing Cost

Borrowing cost that are attributable to the acquisition, construction or production of qualifying asset are capitalized as part of the cost of such asset, till such time as the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily takes substantial period of time to get ready for its intended use or sale.

VIII. Lease

Assets acquired on lease where a significant portion of risk and rewards of ownership are retained by the lessor are classified as operating leases. Lease rentals are recognized in the financial statements of the accounting period to which it relates.

IX. Taxes on Income

- a) Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax act 1961.
- b) Deferred tax is recognized on timing differences between the accounting income and the taxable income for the period and quantified using the tax rates and laws enacted or substantively enacted as on the balance sheet date.
- c) Deferred tax assets relating to unabsorbed depreciation / business losses are recognized and carried forward to the extent that there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.
- d) Other deferred tax assets are recognized and carried forward to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

X. Liquidated Damages

Liquidated damages, if any, are accounted for as and when recovery is made and the matter is considered settled by Management.

XI. Provisions, Contingent Liabilities and Contingent Assets

Provisions involve a substantial degree of estimation in measurement and are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not accounted for and are disclosed by way of notes to accounts. Contingent assets are neither recognized nor disclosed in the financial statement.



ONGC PETRO ADDITIONS LTD
NOTES FORMING PART OF ACCOUNTS

Note No. 3	As at	As at
SHARE CAPITAL	31st March 2014	31st March 2013
Authorised: 8,00,00,00,000 equity shares of Rs. 10/- each	80,000.00	80,000.00
Issued* 338,13,92,091 (PY 1,30,09,19,673) equity shares of Rs. 10/- each	33,813.92	13,009.20
Subscribed and Paid up 202,19,29,671 (PY 1,30,09,19,673) equity shares of Rs 10/- each fully paidup	20,219.30	13,009.20
Total	20,219.30	13,009.20

*The difference between share capital Issued and Subscribed & Paid up is on account of Right issue of shares approved by Company

i) Shares held by each shareholder holding more than 5% shares

Name of the shareholder	As at 31.03.2014		As at 31.03.2013	
	Numbers	%	Numbers	%
a) Oil and Natural Gas Corporation Ltd	99,79,55,639	49.36%	63,74,50,640	49.00%
b) GAIL (India) Limited	99,49,45,000	49.21%	63,44,40,001	48.77%

ii) Reconciliation of number of Shares outstanding

Particulars	No of Shares of Rs 10 each
As on 1st April 2013	1,30,09,19,673
Add : Shares issued during the year	72,10,09,998
Less : Reduction in number of shares issued	-
Balance as on 31st March 2014	2,02,19,29,671

iii) Terms / Rights attached to equity shares

The company has only one class of equity shares having 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 holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholder.

Note No. 4	As at	As at
RESERVES AND SURPLUS	31st March 2014	31st March 2013
Profit and Loss A/c		
Opening Balance	(2.10)	-
Add : During the year transferred from statement of profit and loss	(3.63)	(2.10)
Total	(5.73)	(2.10)

Note No. 5	As at	As at
Share application money pending allotment	31st March 2014	31st March 2013
Oil and Natural Gas Corporation Ltd.(ONGC)	6,709.24	3,328.69
Total	6,709.24	3,328.69

Disclosures

- 1 The share application money pending allotment is non refundable. Company will issue shares at par without differential rights upon approval by Board of Directors.
- 2 The company has sufficient authorized capital to convert the share capital amount after this proposed allotment of share.



ONGC PETRO ADDITIONS LTD

NOTES FORMING PART OF ACCOUNTS

Note No. 6	(Rs in million)	
	As at	As at
Long Term Borrowing	31st March 2014	31st March 2013
Term Loan (secured)		
From Banks		
Rupee Loan	1,44,529.02	16,740.00
External Commercial Borrowings (ECB)	13,307.80	-
From Others		
Rupee Loan	3,608.95	-
Sub total	1,61,445.77	16,740.00
Less : Current Maturity of Rupee Loan in FY 2014-15	21,399.74	-
Total	1,40,046.03	16,740.00

1 Key Terms

Rupee Loan (Rs in million)

