



Ref: Cals/AGM/2016-

04.10.2016

BOMBAY STOCK EXCHANGE LIMITED
DEPARTMENT OF CORPORATE SERVICES
PHIROZE JEEJEEBHOY TOWERS,
DALAL STREET,
MUMBAI-400001

Our Scrip Code: 526652

Dear Sir,

Subject: Annual Report-2015-16


In reference Regulation 34 (1) of the Listing Regulation, and in context to 32nd Annual General Meeting of the Company, held on Thursday the 29th September, 2016, we are submitting herewith the 32nd Annual Report of the Company for the financial year 2015-16, duly approved and adopted in the said AGM.

You are requested to please take the same on your records.

Thanking you,

Yours faithfully,

For **CALS REFINERIES LIMITED**


(Suvindra Kumar)
Company Secretary



Encl: a.a.

CALS REFINERIES LIMITED

CIN. No: L51909DL1984PLC018775

Regd Off: 209, 2nd Floor, Suneja Tower-II, District Center, Janakpuri, New Delhi-110058, India

Phone: +91 (11) 45067736 Email: info@calsrefineries.com Web: www.cals.in



32nd
Annual Report
2015-2016

CALS REFINERIES LIMITED

BOARD OF DIRECTORS

Mr. Deep Kumar Rastogi
 Mr. Sameer Rajpal
 Mr. Pranav Kumar
 Ms. Monika Moorjani

Executive Chairman
 Non-Executive & Independent Director
 Non-Executive & Independent Director
 Non-Executive & Independent Woman Director
 (Appointed as an Additional Director w.e.f 27th May, 2016)

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Suvindra Kumar

CHIEF FINANCIAL OFFICER (CFO)

Mr. Raman Mallick (Appointed as CFO w.e.f. 06th November, 2015)
 Mrs. Rekha Sarma (Ceased to be CFO w.e.f. 29th July, 2015)

BANKERS

Axis Bank Limited

STATUTORY AUDITORS

M/s VATSS & Associates

REGISTERED OFFICE

Unit No. 209, 2nd Floor, Suneja Tower-II,
 District Centre, Janakpuri, New Delhi-110058.

REGISTRAR & SHARE TRANSFER AGENTS

MCS Share Transfer Agent Limited (with effect from 15.07.2015)
 F-65, 1st Floor, Okhla Industrial Area Phase-1,
 New Delhi-110020.
 MCS Limited (up to 14.07.2015)

LISTING OF SECURITIES

The Bombay Stock Exchange,
 Phiroze Jeejeebhoy Towers,
 25th Floor, Dalal Street, Mumbai- 400001

CONTENTS
Page No.

Notice and Explanatory Statement	1-3
Director's Report	4-10
Annexure to Director's Report	10-19
Report on Corporate Governance	20-27
Management Discussion and Analysis 2015-16	28
Independent Auditors' Report	29-30
Annexure to the Independent Auditors' Report	30
Balance Sheet	31
Statement of Profit and Loss	32
Cash Flow Statement	33
Significant Accounting Policies and Notes to Accounts	34-43
Shareholder Instructions for E-voting	44

IMPORTANT COMMUNICATION TO MEMBERS

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/ documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to write to "MCS Share Transfer Agent Limited (Unit- Cals Refineries Limited), F- 65, 1st Floor, Okhla Industrial Area, Phase-1, New Delhi- 110020 with the details like Name, Folio No and e-mail id to register the same at our Registrar and Transfer Agents.

NOTICE



NOTICE is hereby given that the Thirty Second Annual General Meeting of the members of Cals Refineries Limited will be held on Thursday, September 29, 2016 at 9.30 a.m. at Executive Club, Dolly Farms & Resorts, 439, Village Shahurpur, P.O, Fatehpur Beri, New Delhi- 110074, to transact the following businesses:

ORDINARY BUSINESS:

1. Adoption of Financial Statement:

To receive, consider and adopt the audited financial statement of the Company for the financial year ended 31st March, 2016 and the Reports of Director's and Auditor's thereon.

2. Appointment of Directors:

To appoint a Director in place of Mr. Deep Kumar Rastogi (DIN- 01229644) who retires by rotation and being eligible, offers himself for reappointment.

3. Appointment of Auditors:

To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder, as amended from time to time, and pursuant to the recommendation of the Board of Directors and also pursuant to the resolution passed by the shareholders in the previous Annual General Meeting of the Company held on 25th September, 2015, the appointment of M/s VATSS & Associates, Chartered Accountants, New Delhi (Firm Registration No.- 017573N) as Statutory Auditors of the Company to hold office till the conclusion of the next AGM, be and is hereby ratified and that the Board of Directors be and is hereby authorized to fix the remuneration payable to them for the financial year ending March 31, 2017, as may be determined by the Audit Committee in consultation with the Auditors."

SPECIAL BUSINESS:

4. Regularization of Appointment of Mr. Deep Kumar Rastogi as Whole Time Director & Executive Chairman of the Company.

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 196, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule- V of the Companies Act, 2013, consent of the members be and is hereby accorded to the appointment of Mr. Deep Kumar Rastogi (DIN: 01229644), Director of the Company as Whole Time Director designated as Executive Chairman of the Company for a period of 3 consecutive years w.e.f. 05th February, 2016 without any remuneration."

