

CALS REFINERIES LIMITED

Regd. Office : 21, Basant Lok Complex, Vasant Vihar, New Delhi 110 057

Unaudited financial results for the quarter/ period ended June 30, 2014

₹ in million)

S. No.	Particulars	Quarter Ended			Year Ended
		June 30, 2014	June 30, 2013	Mar 31, 2014	Mar 31, 2014
1	(a) Net Sales/Income from Operations	-	-	-	-
	Total income from operations	-	-	-	-
2	Expenditure				
	(a) Purchase of traded goods	-	-	-	-
	(b) Employees cost	1.60	1.68	1.29	6.32
	(c) Bank Charges	0.00	0.00	0.00	0.00
	(d) Depreciation	0.10	0.11	0.12	0.45
	(e) Other expenditure	0.90	7.51	1.30	17.57
	(f) Total Expenses	2.60	9.30	2.71	24.34
3	Profit from Operations before Other Income, Interest and Exceptional Items (1-2)	(2.60)	(9.30)	(2.71)	(24.34)
4	Other Income	-	-	3.76	3.76
5	Profit before Interest and Exceptional Items (3+4)	(2.60)	(9.30)	1.05	(20.58)
6	Finance Cost	20.48	20.48	20.46	81.90
7	Profit after Interest but before Exceptional Items (5-6)	(23.08)	(29.78)	(19.41)	(102.48)
8	Exceptional items	246.62	-	-	(47.19)
9	Profit (+)/Loss (-) from Ordinary Activities before tax (7-8)	(269.70)	(29.78)	(19.41)	(55.29)
10	Tax expense	-	-	-	-
11	Profit (+)/Loss (-) from Ordinary Activities after tax (9-10)	(269.70)	(29.78)	(19.41)	(55.29)
12	Extraordinary items (net of tax expense)	-	-	-	-
13	Net Profit(+)/Loss(-) for the period (11-12)	(269.70)	(29.78)	(19.41)	(55.29)
14	Paid-up equity share capital (Equity Share of ₹ 1 each)	8,293.96	8,293.96	8,293.96	8,293.96
15	Reserve excluding Revaluation Reserves as per balancesheet of previous accounting year	(3,154.48)	(2,859.16)	(2,884.79)	(2,884.79)
16	Earnings Per Share (EPS) - Basic / Diluted	(0.01)	(0.01)	(0.00)	(0.01)
A	PARTICULARS OF SHAREHOLDING				
17	Public Shareholding (including GDR holders)				
	- No. of shares (in million)	6,950.76	6,950.76	6,950.76	6,950.76
	- Percentage of shareholding (%)	83.81	83.81	83.81	83.81
18	Promoters and promoter group Shareholding **				
	a) Pledged/Encumbered	-	-	-	-
	- No. of shares (in million)	-	-	-	-
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-
	- Percentage of shares (as a % of the total share capital of the company)	-	-	-	-
	b) Non-encumbered				
	- No. of shares (in million)	1,343.20	1,343.20	1,343.20	1,343.20
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100	100	100	100
	- Percentage of shares (as a % of the total share capital of the company)	16.19	16.19	16.19	16.19

- Cals Refineries Limited ("the Company") has plans to set up a Crude Oil Petroleum Refinery (*the project*) at Haldia, West Bengal. The Company has raised ₹ 7,880 million through Global Depository Receipts (GDR) in December 2007, for part funding the project. The proceeds of the GDR issue were fully utilized to pay capital advances related to purchase of equipment of two used oil refineries and other corporate expenses incurred during construction period.
- The Securities and Exchange Board of India has issued an Order against the Company in the matter of "Market Manipulation using GDR Issues." The Order dated October 23, 2013 mainly states that:
 - Cals shall not issue equity shares or any other instrument convertible into equity shares or any other security, for a period of ten years.
 - Vide the Interim Order dated September 21, 2011 (later confirmed through the Confirmatory Order on December 30, 2011), Cals was directed not to issue equity shares or any other instrument convertible into equity shares or alter their capital structure in any manner till further directions. In this context, Cals has already undergone the prohibition imposed vide the Interim Order for a period of approximately two years. In view of this factual situation, it is clarified that the prohibition already undergone by Cals pursuant to the aforementioned SEBI Order shall be reduced while computing the period in respect of the prohibition imposed vide this order.

However, the Company has filed an application to the Hon'ble Securities and Appellate Tribunal (SAT), against the abovementioned order of the SEBI, which process is undergoing.
- BNY Mellon had issued a notice dated April 08, 2014 for the termination of Deposit Agreement with the Company and instructed the holders of the DRs to convert their holdings into Equity shares on or before July 08, 2014.