Particulars	As at 31st March 2014	As at 31st March 2013	Rate of Interest	Terms of Repayment
1. Long Term Loans	1,10,303.61	Nil	11.75%	Repayable in 41 equal quarterly instalments starting in Q4 FY 2015-16 and ending in Q4 FY 2025-26.
2. Sub Debt	16,434.62	Nil	-	Repayable after 3 Years from the date of first disbursement, i.e. Rs 15834.62 million in Dec 2016 and Rs 600.00 million in March 2017
3. Medium Term Loans	21,399.74	16,740.00	11.00%	Medium Term Loans Rs 21,399.74 million (PY Rs 16,740 million) are repayable by 31.12.2014.
Total Rupee Loan	1,48,137.97	16,740.00		
Less : Maturity during 2014-15 (Medium Term Loans)	21,399.74	Nil		Repayable by 31.12.2014.
Net Rupee Loan	1,26,738.23	16,740.00		

*The Rate of interest applicable for Sub debt is base rate of respective Bank + spread 0.75%, effectively 11.00% as on 31.03.2014 , except for Bank of India where effective rate is 10.95% (Loan Amount Rs 7499.62 million PY Nil).

External Commercial Borrowings (ECB)

Particulars	31st March 2014	31st March 2013	Rate of Interest	Terms of Repayment
Facility - I	6,169.98	Nil	6 month USD LIBOR + 347 bps	As per schedule mentioned below
	4,113.32	Nil	6 month USD LIBOR + 355 bps	
Facility - II	3,024.50	Nil	6 month USD LIBOR + 324 bps	
Total	13,307.80	Nil		

2. Security

Rupee Term Loans and ECB :

- First ranking pari passu mortgage / charge on immovable and movable properties and assets, both present and future except Current Assets ;
- First ranking pari passu mortgage / assignment on intangible assets relating to project both present and future ; and
- Second ranking pari passu charge on any current asset with working capital lenders on reciprocal basis

Sub debt :

- A subservient Charge by way of hypothecation in favour of/for the benefit of the Lenders over the movable fixed assets, owned by the Borrower, both present and future, located in SEZ Dahej, Gujarat.
- A subservient Charge by way of mortgage of the lands and other immovable properties, owned by the borrower, located in SEZ Dahej, Gujarat, both present and future, in the form acceptable to the lenders.

3. Repayment terms of ECB

- Facility I : USD 250 million - Drawn till 31st March 2014 USD 170 million
 - 4 half yearly instalments of USD 12.50 million each commencing from March 2016
 - 4 half yearly instalments of USD 15.00 million each commencing from March 2018
 - 4 half yearly instalments of USD 17.50 million each commencing from March 2020
 - 2 half yearly instalments of USD 22.50 million each commencing from March 2022
 - Last instalment of USD 25.00 million in March 2023
- Facility II : USD 50 million - Drawn till 31st March 2014 USD 50 million
 - 2 half yearly instalments of USD 2.50 million each commencing from March 2016
 - 1 half yearly instalment of USD 3.00 million each Payable in March 2017
 - 1 half yearly instalment of USD 4.00 million each Payable in Sept 2017
 - 2 half yearly instalments of USD 6.00 million each commencing from March 2018
 - 1 half yearly instalment of USD 7.00 million each Payable in March 2019
 - 2 half yearly instalments of USD 9.50 million each commencing from Sept 2019



ONGC PETRO ADDITIONS LTD

NOTES FORMING PART OF ACCOUNTS

(Rs in million)

Note No. 7	As at	As at
Other Long Term Liabilities	31st March 2014	31st March 2013
Others - Contractors	2,638.53	1,769.48
Total	2,638.53	1,769.48

Note No. 8	As at	As at
Long Term Provisions	31st March 2014	31st March 2013
Provision for Employee Benefits		
- Leave	5.56	1.42
Total	5.56	1.42

Note No. 9	As at	As at
Short term borrowings	31st March 2014	31st March 2013
Unsecured :		
(A) Loan repayable on demand (Short Term Loans)		
(i) From Banks	-	1,04,003.95
Total	-	1,04,003.95

Note No. 10	As at	As at
Other Current Liabilities	31st March 2014	31st March 2013
Interest accrued but not due on borrowings	62.32	21.20
Current maturities of long-term debt		
- Secured Loans from Banks (Medium Term Loans)	21,399.74	-
Other payables		
- Capital Contracts	3,907.10	13,350.99
- Employees	0.41	0.70
- Others	164.47	156.25
- Statutory Dues	64.07	253.12
Total	25,598.11	13,782.26

Medium Term Loans Rs 21,399.74 million (PY Rs 16,740 million shown as long term loans) are repayable by 31.12.2014.