"RESOLVED FURTHER THAT the Whole Time Director will be authorized to exercise such powers of management, as may be delegated to him by the company from time to time, subject however, to the overall superintendence, control and supervision of the Board of Directors of the company."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take such steps expedient or desirable to give effect to this resolution."

5. Regularization of Appointment of Ms. Monika Moorjani as Independent Director of the Company.

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to section 149, 152, Schedule-IV and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Ms. Monika Moorjani (DIN: 06884948), who was appointed as an additional Director of the Company by the Board of Directors with effect from May 27, 2016 and who holds office till the date of the AGM in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member under section 160 of the Companies Act, 2013, signifying its intention to propose Ms. Monika Moorjani as a candidate for the office of the Director of the Company, be and is hereby appointed as an Independent Director of the Company for a period up to May 26, 2021, not liable to retire by rotation."

By Order of the Board of Directors

Place : New Delhi
Date : 29.07.2016

(Suvindra Kumar)
Company Secretary

NOTES

1. The Relevant Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013, relating to the special business of notice is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THIS ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL ON HIS BEHALF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY AT UNIT NO. 209, 2ND FLOOR, SUNEJA TOWER-II, DISTRICT CENTRE, JANAKPURI, NEW DELHI-110058, NOT LESS THAN 48 HOURS BEFORE THIS ANNUAL GENERAL MEETING. A FORM OF PROXY IS GIVEN AT THE END OF THIS ANNUAL REPORT.
3. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights.
4. Provided that a member holding more than ten percent of the total paid up share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
5. In case of Joint holders attending the meeting, only such holder who is higher in the order of names will be entitled to vote.
6. The Register of Members and Share Transfer Books of the Company will remain closed from Friday 23rd September, 2016 to Thursday 29th September, 2016 (both days inclusive).
7. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect proxies lodged at any time during the business hours of the Company, provided that not less than 3 days notice is given in writing to the Company.
8. The Register of Directors and Key Managerial Personnel and their Shareholding, maintained under Section 170 of Companies Act, 2013 and the Register of Contracts and Arrangements in which Directors are Interested maintained under Section 189 of Companies Act, 2013 will be available for inspection by the members at the AGM.

9. The Shareholding of Independent Directors seeking appointment/re-appointment at this meeting are as under:
Ms. Monika Moorjani: Nil shares.
10. Corporate Members intending to send their authorised representative to attend the meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
11. Members/Proxy Holders are requested to produce at the entrance of hall, attendance slips duly completed and signed, in accordance with the specimen signature registered with the Company for admission to the Meeting Hall.
12. The members are requested to:
 - a. Bring their copy of Annual report at the Annual General Meeting.
 - b. **I In case shares are held in physical form:** notify immediately the change of address, if any, to the Company at Unit No. 209, 2nd Floor, Suneja Tower-II, District Centre, Janakpuri, New Delhi-110058 or to the Registrar and Share Transfer Agent of the Company, MCS Share Transfer Agent Limited, F 65, 1st Floor, Okhla Industrial Area Phase I, New Delhi-110020, quoting their folio number.

II In case shares are held in dematerialized form: notify to their depository participants, change/correction in their address/bank account particulars etc. as the Company uses the information provided by Depositories in respect of shares held in dematerialized form.
 - c. Send, in case of those members who have multiple accounts in identical names or joint names in same order, all the share certificates to the Registrar and Share Transfer Agent of the Company, MCS Share Transfer Agent Limited at the aforesaid address for consolidation of all such shareholdings into one account to facilitate better service.
13. All the documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company between 11.00 a.m. to 1.00 p.m. on all days except Saturday, Sunday and Public holidays up to the date of the Annual General Meeting.
14. The Annual Report 2015-16 is being sent through electronic mode only to the members whose email addresses are registered with the Company/ Depository Participant(s), unless any member has requested for a physical copy of the Report. For members who have not registered their email addresses, physical copies of the annual report 2015-16 are being sent by the permitted mode. The Annual Report will also be available at the Company's registered office for inspection during normal business hours on all working days. Members may also note that copy of the annual report of the Company is also available on Company's website "www.cals.in".
15. With a view to using Natural Resources responsibly, we request Shareholders to update their email address with their Depository participants to enable the Company to send all communications including Annual Report, Notices, Circulars, etc., electronically. Members who hold shares in physical form are requested to write to "**MCS Share Transfer Agent Limited (Unit Cals Refineries Limited), F-65, 1st Floor, Okhla Industrial Area, Phase-1, New Delhi-110020**" with details like Name, Folio No. and Email ID to register the same at our Registrar and Transfer Agent.
16. Brief profile and other additional information pursuant to Regulation 36 of SEBI (Listing obligations & Disclosure Requirements) Regulations, 2015 of Directors seeking appointment / re-appointment at the forthcoming Annual General Meeting is furnished as annexure to the notice. The Directors have furnished consent/declaration for their appointment/re-appointment as required under Companies Act, 2013 and rules made thereunder.
17. In terms of Section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (Listing obligations & Disclosure Requirements) Regulations, 2015, e-voting facility is being provided to the members. Details of the e-voting process and other relevant details are being sent to all the Members along with the Notice. The facility for voting through ballot paper will also be made available at the AGM and the members attending the AGM and who have not cast their vote electronically shall be able to exercise their right at the AGM through ballot paper. Members who have cast their vote by e-voting may attend the AGM but shall not be entitled to cast their vote again.
18. **Voting through Electronics Means-** A detailed instructions and related write ups, on **Electronic Voting Process**, which forms part of this notice, is given at the end of this Annual Report. Shareholders are requested to kindly follow the said process for casting their vote electronically.
19. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the Securities Market. Members holding shares in electronic form are, therefore requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form are required to submit their PAN details to the Company and/ or its RTA.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013.

