

# चेन्नै पेट्रोलियम कॉर्पोरेशन लिमिटेड

(इंडियनऑयल की ग्रुप कम्पनी)

## Chennai Petroleum Corporation Limited

(A group company of IndianOil)



CS:01:049

19.01.2018

The Secretary,  
BSE Ltd.  
Phiroze Jeejeeboy Towers,  
25th Floor, Dalal Street,  
Mumbai – 400 001

National Stock Exchange of India Limited  
Exchange Plaza, 5th Floor  
Plot No.C/1, G-Block,  
Bandra Kurla Complex  
Bandra (e)  
Mumbai – 400 051

Dear Sir,

**Sub: Un-Audited Financial Results for the Quarter and Nine Months ended 31.12.2017**

Pursuant to the Regulation 33 of SEBI (Listing Obligation & Disclosure Requirements) 2015, we enclose the Unaudited Standalone Financial Results for the Quarter and Nine Months ended 31.12.2017 along with the Limited Review Report duly approved by the Board of Directors of the Company at its meeting held on 19.01.2018.

The meeting of the Board of Directors of the Company commenced at 15.30 Hrs and concluded at 18.45 Hrs.

This is for your information and record please.

Thanking you,

Yours Faithfully,  
For **Chennai Petroleum Corporation Limited**,

  
**P.SHANKAR**  
COMPANY SECRETARY

Encl.: a/a



**CHENNAI PETROLEUM CORPORATION LIMITED**

(A group company of IndianOil)

Regd. Office: 536, Anna Salai, Teynampet, Chennai - 600 018

Website : www.cpcl.co.in ; Email id: sld@cpcl.co.in

Tel: 044-24349833 / 24346807 Fax: 044-24341753

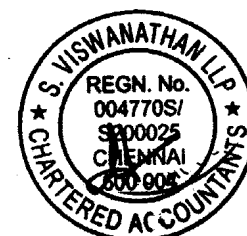
CIN - L40101TN1965GOI005389

**STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2017**

(₹ in crore)

Sl. No	Particulars	THREE MONTHS ENDED			NINE MONTHS ENDED		YEAR ENDED
		31.12.2017	30.09.2017	31.12.2016	31.12.2017	31.12.2016	31.03.2017
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>A.</b>	<b>FINANCIAL</b>						
I	Revenue from Operations (Refer Note 11)	11333.26	10495.70	10623.37	31478.39	31120.63	40607.51
II	Other Income (Refer Note 10)	73.90	10.05	2.70	59.85	14.83	40.05
III	<b>Total Income (I+II)</b>	<b>11407.16</b>	<b>10505.75</b>	<b>10626.07</b>	<b>31538.24</b>	<b>31135.46</b>	<b>40647.56</b>
<b>IV</b>	<b>Expenses</b>						
a)	Cost of materials consumed	7720.80	6288.83	6235.32	20516.90	18506.45	24255.78
b)	Purchase of stock-in-trade (Refer Note 11)	120.96	49.37	15.06	273.56	99.94	159.57
c)	Changes in inventories (Finished goods and work-in-progress) (Increase)/decrease	(391.18)	159.52	184.93	(647.12)	(148.11)	105.03
d)	Excise duty	2746.09	3037.78	3356.68	8739.16	10256.99	12915.98
e)	Employee benefits expense (Refer Note 8)	123.42	117.75	94.60	386.44	290.64	512.88
f)	Finance costs (Refer Note 5)	101.65	65.87	64.81	242.17	197.58	272.78
g)	Depreciation and Amortisation expense	85.06	73.03	66.41	229.46	200.66	278.63
h)	Impairment of Non Current Assets	0.68	3.22	-	4.07	-	61.79
i)	Other Expenses (Refer Note 10)	178.89	203.79	198.28	509.79	545.15	720.07
	<b>Total Expenses (IV)</b>	<b>10686.37</b>	<b>9999.16</b>	<b>10216.09</b>	<b>30254.43</b>	<b>29949.30</b>	<b>39282.51</b>
<b>V</b>	<b>Profit / (Loss) before exceptional items and tax (III - IV)</b>	<b>720.79</b>	<b>506.59</b>	<b>409.98</b>	<b>1283.81</b>	<b>1186.16</b>	<b>1365.05</b>
VI	Exceptional items - Income / (Expenses)	-	-	-	-	-	-
<b>VII</b>	<b>Profit / (Loss) before tax (V+VI)</b>	<b>720.79</b>	<b>506.59</b>	<b>409.98</b>	<b>1283.81</b>	<b>1186.16</b>	<b>1365.05</b>
VIII	Tax Expense (Refer Note 5)						
	- Current Tax (including earlier years)	213.40	115.74	87.50	342.15	269.85	308.03
	- Deferred Tax	121.17	75.77	31.39	206.87	57.37	27.27
<b>IX</b>	<b>Net Profit / (Loss) for the period (VII - VIII)</b>	<b>386.22</b>	<b>315.08</b>	<b>291.09</b>	<b>734.79</b>	<b>858.94</b>	<b>1029.75</b>
<b>X</b>	<b>Other Comprehensive Income</b>						
	A(i) Items that will not be reclassified to profit or loss	-	-	-	-	-	(8.69)
	A(ii) Income Tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	3.01
	B(i) Items that will be reclassified to profit or loss	-	-	-	-	-	-
	B(ii) Income Tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
<b>XI</b>	<b>Total Comprehensive Income for the period (IX+X)</b>	<b>386.22</b>	<b>315.08</b>	<b>291.09</b>	<b>734.79</b>	<b>858.94</b>	<b>1024.07</b>
XII	Paid-up Equity Share Capital (Face value ₹ 10/- each)	149.00	149.00	149.00	149.00	149.00	149.00
XIII	Other Equity excluding Revaluation Reserves	-	-	-	-	-	3164.80
XIV	Earnings Per Share (₹) (not annualised) (Basic and Diluted) (Face value of ₹ 10/- each)	25.94	21.16	19.55	49.34	57.68	69.15
<b>B.</b>	<b>PHYSICAL</b>						
	- Crude Throughput ( in MMT)	2.744	2.643	2.598	7.976	8.170	10.256