Medium Term Loans are secured by :

- First ranking pari passu mortgage / charge on immovable and movable properties and assets, both present and future except Current Assets ;
- First ranking pari passu mortgage / assignment on intangible assets relating to project both present and future ; and
- Second ranking pari passu charge on any current asset with working capital lenders on reciprocal basis

Note No. 11	As at	As at
Short term provisions	31st March 2014	31st March 2013
(A) Provision for employee benefits		
- Leave	0.92	0.10
Total	0.92	0.10



ONGC PETRO ADDITIONS LIMITED

Note No : 12 Fixed Assets(Tangible assets)

S.No	Particulars	Gross Block (At Cost)			Depreciation & Amortisation			Net Block	
		As at 01.04.2013	Additions/ Adjustment	Deduction	As at 31.03.2014	For the period/ Adjustment	Deduction	As at 31.03.2014	As at 01.04.2013
TANGIBLE ASSETS									
1	Leasehold Land	9,573.39	-	-	9,573.39	340.64	-	8,391.23	8,731.87
2	Leasehold Improvement	3.29	0.03	-	3.32	1.28	-	1.89	2.68
3	Road, Culverts	504.27	-	-	504.27	8.84	-	23.99	489.12
4	Factory Buildings on Leasehold Land	543.92	(15.08)	-	528.84	16.92	-	57.37	503.47
5	Other Buildings on Leasehold Land	224.14	16.95	-	241.09	4.72	-	12.01	216.85
6	Plant and Machinery	496.18	6.79	-	502.97	24.03	-	64.45	438.52
7	Office Equipment	22.69	2.52	0.16	25.05	2.15	0.07	4.44	20.61
8	Computer	14.57	4.14	0.12	18.59	2.87	0.04	7.21	11.38
9	Furniture & Fixture	111.81	11.00	-	122.81	9.37	-	22.45	100.36
10	Vehicles	-	2.59	-	2.59	-	-	-	2.59
	Total	11,494.26	28.94	0.28	11,522.92	410.82	0.11	1,375.97	10,146.95
	Previous Year (As at 31-03-13)	11,333.14	161.28	0.16	11,494.26	413.74	0.06	965.26	10,529.00
									10,781.56

Note No -13: Fixed Assets (Intangible Assets)

S.No	Particulars	Gross Block (At Cost)			Depreciation & Amortisation			Net Block	
		As at 01.04.2013	Additions/ Adjustment	Deduction	As at 31.03.2014	For the period/ Adjustment	Deduction	As at 31.03.2014	As at 01.04.2013
INTANGIBLE ASSETS									
1	Computer - Software	2.46	3.59	-	6.05	0.65	-	1.78	4.27
	Total	2.46	3.59	-	6.05	0.65	-	1.78	4.27
	Previous Year (As at 31-03-13)	2.04	0.42	-	2.46	0.50	-	1.13	1.33



ONGC PETRO ADDITIONS LIMITED

Note No. 14 Capital Work in Progress

Particulars	As at 01.04.2013	Additions	Deduction & Adjustments	Capitalised during the Year	As at 31.03.2014
(Rs in million)					
Tangible Capital Work in Progress					
Dual Feed Cracker and Associated Units (DFCU)	35,665.18	1,363.88	388.14	-	37,417.20
Double Walled Storage Tank (DWST)	2,717.72	330.13	1.26	-	3,049.11
Distributed Control System (DCS)	19.34	104.68	-	-	124.02
Butane 1	1,123.77	522.08	1.03	-	1,646.88
Cooling Water System (CWS)	1,764.07	601.32	-	-	2,365.39
Effluent Collection & Treatment System (ECTS)	533.86	649.66	-0.15	-	1,183.37
Integrated Utilities & Offsites (IU & O)	10,128.26	3,297.48	0.80	-	13,426.54
Pipeline and Associated work	220.41	53.82	-	-	274.23
Inert Gas and Compressed Air System (IA/PA)	560.75	157.53	0.21	-	718.49
Captive Power Plant (CPP)	9,974.39	4,690.80	-	-	14,665.19
Polyethylene (PE)	3,009.55	3,724.98	-4.76	-	6,729.77
Polypropylene (PP)	1,786.04	3,008.76	1.46	-	4,796.26
Product Warehouse (PWH)	529.57	539.59	-	-	1,069.16
Central Laboratory	-	379.18	-	-	379.18
High Density Poly Ethylene (HDPE)	7,010.33	3,061.65	20.03	-	10,092.01
Intangible Capital Work in Progress					
Intangible Assets (SAP)	-	89.08	-	-	89.08
Green Belt Development Expenses	34.67	9.88	-	-	44.55
License Fees	1,267.60	95.66	-	-	1,363.26
Consultancy	4,513.27	648.00	-	-	5,161.27
Subtotal	80,858.78	23,328.16	408.02	-	1,04,594.96
Finance and Interest Charges (Note No. 22)	18046.82	15255.35	-	-	33302.17
Incidental Expenses During Construction (As per Note No 14.1)	2690.90	943.05	-	-	3633.95
Transfer of Earlier year Expense*	-	-	-408.02	-	-408.02
A) to Capital Work in Progress Note No 14	-	-	-35.77	-	-35.77
b) to Unamortised Expenses in note No 16	-	-	-	-	-
Total	1,01,596.50	39,526.56	-35.77	-	1,41,087.29