Item No. 4

Mr. Deep Kumar Rastogi, aged about 67 years, was appointed as Whole Time Director designated as Executive Chairman of the Company on 05th February, 2011 for a period of 5 years. His terms of appointment as the Whole Time Director completed on 04th February, 2016. Considering his active involvement in the affairs of the Company, the Remuneration Committee at their meeting held on 09th February, 2016, pursuant to the provisions of Section 196 read with Schedule V of the Companies Act, 2013 recommended his appointment as Whole Time Director of the Company (without any remuneration), to the Board of Directors. The Board of Directors of the Company at their meeting held on the same date, i.e., 09th February, 2016 confirmed the recommendation of Remuneration Committee w.r.t his appointment as Whole Time Director of the Company for a period of 3 years with effect from 05th February, 2016, subject to the approval of the members of the Company.

Mr. Deep Kumar Rastogi is an entrepreneur with over forty eight years of rich experience in various businesses. These include manufacturing and marketing of laboratory and fine chemicals, manufacturing of printed circuit boards & solar products and exports of minerals & natural fibres for the construction industry. Prior to this, Mr. Rastogi led a chemical manufacturing & marketing company for over twenty five years.

In the opinion of the Board, Mr. Deep Kumar Rastogi fulfills the conditions specified under Section 196 of the Companies Act, 2013 read with Schedule V and rules made thereunder for his appointment as Whole Time Director of the Company.

NOTICE



Having regard to his qualifications, knowledge and experience his appointment as Whole Time Director will be in the interest of the Company. The Board of Directors accordingly recommends the resolution set out at Item No. 4 of the accompanying Notice for the approval of the Members.

None of the Directors, Key Managerial Personnel, and/or their relatives, except Mr. Deep Kumar Rastogi is, in any way, concerned or interested in the said resolution.

Item No. 5

Ms. Monika Moorjani, aged about 39 years, was appointed as an Independent Director by the Board of Directors w.e.f. 10th February, 2015 under Article 85 of the Articles of Association of the Company and pursuant to the provisions of Section 161 (1) of the Companies Act, 2013. Later, on 23rd March, 2016 she resigned from the Board of Cals Refineries Limited. However, on being requested by the management she once again consented to be appointed again as an Independent Director on the Board of Cals Refineries Limited w.e.f. 27th May, 2016. She is presently an Independent Director on the Board as per the requirements of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. She will hold office up to the date of ensuing Annual General Meeting. In terms of Section 149, 152, Schedule IV and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder, Ms. Monika Moorjani being eligible and offering her for appointment, is proposed to be appointed as an Independent Director for a period up to May 26, 2021, not liable to retire by rotation.

The Company has received a notice in writing from a member along with the requisite deposit, signifying its intention to propose the candidature of Ms. Monika Moorjani for the office of Independent Director of the Company, under the provisions of Section 160 of the Act, 2013.

Ms. Monika Moorjani is a practicing Company Secretary. She is having experience of more than 15 years in the field of Corporate Laws consulting and has served a wide array of Companies including a Government Navratna Company. She is commerce graduate and fellow member of The Institute of Company Secretaries of India (ICSI). She is holding degree of Bachelor of Law from Delhi University. She holds the directorship in one another Company.

The Company has received from Ms. Monika Moorjani (i) consent in writing to act as Director in Form DIR 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) intimation in form Dir 8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that she is not disqualified under sub section (2) of section 164 of the Companies Act, 2013 (iii) a declaration to the effect that she meets the criteria of independence as provided in sub-section (6) of section 149 of the Companies Act, 2013.

In the opinion of the Board, Ms. Monika Moorjani fulfills the conditions specified in the Companies Act, 2013, and rules made thereunder for her appointment as an Independent Director of the Company and is Independent to the management of the Company. The Board also noted that with her appointment, Company meets the requirement of appointing a woman Director on the Board, as envisaged in the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A copy of the draft letter for her appointment as an independent Director setting out the terms and conditions is available for inspection without any fee by the members at the Company's registered office during normal business hours on working day up to the date of the AGM.

Having regard to her qualifications, knowledge and experience her appointment as an Independent Director will be in the interest of the

Company. The Board of Directors accordingly recommends the resolution set out at Item No. 4 of the accompanying Notice for the approval of the Members.

None of the Directors, Key Managerial Personnel, and/or their relatives, except Ms. Monika Moorjani is, in any way, concerned or interested in the said resolution.

By Order of the Board of Directors

Place : New Delhi
Date : 29.07.2016

(Suvindra Kumar)
Company Secretary

NOTES ON DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AS REQUIRED UNDER REGULATION 36 OF SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.