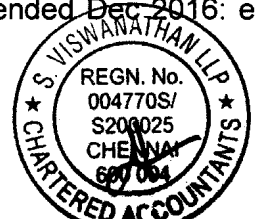
Also Refer accompanying notes to the Financial Results



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**Notes:**

1. The above results have been reviewed and recommended by the Audit Committee and approved by the Board of Directors at the respective meetings held on 19<sup>th</sup> January 2018.
2. The Financial Results have been reviewed by the Statutory Auditors as required under regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
3. The company operates only in one segment, i.e, Petroleum Sector. As such reporting is done on a single segment basis.
4. Average Gross Refining Margin for the nine months ended Dec 2017 is US\$ 6.64 per bbl (Nine months ended Dec 2016: US \$ 5.81 per bbl)
5. (i) Tax expense includes provision for income tax in respect of earlier years amounting to ₹ 66.00 Cr and interest thereon amounting to ₹ 23.53 Cr has been included under finance cost based on the Income Tax Appellate Tribunal order received during the quarter. However, the company is in process of filing appeal with the Madras High Court.  
  
(ii) The benefit of unabsorbed losses had resulted in lower tax provision in the previous year.
6. Preference Shares are treated as financial liability as per Ind AS 32, as these are redeemable on maturity for a fixed determinable amount and carry fixed rate of dividend. Correspondingly, in line with the requirements of Ind AS 32, pending the approval of shareholders, proportionate preference dividend including dividend distribution tax thereon, has been provisionally accrued as finance cost for the quarter ended Dec 2017: ₹ 20.17 Cr and for the nine months ended Dec 2017: ₹ 60.30 Cr (Oct to Dec 2016: ₹ 20.17 Cr; April to Dec 2016: ₹ 60.30 Cr). However, as per the Companies Act 2013, the preference shares are treated as part of share capital and the provisions of the Act relating to declaration of Preference Dividend at the end of the year would be applicable.
7. The listed Non – Convertible Debentures (Series – II) aggregating to ₹ 1000 crore as on 31.12.2017 are secured by first charge on specific plant & machinery along with the underlying land together with all the building and structures standing on the said land to the extent of ₹ 1000 crore. Credit Rating in respect of these Debentures is AAA (Stable) from CRISIL & CARE. The previous due date, next due date for payment of Interest are 10.01.2017 & 10.01.2018 respectively. The principal amount of ₹ 1000 Cr is due for redemption on 10.01.2019.
8. The revision in pay and allowances of employees is due from 01.01.2017. Based on receipt of DPE guidelines for revision of pay for executives in the previous quarter, the provision for all employees including non-executives was estimated and provided for proportionately upto 30.09.2017. During the current quarter, consequent to receipt of Presidential directive dated 29.11.2017, an amount of ₹ 2.69 Cr has been disbursed to executives and accordingly after adjusting the said amount, the residual amount of ₹ 13.31 Cr of the estimated amount has been provided. Adjustments, if any on finalisation, will be carried out appropriately.
9. Impairment of Non Current Assets represents provision in respect of Cauvery Basin Refinery in accordance with Ind As -36 "Impairment of Assets"
10. Other income for the quarter ended Dec 2017 includes exchange gain of ₹ 61.50 Cr (Quarter ended Dec 2016: exchange loss of ₹ 38.56 Cr included under Other expense) and for the nine months ended Dec 2017 includes exchange gain of ₹ 30.07 Cr. (Nine months ended Dec 2016: exchange loss of ₹ 55.50 Cr included under Other expense).