* These expenses were considered as IEDC i.e. Indirect expenses in earlier years. Now considered as Tangible Capital Work in Progress i.e. Direct Expense and unamortised expense respectively and transferred accordingly

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Note No 14.1 : Incidental Expenditure during Construction Period

(Rs in million)

	Transferred from Note No.	For the Year Ended 31st March 2014	For the Year Ended 31st March 2013
Incidental Expenditure during Construction Period			
Employee Benefit Expenses	21	291.25	217.49
Power and Fuel	23	17.49	17.10
Depreciation and Amortization	24 & 27	411.47	414.24
Rates Duties and Taxes	25	1.37	(6.09)
Other Expenses	26	265.19	443.76
Less :			
a) Other Income	20	43.72	1.50
		986.77	1,086.50
		43.72	1.50
Less : Transferred to CWIP (Note No 14)		943.05	1,085.00

(Rs in million)

Note No. 15	As at	As at
Long Term Loans and Advances	31st March 2014	31st March 2013
Unsecured, Considered Good, unless otherwise stated		
Capital Advance to contractors - against Bank Guarantee	1,597.76	2,417.14
Capital advance to Contractors against Supply of Goods		
Inert Gas and Compressed Air System (IA/PA)	24.01	74.15
Pipeline and Associated work	1.66	2.63
Distributed Control System (DCS)	74.72	31.85
Product Warehouse (PWH)	1,075.86	-
Butane 1	95.18	366.72
Polyethylene	753.96	841.18
Polyethylene	2,865.28	3,102.69
Polypropylene	256.77	399.91
Polypropylene	795.17	2,001.29
Integrated Utilities & Offsites (IU & O)	1,777.82	771.15
Effluent Collection & Treatment Package (ECTS)	112.40	127.91
Captive Power Plant (CPP)	789.25	1,715.02
Cooling Water System (CWS)	54.26	65.79
Dual Feed Cracker And Associated Units	14,787.34	14,787.34
Dual Feed Cracker And Associated Units	9,422.31	9,895.06
High Density Polyethylene(HDPE)	0.13	2,130.90
Optical Control System (Central Laboratory)	521.57	-
Double Walled Storage Tank (DWST)	8.55	77.66
Other Capital advance		
Security Deposit	205.09	144.35
Other Long Term Advances	1,708.35	1,365.82
Total	36,927.44	40,318.56



ONGC PETRO ADDITIONS LTD

NOTES FORMING PART OF ACCOUNTS

Note No. 16	As at	As at
Other non-current assets	31st March 2014	31st March 2013
<u>Unamortised Expenses</u>		
Share Issue Expenses*	42.99	-
Total	42.99	-

* Includes share issue expenses of Rs 35.77 Million incurred and treated as CWIP in earlier years.