Mr. Deep Kumar Rastogi - He is a Promoter Director and is on the Board of the Company since 19th January, 2008. He is into trading business and having more than 48 years of experience. He is further serving the following Companies, as a Director:

- Nyra Holdings Private Limited
- Delhikem India Private Limited
- Spice Energy Private Limited
- BND Gas Private Limited
- SRM Energy Tamilnadu Private Limited

Further he does not hold Directorship in any other Listed Company apart from this Company and holds the Committee Membership of the Board of this Company for following Committees:

- Audit Committee
- Nomination and Remuneration Committee
- CSR Committee
- Stake Holder Relationship Committee

Ms. Monika Moorjani who joins the Board on 27th May, 2016 as an Independent Director of the Company, is Commerce graduate and fellow member of The Institute of Company Secretaries of India (ICSI). She has also to her credit additional degree of Bachelor of Law from Delhi University. She is having experience of more than 15 years in the field of Company Secretaries and has served a wide array of Companies including a Government Navratna Company. She holds the directorship in following Company(ies):

- Tandem Hydraulics Pvt. Ltd.

Further she does not hold Directorship in any other Listed Company apart from this Company and she also does not hold any Committee Membership in the Company.

To, the Members of **Cals Refineries Limited**

The Directors present their Thirty Second Annual Report and Audited Financial Statements for the financial year 2015-16.

1. Financial Summary/highlights on Performance of the Company (Standalone)

(₹ in million)

Description	Year Ended March 31, 2016	Year Ended March 31, 2015
Revenue from Operations	-	-
Other Income	3.02	0.16
Total Revenue	3.02	0.16
Operational Expenses	-	-
Employee Benefit Expenses	3.63	6.47
Interest and Finance Charges	0.00	0.00
Depreciation and Amortizations	0.21	0.38
Other Expenses	11.82	8.29
Total Expenses	15.66	15.14
Profit/(Loss) before exceptional items	(12.64)	(14.98)
Exceptional Items	-	5587.67
Profit/(Loss) for the year	(12.64)	(5602.65)

2. Dividend

As there is no operating income and consequently, no profit is available for distribution as dividend.

3. Reserves

The Company is not having any income and therefore there is no surplus available to be carried forward to Reserves.

4. Brief description of the Company's working during the year/ State of Company's affair

• **Company's operation during the year**

It has been evident since long that the business operations of the Company have come to a standstill and Directors have been regularly reporting the reasons for the same.

It is reiterated that the SEBI vide its final order dated 23rd October, 2013, issued against the Company, after the prolonged investigation of approx. two years, restricted the Company from entering into the securities market and altering its capital structure, in any manner effectively for period of eight years from the date of the order. The Company has already gone through approx. half of the prohibition period as imposed by the SEBI. Your Company, however has challenged the aforesaid order of SEBI at Securities Appellate Tribunal in December, 2013. Approx. three years have elapsed since then, and the matter is still ongoing before the Tribunal. The prohibition period of approx. five years has almost abolished any chances of survival of the Company and its project.

The shareholders would appreciate that despite adverse circumstances your Company has always complied with various statutory requirements under different laws, rules and regulations, dealings with the litigations and other day to day administrative activities. Your Company has paid all the statutory dues to various statutory authorities, without fail, despite no revenue generation at all in past years.

Your Company being listed entity having a wide shareholder base of approx. 1.80 lakh, incurs huge costs of compliances and apart from it also meets a considerable amount of litigation and legal expenses. Since in the previous 7 to 8 years the Company has not booked any income or

generated any revenue at all, arranging such huge amount of funds has been a cause of concern.

Presently the single source of the funding to the Company is through one of the related party and promoter Company M/s Nyra Holdings Private Limited. The Inter Corporate Loan being taken by your Company from Nyra Holdings to manage its day to day operation, compliances and litigation expenses cannot be Interest free as per the prevailing provisions of the Companies Act, 2013. Company has raised this issue before the regulators viz., Securities and Exchange Board with a copy to the Registrar of Companies and explained them about the constrained situation of the Company, with prayers, that an exemption be granted to the Company from making its compliances till the SEBI prohibition is lifted and to allow M/s Nyra Holdings Private Limited to give interest free loans to the company without considering the same to be a default of the provisions of the Companies Act, 2013 and also to modify the SEBI order dated 23rd October, 2013 and permit the current promoters (M/s Nyra Holdings Private Limited, in specific) to induct capital / funds against issue of equity. The Company has received no reply till date even after sending several reminders.

Further, to reiterate, the Company's operation has come to a standstill and no development could be made towards implementation of the project of the Company. The contracts and the agreements which were entered by the Company w.r.t the implementation of the refinery project have also lapsed or expired long back. Capital advances, which were made at the implementation stage of the project are either not recoverable or specific performance against the said advances cannot be enforced. The Board of Directors after analyzing the aforesaid situation and also based on the opinion received from legal firms, had decided to write off various advances, land and pre-operative expenses etc. from the balance sheet of the Company in the year 2014-15, to give true and fair picture of the financial statement. The Board further considered that carrying such advances which have no material value or relevance to the books of accounts would be inappropriate and would not give a true and fair view to the investors/shareholders of the Company.