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11. (i) Goods and Services Tax (GST) has been implemented w.e.f.01.07.2017 wherein some of the petroleum products have come under its ambit. Accordingly, GST is being levied on these products as against Excise Duty applicable hitherto. Since Excise duty is included in revenue and GST is not included in revenue, the comparable turnover after netting off Excise duty on products on which GST has now been levied, for periods before 01.07.2017, is tabulated below :

(₹ in crore)

Particulars	Quarter ended	Quarter ended	Quarter ended	Nine months ended		Year ended
	31.12.2017	30.09.2017	31.12.2016	31.12.2017	31.12.2016	31.03.2017
Revenue (gross)	11333.26	10495.70	10623.37	31478.39	31120.63	40607.51
Less: Excise Duty	-	-	143.04	173.85	480.52	636.95
Net comparable revenue	11333.26	10495.70	10480.33	31304.54	30640.11	39970.56

(ii) Sale to certain customers, which involves return of material upon extraction of relevant products are being invoiced in the current quarter for the gross supply quantity by the company and quantity returned is being invoiced by the customer on the company. Accordingly, the quantity supplied to the extent received by the company after extraction is included in both Revenue from operations and purchase of stock in trade to the extent of ₹ 112.01 Cr in line with the invoicing pattern under GST.

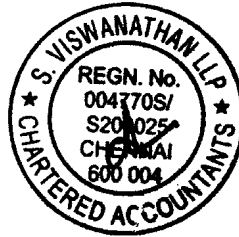
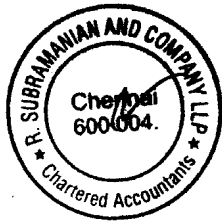
12. Figures for the previous periods have been re-grouped wherever necessary.

For and on behalf of the Board of Directors

*S. Krishna Prasad*

S. Krishna Prasad  
DIRECTOR (FINANCE)  
DIN No:03065333

Place: Chennai  
Date: January 19, 2018



**R. SUBRAMANIAN AND COMPANY LLP****Chartered Accountants**New No.6, Old No.36,  
Krishnaswamy Avenue,  
Luz, Mylapore,  
Chennai – 600 004.**S. VISWANATHAN LLP****Chartered Accountants**No.17, Bishop Wallers Avenue (West)  
C.I.T Colony,  
Mylapore,  
Chennai – 600 004.**Limited Review Report on the Unaudited Standalone Financial Results for the Quarter and  
Nine Months ended 31<sup>st</sup> December, 2017**To the Board of Directors  
Chennai Petroleum Corporation Ltd.  
Chennai

We have reviewed the accompanying statement of the standalone unaudited results (the statement) of CHENNAI PETROLEUM CORPORATION LIMITED (the Company) for the quarter and nine months ended 31<sup>st</sup> December, 2017 prepared by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular no. CIR/CFD/FAC/62/2016 dated 5<sup>th</sup> July, 2016 except for the disclosure regarding Average Gross Refinery Margin stated in note no.4 to the statement which has been traced from the disclosures made by the management. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited financial results read with notes thereon, prepared in accordance with the Indian Accounting Standards as specified under section 133 of the Companies Act, 2013 read with relevant rules issued there under and other recognized accounting practices and policies generally accepted in India, has not disclosed the information required to be disclosed in terms of regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular no. CIR/CFD/FAC/62/2016 dated 5<sup>th</sup> July, 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.

**R. SUBRAMANIAN AND COMPANY LLP****Chartered Accountants**

Firm Regn No: 004137S / S200041

**R. Kumarasubramanian**

Partner

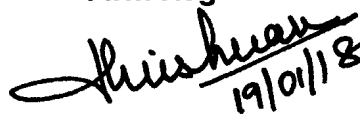
Membership No. 021888



Place: Chennai

Date: January 19<sup>th</sup>, 2018.**S. VISWANATHAN LLP****Chartered Accountants**

Firm Regn No: 004770S / S200025

**V.C. Krishnan**

Partner

Membership No. 022167