Note No. 17	As at	As at
Cash and Cash Equivalents	31st March 2014	31st March 2013
Balances with Bank		
Current Account	7.62	0.16
Short Term Deposit	6,831.29	-
Imprest	0.03	0.02
Total	6,838.94	0.18

Note No. 18	As at	As at
Short Term Loans and Advances	31st March 2014	31st March 2013
Unsecured, Considered Good, unless otherwise stated		
Other Short Term Advances	140.03	162.58
Total	140.03	162.58

Note No. 19	As at	As at
Other Current Assets	31st March 2014	31st March 2013
Unsecured, Considered Good, unless otherwise stated		
Advances	13.27	14.73
Service Tax Receivable	6.55	8.59
Tax Deducted at Source	4.23	1.53
Total	24.05	24.85



ONGC PETRO ADDITIONS LTD

NOTES FORMING PART OF ACCOUNTS

(Rs in million)

Note No 20	For the Year Ended	For the Year Ended
Other Income	31st March 2014	31st March 2013
Recovery from Contractor / Tender Fee	0.36	0.89
Interest Income [TDS Rs 2.68 million (PY Rs 0.05 million)]	41.52	0.54
Other Income [TDS Rs 0.02 million (PY Nil)]	1.84	0.07
Total	43.72	1.50
Less : Transferred to Incidental Expense During Construction Period (Note No 14.1)	43.72	1.50
Net Transferred to Statement of Profit and Loss	-	-

Note No 21	For the Year Ended	For the Year Ended
Employee Benefits Expenses	31st March 2014	31st March 2013
Salary and Wages	279.32	210.55
Contribution to Provident Fund & Gratuity Fund	9.27	5.63
Staff Welfare Expense	2.66	1.31
Total	291.25	217.49
Less : Transferred to Incidental Expense During Construction Period (Note No 14.1)	291.25	217.49
Net Transferred to Statement of Profit and Loss	-	-

Note No 22	For the Year Ended	For the Year Ended
Finance costs	31st March 2014	31st March 2013
Interest		
- Banks & NBFC	15,001.48	9,720.86
- Others	0.08	0.27
Finance Charges	253.29	150.71
Bank charges	0.50	0.92
Total	15,255.35	9,872.76
Less : Transferred to Capital Work in Progress (Note No 14)	15,255.35	9,872.76
Net Transferred to Statement of Profit and Loss	-	-

Note No 23	For the Year Ended	For the Year Ended
Power & Fuel	31st March 2014	31st March 2013
Electricity Expense - Site	17.49	17.10
Total	17.49	17.10
Less : Transferred to Incidental Expense During Construction Period (Note No 14.1)	17.49	17.10
Net Transferred to Statement of Profit and Loss	-	-



ONGC PETRO ADDITIONS LTD

NOTES FORMING PART OF ACCOUNTS

(Rs in million)

Note No 24	For the Year Ended 31st March 2014	For the Year Ended 31st March 2013
Depreciation and Amortization expense		
Depreciation and Amortization	411.90	406.22
Total	411.90	406.22
Less : Transferred to Incidental Expense During Construction Period (Note No 14.1)	411.90	406.22
Net Transferred to Statement of Profit and Loss	-	-

Note No 25	For the Year Ended 31st March 2014	For the Year Ended 31st March 2013
Rates Duties and Taxes		
Rates Duties and Taxes*	1.37	(6.09)
Total	1.37	(6.09)
Less : Transferred to Incidental Expense During Construction Period (Note No 14.1)	1.37	(6.09)
Net Transferred to Statement of Profit and Loss	-	-

*Previous financial year figure of Rs (6.09) million include share allotment fee etc. Rs 13.29 million

Note No 26	For the Year Ended 31st March 2014	For the Year Ended 31st March 2013
Other Expenses		
Rent	26.35	22.30
DSL Lease rent & Other Charges	70.39	120.39
Conveyance, Tour & Travel	65.05	49.85
Repair to Building	2.13	1.79
Other Repairs	4.30	1.94
Insurance Expense	0.67	0.77
Foreign Exchange Fluctuation	20.82	199.95
Internal Audit Fees	0.22	0.20
Loss on Sale of Asset	0.04	0.07
Statutory Audit Fees	0.28	0.25
Other Expense	3.09	1.58
Security Expenses	11.66	4.59
Water and Electricity Charges	0.91	5.24
Printing and Stationery	2.42	1.82
Caretaking Expenses	8.83	7.46
Miscellaneous	51.66	27.66
Total	268.82	445.86
Less : Transferred to Incidental Expense During Construction Period (Note No 14.1)	265.19	443.76
Net Transferred to Statement of Profit and Loss	3.63	2.10

Note No 27	For the Year Ended 31st March 2014	For the Year Ended 31st March 2013
Prior Period Items		
Depreciation	(0.43)	8.02
Total	(0.43)	8.02
Less : Transferred to Incidental Expense During Construction Period (Note No 14.1)	(0.43)	8.02
Net Transferred to Statement of Profit and Loss	-	-