However, such writing off of aforesaid advances, land and pre-operative expense had resulted in substantial change in the profit/loss of the Company and had a huge impact on the Net worth of the Company, which is now completely eroded.

The Auditors have pointed this out in their Report of the previous year and in this year too and have qualified their opinion regarding the Going Concern issue, and the Board has given their comment on the said qualification of Auditor's in the later part of this Report.

Investigation of Serious Fraud Investigation Office (SFIO)

As reported in the previous year that the Serious Fraud Investigation Office (SFIO) had initiated an investigation into the affairs of the Company under section 212 of the Companies Act, 2013, the investigation is relating to the issuance of GDRs by the Company in the year 2007 and the proposed GDR issue in the year 2011.

Your Company has provided all the requisite information and necessary support to the investigation team and have also provided all the documents as enquired by them from time to time. The Investigation is still ongoing and have not yet reached to the conclusion.

Notices u/s 148 of the Income Tax for the A.Y. 2008-09 and 2009-10 for the Income Escaping Assessment U/s 147 of the Income Tax Act, 1961

Your Company had received Notices u/s 148 of the Income Tax for the A.Y. 2008-09 and 2009-10 for the Income Escaping Assessment U/s 147 of the Income Tax Act, 1961.

The Notice was in respect of assessment/re-assessment, recomputing of the Loss/Depreciation of the Company for the said Assessment Years. As per the requirement of the Section 147 and Section 148 of the Income Tax, 1961, the authority has also provided the reasons for re-opening the case for both of the Assessment years.

The Company had challenged the aforesaid reasons for re-opening of the case and fought this matter on all the possible ground available to the Company, including filing of writ petition in the Hon'ble High Court of Delhi, which was later on, upon instructions, withdrawn with liberty to urge all points of the petition at appropriate forum in accordance with law.

Later, in due course of assessment, for the A.Y. 2009-10 the A.O had passed an order dated 28/03/2016 stating that the advances in subject matter given by the Company is not made for the business purpose of the Company and therefore the Capital Work In Progress must be reduced by Rs. 464.97 crores. A.O. has also observed that the expense has not been booked in P&L A/c, therefore no addition is being made to income of the assessee on this ground. This Order has been challenged by the Company at the appropriate forum, under Section 246A(1)(b) of the Income Tax Act, 1961.

However, the assessment proceedings of A.Y. 2008-09, has been referred by the A.O. to the Transfer Pricing officer and it is yet to attain the finality.

- **Status of project**

As your Directors have been reporting since long, that the Company's Crude Oil Refinery, which was proposed in 2007 at Haldia (West Bengal) with a capacity of 5 MMTPA, has become unviable due to non-availability of funds, restrictive order of SEBI, pending litigations, and unrecoverable advances paid to suppliers on account of non-fulfilment of financial obligations by company in time. As considerable time has lapsed the prospect of the project revival has also been bleak. A detailed discussion in this respect was also presented in the previous year's report, including a discussion on the allotment of land admeasuring about 400 acres at Haldia by Haldia Development Agency (HDA), West Bengal, Environmental clearances, Civil construction etc. Considering that the situation has not been changed much, no such discussion is again included in this report.

- **Future outlook**

As reported above that the Company has filed an appeal against the final order of the SEBI dated 23rd October, 2013 in Securities Appellate Tribunal, which has not yet attained the finality. The Company's future is entirely dependent on the outcome of the SAT proceedings. In the current adverse circumstances any discussion on the project implementation is a futile and meaningless exercise as with passage of time your Company has survived almost half of the restrictive order of SEBI, and the chances of the revival of the project are bleak.

The previous contracts, agreements which were entered into w.r.t the implementation of refineries, have expired long back and now not in force. At this moment the Company has no operational project and no operational revenues accrue to the Company. Hence the future of the Company is completely dependent on positive or favourable orders of the SAT.

5. Change in the nature of business, if any

There was no change in the nature of business of the Company during the financial year 2015-16.

6. Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report

There are no changes and commitments, which are affecting the financial position of the Company from the end of the financial year, i.e., 31st March, 2016 till the date of this Report. i.e., 29th July, 2016.

7. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future

- **Order dated 23rd October, 2013 passed by Securities and Exchange Board of India:**

As reported earlier, SEBI Vide Interim Order dated 21st September, 2011 had issued directions to the Company not to issue equity or any other instruments convertible into equity or alter capital structure in any manner till further directions, which was confirmed on 30th December, 2011. The SEBI further issued a final order dated 23rd October, 2013 against the Company, which operative portions are as under:

- a. That the Company will not issue equity shares or any other instruments convertible into equity shares or any other security, for a period of **ten years**.
- b. Vide Interim Order dated September 21, 2011 (later confirmed through the Confirmatory Order on December 30, 2011), the Company 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, the Company 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 the Company pursuant to the aforementioned SEBI Order shall be reduced while computing the period in respect of the prohibition imposed vide this order.

From the above Order it is clear that the Company is restrained from issuing any further equity shares or any other instruments, convertible into equity shares or any other security, effectively for a period of **eight years (approx) from the date of the order**.