Upon expiry of the aforesaid period the Company has received a letter from Luxembourg Stock Exchange on 24th July, 2014 intimating us about the delisting of GDRs from the official list of the Luxembourg SE and also to withdraw their trading on the Euro MTF Market of the LSE w.e.f 14th July, 2014. Your Company has paid the Listing Fee to the Luxembourg Stock Exchange for the calendar year 2014.

Considering the above fact, as there is no future benefits to be derived out of Unamortized Expenditure of Rs. 246.62 million, the same amount has been written off during the quarter.
- Status of investors complaints for the quarter ended June 30, 2014 :
Pending at the beginning : Nil Received : Nil Resolved: Nil Pending: Nil
- The above disclosures were reviewed by the Audit Committee. The Board of Directors at its meeting held on August 14, 2014 approved the above disclosure and its release.
- Figures for the previous periods are re-classified/ re-arranged/ re-grouped, wherever necessary.

For and On behalf of Board

 Deep Kumar Rastogi
Executive Chairman

 Place: Gurgaon
Date: August 14, 2014

Limited Review Report

To
The Board of Directors of CALS REFINERIES LIMITED

1. We have reviewed the accompanying statement of unaudited standalone financial results ("the Statement") of CALS REFINERIES LIMITED ("the Company") for the quarter ended June 30th, 2014 except for the disclosures regarding 'Public Shareholding', 'Promoters and Promoters Group Shareholding' and investor complaints which have been traced from disclosures made by the management and have not been reviewed by us. 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.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Engagements to Review Financial Information performed by 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 provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Without qualifying our opinion we draw attention to:
 - a) The Company has incurred a loss of Rs. 269.70 million during the three months ended as on June 30, 2014 and the current liabilities of the company have exceeded the current assets by Rs. 1,154.06 million as on June 30, 2014.

Further, the Securities Exchange Board of India (SEBI) has issued a final order dated October 23, 2013 against the Company in the matter of "Market Manipulation using GDR Issues", which imposes a restriction on any further issue of equity shares or any other instruments convertible into equity shares or any other security by the Company for a period of ten years. And, the aforesaid order has also raised a question of siphoning of funds for the benefit of promoters of the Company. The Company is in appeal against the aforesaid order of SEBI in Securities Appellate Tribunal (SAT). The matter is sub-judice and the impact, if any, of the outcome of the same cannot be ascertained at this stage

This raises a substantial doubt on the Company to continue as a going concern. We are given to understand that the management is highly confident regarding positive outcome of aforesaid SEBI's order in favor of Company and successfully arrangement of the balance funding. Accordingly, the Company's financial statements have been prepared on going concern basis.



- b) The Company had paid an advance of Rs. 4,583.44 million to a supplier for acquiring plant and machinery. The ability of the company to fulfill its contractual obligations cannot be presently determined and no adjustment with respect to such advance, that may result, has been made in the financial statements. The Company has also given advances amounting to Rs. 140.15 million to various suppliers/contractors in terms of agreements executed by the Company for implementation of refinery project. We are given to understand as per management these advances are good for recovery and are subject to third party confirmation and reconciliation as on June 30, 2014, consequential impact, if any, will be provided as and when determined.
- c) The Company has not provided contractual obligation of Rs. 477.44 million arising out of company's contract with a supplier in the view of the mutual non-fulfillment of certain conditions. In the opinion of the Company, this is not expected to result into any financial liability to the Company.
- d) The Company had entered into a tripartite agreement with Haldia Development Authority (HDA) and West Bengal Industrial Development Corporation Limited (WBIDC) for acquiring rights of the leasehold land and the same depends upon the arrangement of funds to meet company's obligations and successful negotiation with WBIDC. In the opinion of management, expenses incurred on land development of Rs. 196.91 million which is included in cost of leasehold land, civil work of Rs. 49.64 million and other expenses of Rs. 498.13 million which is included in capital work in progress are good for recovery.
4. Based on our review conducted and read with para 3 above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited standalone financial results prepared in accordance with applicable accounting standards notified pursuant to the Companies (Accounting Standard) Rules, 2006 which continue to apply under the Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Kanu Doshi Associates
Chartered Accountants
Firm Registration No: 104746W



Manoj Kumar Pati
Partner
Membership No. : 504536
Place : Gurgaon
Date : August 14th, 2014