Notes forming integral part of Balance Sheet and Statement of Profit and Loss:

28. Contingent Liabilities and Commitments (to the extent not provided for)

Particulars	(Rs in million)	
	2013-14	2012-13
(I) Contingent Liabilities		
(a) Claims against the company not acknowledged as debt	-	-
(b) Guarantees:		
- The company has executed a Performance Bond-cum-Legal undertaking in favor of the President of India acting through the Development Commissioner of Kandla, Special Economic Zone and the Specified Officer, binding itself to follow and accept the Special Economic Zone Act and Rules provided thereunder and also the terms, as prescribed in Development Commissioner's Letter of Approval No. KASEZ/P&C/6/28/07-08/7722 Dated. 16.10.2007.	15,000.00	15,000.00
- Letter of Credit	225.32	-
- Guarantees execution for financial obligation in form of Comfort Letters issued	810.29	-
(c) Other money for which the company is contingently liable: Demand for Stamp duty by Deputy Commissioner of Revenue & Stamps for Foreign Bank Guarantee submitted by Samsung Engineering Company Ltd (South Korea) and Linde AG (Germany) which is considered as bond eligible for payment of stamp duty.	2.00	2.00
(II) Commitments		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for.	28038.22	43,456.97
(b) Uncalled liability of shares and other investments partly paid.	-	-
(c) Other Commitments.	-	-

29. Expenditure incurred in foreign currency :

Sr.No.	Particulars	(Rs. in million)	
		2013-14	2012-13
1.	Capital Goods (CIF basis)	9532.10	12329.12
2.	Know – how, professional and consultation fees	83.49	4.67
3.	Interest & Finance charges	294.81	-
4.	Others	5.48	6.72
Total		9915.88	12340.51

Earning in foreign currency :

Sr.No.	Particulars	(Rs. in million)	
		2013-14	2012-13
1.	Interest	9.14	-



ONGC Petro additions Limited

30. Payment to the Auditor :

(Amount in Rs.)

Particulars	2013-14	2012-13
As Auditor	2,75,000	250,000
For Taxation Matters	-	-
For Company Law Matters	-	-
For Management Services	-	-
For Other Services	1,50,000	-
For Reimbursement of expenses	-	93,280

31. The disclosure required under Revised Accounting Standard 15 is given as below: -

a) The total amount recognized in the financial statements is as follows:

(Rs. in million)

Sr No.	Particulars	Gratuity		Earned Leave		HPL*
		2013-14	2012-13	2013-14	2012-13	2013-14
1	Current Service Cost	2.76	1.74	1.97	0.78	2.13
2	Interest on Obligation	0.29	0.18	0.11	0.09	
3	Expected return on plan assets	(0.38)	(0.25)	Nil	Nil	
4	Net actuarial Losses/ (-) Gains recognized in year	0.12	(0.09)	0.92	(0.43)	
5	Past Service Cost	Nil	Nil	Nil	Nil	
6	Losses / (Gains) on curtailments and settlement	Nil	Nil	Nil	Nil	
7	Total included in 'employee benefit expense'.	2.79	1.58	3.00	0.44	

b) The amounts recognized in the balance sheet for post-employment benefit plans are as under:

(Rs. in million)

Sr No.	Particulars	Gratuity		Leave		HPL*
		2013-14	2012-13	2013-14	2012-13	2013-14
1	Present Value of Funded Obligation	6.82	3.87	Nil	Nil	Nil
2	Present Value of Unfunded Obligation	Nil	Nil	4.35	1.52	2.13
3	Fair Value of Plan Assets	7.04	4.28	Nil	Nil	Nil
4	Unrecognized Past Service Cost	Nil	Nil	Nil	Nil	Nil
5	Net Obligation	Nil	Nil	4.35	1.52	2.13
6	Liability for Retired employees	Nil	Nil	Nil	Nil	Nil
7	Total Provision	Nil	Nil	4.35	1.52	2.13



- c) Reconciliation showing the movements during the period in the net liability recognized in the balance sheet:

(Rs.in million)