Hence, the Company has already undergone the prohibition imposed vide the Interim Order for a period of approximately two years before the final order and around three years from the date of final order, i.e., almost half of the prohibitory order of SEBI has been survived by the Company.

The Company's various efforts to restart the project also failed due to the embargo on issue of new equity by SEBI. The aforesaid order has also compelled the Company to stand still its project. The company finds it difficult to arrange funds for its day to day operations.

The aforesaid restrictive order has built such adverse circumstances, wherein the Company is not able to move ahead with its project and various contracts and agreements which were entered into and for which advances were paid have expired long back. The Management, in the previous financials has written off such advances, pre-operative expenses, consultancy fee and capital work in progress to give true and fair picture of the financials, though such writing off completely eroded the net worth of the Company.

The Auditors of the Company has taken note of the same and qualified their Report raising their apprehension on the going concern status of the Company. The management has given their detailed comments on such qualification of the Auditor's at the later part of this Report. Though it is

pertinent to note that the ability of the Company to continue as a going concern is significantly dependent on getting a favourable order from SAT and the management is expecting for such favourable order.

8. Details in respect of adequacy of internal financial controls with reference to the Financial Statements

The Company has adequately adopted the procedures to ensure the proper internal control, suitable policies and guidelines as required under various provisions of the Companies Act, 2013 and the Listing Agreement/Regulations are in place. These policies, e.g. Vigil Mechanism Policy/Whistle Blower Policy, Risk Management Policy are meant to adhere the proper guideline, rules and regulations to comply with the requirement of the law, to reduce the possible threats of fraud and to ensure the orderly and efficient conduct of the business of the Company. These policies and guidelines are adequately monitored by the designated Committees of the Board. The Members be further apprised that earlier the affairs of Risk Management were being looked after by the Risk Management Committee of the Company, however, the Board resolved to dissolve the said committee and terms of reference of the same shall be looked after by the Audit Committee of the Company.

The Company apart from the above has in place a system of Internal Control adequate in respect to the size and operations of the Company. M/s Amar Jeet Singh & Associates, had been the Internal Auditor of the Company for the financial year 2015-16. He has been conducting internal audit at regular intervals at every quarter ending. No material discrepancies have been reported by him during the period of his Audit. The Company prepared the financial information/Reporting as per the requisite requirements of the Companies Act, 2013 and the Listing Agreement, and placed it to the Audit Committee and Board for the approval, once approved the said financial results are submitted to the stock exchange and also placed on the website of the Company.

9. Details of Subsidiary/ Joint Ventures/ Associate Companies

The Company neither has any Subsidiary nor any Joint Venture or Associate Company. Since, the Company is not having any Subsidiary accordingly no policy has been formulated for determining Material Subsidiaries.

10. Performance and financial position of each of the subsidiaries, associates and joint venture companies included in the consolidated financial statement

The Company is not having any Subsidiary, Joint Venture or Associate Company.

11. Deposits

The Company has not accepted any deposits during financial year 2015-16 under the provisions of Chapter V of Companies Act, 2013.

12. Statutory Auditors

M/s VATSS & Associates, Chartered Accountants, (ICAI Firm Registration No.- 017573N) were appointed as Statutory Auditors of the Company for a period of 5 years in the previous Annual General meeting (AGM) of the Company held on 25th September, 2015 subject to ratification of their appointment by the members in every subsequent AGM. They have completed the audit of the Company for the financial year 2015-16. The Board hereby recommends appointment of M/s VATSS & Associates, Chartered Accountants as the statutory auditors of the Company for the financial year 2016-17 for ratification of the members. Members are requested to consider and ratify the same.

13. Auditor's Report

The Auditors have qualified their Audit Report issued to the Company, by stating the following qualification:

"Attention of the matters is invited to note no. 27(d) of the notes to accounts regarding the financial statements of the Company having been prepared on a Going concern basis, notwithstanding that due to continuous losses incurred by the Company during the past years and current year, the accumulated losses of the Company have far exceeded its net worth resulting in negative net worth on balance sheet date. The Company has written-off a substantial part of its Fixed Asset during the previous year. This situation indicates the existence of a material uncertainty that may cast a significant doubt on the Company's ability to continue as a Going concern."

The Board considered the aforesaid qualification and recorded its comment as below:

The board noted qualified opinion of the Auditors raising the concern on the ability of the Company to continue as going concern.

It is a matter of record that the Losses suffered during the previous years were on account of expenses incurred as pre-operational expenses of the project since 2011 during its project implementation phase. In 2011 SEBI has issued its interim order prohibiting the Company from entering into the capital market, or issuing any kind of securities and altering its capital structure. This order hugely impacted the capacity of the Company to raise funds and thus the project implementation process got slowed. The aforesaid order of the SEBI was further confirmed by the final order dated 23rd October, 2013. The said order has been challenged at Securities and Appellate Tribunal, for which the proceeding is going on. This restrictive order has brought this Company to be in a position where no project could be implemented and no source of income could be generated till date, which has in turn resulted into the accumulated losses for the Company over the years.

Before taking decision of such writing off of substantial part of the Fixed Assets during the previous financial year, the Board also took note of the Auditor's Observation, which was made by them in the meeting of the Board held on 10th February, 2015. The Board recorded the fact that the writing off of the Fixed Assets were required and mandated to give a true and fair picture of the financial statement.