Sr No.	Particulars	Gratuity		Leave		HPL*
		2013-14	2012-13	2013-14	2012-13	2013-14
1.	Opening defined benefit obligation	3.87	2.42	1.52	1.19	Nil
2.	Current Service Cost	2.76	1.74	1.97	0.78	2.13
3.	Past Service Cost	Nil	Nil	Nil	Nil	
4.	Interest Cost	0.29	0.18	0.11	0.09	
5.	Actuarial losses / (gains)	0.20	(0.06)	0.92	(0.43)	
6.	Exchange differences on foreign plans	Nil	Nil	Nil	Nil	Nil
7.	Benefits paid	(0.30)	(0.41)	(0.17)	(0.11)	Nil
8A	Current Obligation	0.83	0.17	0.59	0.10	0.34
8B	Non-Current Obligation	5.99	3.70	3.76	1.42	1.79
	Total (8A+8B)	6.82	3.87	4.35	1.52	2.13

- d) Statement of Reconciliation of balance of Fair Value of Plan Assets in respect of Gratuity:-

(Rs.in million)

Particulars	2013-14	2012-13
Fair Value of Plan Asset at Beginning	4.28	2.79
Expected Return on Plan Assets	0.38	0.25
Contribution by employer	2.60	1.62
Benefits Paid	(0.30)	(0.41)
Actuarial gain/loss on Plan Assets	0.08	0.03
Fair Value of Plan Asset at the end of the year	7.04	4.28

- e) Principal actuarial assumption at the balance sheet date (expressed as weighted average):

Sr No.	Particulars	Gratuity	Earned Leave and HPL
1	Discount rate (%)	7.50	7.50
2	Expected return on plan assets (%)	9.00	-
3.	Annual Increase in Salary (%)	8.00	8.00



f) Other Disclosures

(Rs. in million)

Gratuity Provision	2013-14	2012-13	2011-12	2010-11
Experience adjustment on plan liabilities (loss)/gain	(0.20)	0.06	0.06	0.11
Experience adjustment on plan assets (loss)/gain	0.08	0.03	0.08	(0.07)

Leave Provision	2013-14	2012-13	2011-12	2010-11
Experience adjustment on plan assets (loss)/gain	(0.92)	0.43	0.71	0.18

Category of Plan Assets of Gratuity Trust	% of Investment as at	
	As at 31.03.14	As at 31.03.13
Administered by Life Insurance Corp. (LIC)	100.00	100.00
Total	100.00	100.00

* Half Pay Leave (HPL) has been approved from FY 2013-14, therefore there is no corresponding previous year figures.

32. Segment reporting

Since the company is in project stage, the company does not have any reportable segment.

33. Related Party Disclosures**Related parties**

Name of the Party	Nature of Relationship
Oil & Natural Gas Corporation Limited (ONGC)	Joint Venturer
Gail (India) Ltd. (GAIL)	Joint Venturer
Gujarat State Petroleum Corporation Ltd. (GSPC)	Joint Venturer
Dr. P.S.V. Rao, CEO	Key Managerial Person (KMP)

Transactions with related parties: -

a) With Joint Venturer

(Rs. in million)

Particulars	ONGC	GAIL	GSPC
Reimbursement of Expenses on behalf of OPaL	117.63 (119.07)	11.65 (-)	- (-)
Share application money received	6985.60 (-)	3605.05 (2985.60)	- (-)
Issue of Share Capital	3605.05 (6374.30)	3605.05 (6344.40)	- (290.00)



b) With Key Managerial Person (KMP)

Details of Transaction with KMP	Rs in million
Remuneration of CEO	4.19 (4.93)*

* Remuneration of CEO includes amount of salary and perquisites reimbursed to ONGC Ltd for the period up to December 2012.

Related Party Balances: -

Particulars	(Rs. in million)	
	ONGC	GAIL
Balance of Share Application Money Pending Allotment	6709.24 (3328.69)	- -
Balance of reimbursement of Expenses	54.52 (42.96)	0.38 (-)
Balance of Security Deposit paid by OPaL	- (-)	1.60 (1.20)

34. Earnings Per Share :

The company reports basic and diluted earnings per equity share in accordance with AS-20, 'Earning 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 share outstanding during the year.

Diluted earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the year after adjusting for the effects of all dilutive potential equity shares.

Particulars	Unit	2013-14	2012-13
Net Profit / (Loss) after Tax	Rupees in million	(3.63)	(2.10)
Weighted average number of Equity Shares	No. of Shares	1929087288	709291274
Basic Earnings Per Share	Rupees	(0.01)*	(0.01)*
Net Profit / (Loss) after Tax	Rupees in million	(3.63)	(2.10)
Weighted average number of Equity Shares	No. of Shares	1929087288	709291274
Weighted average number of Potential Equity Shares	No. of Shares	622791515	332869360
Total Weighted average number of Equity Shares	No. of Shares	2551878803	1042160634
Diluted Earnings per Share	Rupees	(0.01)*	(0.01)*

* Less than Rupee 0.01 per share, hence shown as 0.01



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35. Disclosure under Micro, Small and Medium Enterprise Development Act, 2006 :

Company had sought confirmation from the vendors whether they fall in the category of Small and Medium Enterprises. Based on information available, the disclosure under Small and Medium Enterprise Development Act, 2006 is given below.

(Rs in million)

Particulars	2013-14	2012-13
a) Principal amount remaining unpaid but not due as at year end	Nil	Nil
b) Interest due thereon as at year end	Nil	Nil
c) Interest paid by the company in terms of section 15 of Micro, Small and Medium Enterprise Development Act, 2006 along with the amount of the repayment made to the supplier beyond the appointed day during the year.	Nil	Nil
d) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	Nil	Nil
e) Interest accrued and remaining unpaid at the end of the year	Nil	Nil
f) Further Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise	Nil	Nil

36. Since the project is in advanced stage of implementation, only expenditure which are not directly attributable to project have been charged to statement of Profit and Loss. Further, variances on account of foreign currency transaction / translation arising in respect of contracts awarded by Company for specific capital works, the same has been considered as cost of respective contract to which it relates.

37. In respect of assets namely Laptops and Mobile phones, depreciation was being charged at rates applicable as per Schedule XIV of Companies Act, 1956. However, during current year company has estimated useful life of these assets and charged depreciation accordingly. Due to change in estimates current year's depreciation is higher by Rs 0.48 million.

38. In the opinion of the Management and to the best of its knowledge and belief, the value on realization of current assets, loans, advances and payment for currency liabilities and provisions in the ordinary course of business would not be less/ more, than the amount at which they are stated in the Balance Sheet.

39. a) Amounts in the financial statement are presented in Rupees in million, except otherwise stated.
b) Previous year's figures have been regrouped /reclassified wherever necessary to conform to current year's presentation
c) Figures in bracket as given in Notes to Accounts relates to the previous year.



ONGC PETRO ADDITIONS LIMITED

Cash flow statement

(Rs. in million)

	Year ended on 31st March 2014	Year ended on 31st March, 2013
A. Cash flow from Operating Activities:		
Net Profit (Loss)before Tax, prior period and extraordinary items	(3.63)	(2.10)
B. Cash flow from Investing Activities:		
Project Development expenses	(39,490.79)	(52,138.56)
Fixed Assets	(32.25)	(161.54)
Change in Other Assets	3,371.48	(6,819.32)
Change in Other Liabilities	12,689.86	4,924.19
Depreciation	411.36	414.18
	(23,050.34)	(53,781.05)
C. Cash Flow from Financing Activities:		
Proceeds from equity	10,590.65	2,985.60
Proceeds from Borrowings (Long Term Loan)	1,23,306.03	16,740.00
Proceeds from Borrowings (Short Term Loan)	(1,04,003.95)	34,054.80
	29,892.73	53,780.40
Net Increases / (Decrease) in Cash & CashEquivalents (A+B+C)	6,838.76	(2.75)
Cash and Cash equivalents as at 1st April, 2013	0.18	2.93
Cash and Cash equivalents as at 31st March 2014	6,838.94	0.18

Notes:

- The above Cash flow statement has been prepared under the indirect method as set out in the AS-3 on Cash Flow Statements issued by the Institute of Chartered Accountants of India.
- Cash and Cash equivalent represents Bank Balances with Scheduled Bank as per Note No -17
- Figures in bracket indicates Cash Outflow / Deduction
- Previous Year figures have been regrouped when necessary to conform to the year's classification

In terms of our report attached

For Shah Mehta and Bakshi
Chartered Accountants


(J P Shah)
Partner
M No: 033115
FRN No: 103824W



For and on behalf of the Board of Directors


(Subodh Prasad Pankaj)
Company Secretary


(S.P. Bandopadhyay)
Chief Finance Officer


(K. Satyaranayana)
Chief Executive Officer


(S. Venkatraman)
Director


(D.K. Sarraf)
Chairman

Place : Vadodra
Date : 20/5/2014





ONGC Petro additions Limited

1st Floor, Omkara Building

Sai Chokdi, Manjalpur,

Vadodara-390011, Gujarat