The Board further took legal opinion on this matter from one of the leading law houses in Delhi, and after considering the various aspects of the legal opinion and also after considering the possibilities of recovery of the Capital advances or the enforceability of such Contracts (including novation), consented to write off these advances.

However, the Supreme Court Judgment of Salim Akbarali Nanji Vs Union of India (UOI) and Ors was taken note of.; In this case it was held that the concept of writing off debts is an internal management/ accounting procedure to clean up the balance sheet of a company. Such procedure/ decision to write off an advance/ debt can be resorted to even in cases where a party has not exhausted all the avenues for recovery of dues. It has no impact on the right of a party to proceed against the opposite party. Nor does it bar or render non-maintainable recovery proceedings.

The board recorded that the decision of writing off is necessary to give true and fair view of the financial statement of the Company, the Board decided to write off other Fixed Assets and advances, which is having similar nature as aforesaid and accordingly various advances, fixed assets and Pre-operative expenses were written off by the Board. Details of write offs are appropriately explained in the notes to the accounts.

The management is hoping to receive a favourable order from the SAT proceedings, which Company has initiated against the restrictive orders of the SEBI, which will positively impact the future of the Company. In view of the willingness to start the project once the favourable business conditions are in, the

Management has taken stand to continue the accounting of the business as Going Concern.

14. Share Capital

The Company's Capital Structure remains unchanged during Financial Year 2015-16.

15. Extract of the annual return

The extract of the annual return in Form No. MGT - 9 is annexed as **Annexure -01**.

16. Conservation of energy, technology absorption and foreign exchange earnings and outgo

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

(A) Conservation of energy and Technology absorption

The Company has not initiated its operations till date, no particulars in respect of conservation of energy and technology absorption have been furnished as per Section 134(3)(m) of the Companies Act, 2013. However in use of office appliances, precautions are taken to ensure saving of energy.

(B) Foreign exchange earnings and Outgo

There were no foreign exchange earnings and outgo during the year under review.

17. Corporate Social Responsibility (CSR)

The disclosures as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 is enclosed as **Annexure-02**.

18. Directors

A) Changes in Directors and Key Managerial Personnel (KMP):

Cessation of Directors/KMP:

- During the year under review, Mrs. Rekha Sarada had resigned from her office of the Chief Financial Officer (CFO) of the Company w.e.f. 29th July, 2015.
- Later, Ms. Monika Moorjani resigned from her office as Director of the Company w.e.f. 23rd March, 2016.

Appointment of New Directors/KMP:

- Pursuant to the requirements of Section 203 read with Rule 8 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the office of CFO was vacant in the Company. Considering the said requirements, the Board resolved to appoint Mr. Raman Mallick as the new CFO of the Company w.e.f. 06th November, 2015 based on his qualifications, experience and background and also considering the present scenario of the Company. The members be further apprised that Mr. Raman Mallick had been previously employed in group Company and was handling all the account/finance and banking activities. He has been employed in group companies since previous 8 years and is acquainted with the positions of the Company.
- To meet the requirements of woman Director on Board as per Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, management approached and requested Ms. Monika Moorjani to consider joining the Board once again. Ms. Moorjani, consented to be appointed again as a Director of the Company under Independent - Non Executive & Woman Category w.e.f. 27th May, 2016.

Reappointment of Directors:

Ms. Monika Moorjani is being taken on the Board as an Additional Director, whose office of Directorship in the Company shall continue till the date of ensuing Annual General Meeting of the Company. The Company has received notices under Section 160 (1) of the Companies

Act, 2013 from member(s) proposing her candidature for appointment as director. The Board of Directors has recommended her appointment and a suitable resolution is being moved through AGM Notice for the necessary approval of the shareholders.

Further, subject to the provisions of Section 152(6) of Companies Act, 2013, Mr. Deep Kumar Rastogi, Director of the Company is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment. Brief resume of directors seeking appointment and re-appointment along with other details as stipulated under Regulation 36 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, are provided in the AGM Notice for convening the Annual General Meeting.

B) Declaration by an Independent Director(s) & Re- appointment, if any

All Independent Directors have submitted declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16 (1) (b) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

C) Details of training imparted to Independent Directors

Every new Independent Director inducted on the Board attends an orientation program in which he/she is familiarized with the strategy, operations and Status of the Company. They are further briefed with history of the Company and also handed over a Copy of the bunch of Company's Annual Reports, its Memorandum and Articles of Association, various policies and the Code of Conduct of the Company. One familiarization program was conducted on 06th November, 2016, details of the same are placed on the website of the Company, a web link thereto is given below:

http://www.cals.in/Familiarisation_Program.pdf

Further, at the time of appointment of an Independent Director, the Company issues a formal letter of appointment outlining his/her role, functions and duties/responsibilities as a Director. The Format of the letter of appointment is provided on our website, a web link thereto is given below:

<http://www.cals.in/Data/Documents/Cals%20Refineries%20-%20OD%20-%20Model%20LOI%20-%20Independent%20Directors.pdf>

D) Formal Annual Evaluation

The Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 states that a formal annual evaluation needs to be made by the Board of its own performance its committees, Chairman and individual Directors. Schedule IV of the Companies Act, 2013 states that the performance evaluation of Independent Directors shall be done by the entire Board of Directors, excluding the Director being evaluated.

The Independent Directors of the Company in their meeting held on February 09, 2016 reviewed the performance of the Non Independent Directors, in case of our Company, Mr. Deep Kumar Rastogi, the Executive Chairman of the Company and the Board as a whole. Further, the Board of Directors in their meeting held on May 27, 2016 evaluated the performance of all the Independent Directors based on set questioners circulated to the Board. Also, the Nomination and Remuneration Committee in meeting held on May 27, 2016, evaluated every director's performance. On the Basis of the above evaluations, the performance of the entire Board, Executive Directors and Independent Directors were found satisfactory, specially taking into consideration the existing circumstances, in which the Company is operating.

19. Number of meetings of the Board of Directors

The Board met 6 times during the year, the details of which are given in Corporate Governance Report forming part of this annual report. The intervening gap between any two meetings was within the prescribed time limit under Companies Act, 2013.

20. Audit Committee

During the year, the Audit Committee was constituted with Mr. Sameer Rajpal, Chairman of the Committee, Mr. Pranav Kumar and Mr. Deep Kumar Rastogi.

A detailed description about the audit Committee is given in the Corporate Governance Report, forming part of the Director's Report.

Further all recommendations made by Audit Committee during the year were accepted by the Board.

21. Details of establishment of vigil mechanism for directors and employees

The Company has in place a Vigil Mechanism/Whistle Blower Policy framed as per the requirements of Section 177 of Companies Act, 2013 and Clause 49(II)(F) of the Erstwhile Listing Agreement [Now Regulation 22 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015]. A weblink to the policy is mentioned below:

<http://www.cals.in/Data/Documents/Cals%20Refineries%20-%20OD%20-%20Vigil%20Mechanism.pdf>

22. Nomination and Remuneration Committee

The policy formulated by the Board relating to the remuneration for the Directors, Key Managerial Personnel and other employees and also the Criteria for determining the Qualifications, positive attributes and Independence of a Director pursuant to Section 178(3) of Companies Act, 2013 is annexed as **Annexure-03** to this Report.

23. Particulars of loans, guarantees or investments under section 186

The Company has not granted any Loans, extended any Guarantees or made Investments during the Financial year 2015-16, pursuant the provisions of Section 186 of Companies Act, 2013.

24. Particulars of contracts or arrangements with related parties

The Company has not made any contracts with related parties pursuant to Section 188 of Companies Act, 2013.

However, your Company has been obtaining loan from Nyra Holdings Pvt. Ltd. a related party as per Section 2 (76) of the Companies Act, 2013, to meet its day to day financial needs and also to meet the statutory dues, necessary compliances and the legal expenses. Such arrangements of obtaining loan from related party falls into the category of material related party transaction as per Regulation 22 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Further, Explanation to Regulation 23(1) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 differentiates between a related party transaction and a material related party transaction, it prescribes the limit of the transaction which will be treated as the material related party transaction i.e., "transaction/s with related party being entered individually or taken together with previous transaction during a financial year, exceeds 10% of the annual consolidated turnover of the Company as per the last audited financial statement, will be material related party transaction. Sub Regulation 8 of this Regulation mandates that all existing material related party transactions entered into prior to the date of notification of these regulations, i.e., 02nd September, 2015 and which may continue

beyond such date shall require approval of the shareholders in the first General Meeting, subsequent to notification of these regulations. This is to note that, pursuant to clause 49 (VII)(B) of the erstwhile Listing Agreement, which correspond to the aforesaid Regulation 23 of the Listing Regulations, the Company has already taken the requisite approval of the shareholders in this respect in the Annual General Meeting held in the previous year on 25th September, 2015, that is the 1st General Meeting held after the notification of the Listing Regulations. Hence the approval of the shareholders to enter into such material related part transaction is in place and Company has complied with the requirements.

As on the date of the Balance sheet of 31st March, 2016, your company has borrowed a sum of Rs. 8,08,90,000/- from Nyra Holdings Private Limited, however in the financial year 2015-16, the total borrowing from the said related party was Rs. 1,26,30,000/-.

Moreover, the Company has formulated a policy on materiality of related party transactions and also on dealing with Related Party Transactions which can be downloaded from the link mentioned below:

<http://www.cals.in/Data/Documents/Cals%20Refineries%20-%20OD%20-%20RPT%20Policy.pdf>

25. Managerial Remuneration

Disclosure pursuant to Section 197(12) of Companies Act, 2013 and Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided below:

- i) The Ratio of the remuneration of each Director to the Median remuneration of the employees of the Company for the year 2015-16:

Directors	Nature of Directorship	Ratio
Mr. Deep Kumar Rastogi	Whole time Director & Executive Chairman	N.A.*
Mr. Pranav Kumar	Non-Executive Independent Director	1:9.948
Mr. Sameer Rajpal	Non-Executive Independent Director	1:9.948
Mrs. Monika Moorjani	Non-Executive Independent Director	1:19.896

*Mr. Deep Kumar Rastogi had opted not to withdraw any remuneration while he was appointed as Whole Time Director.

- ii) The percentage increase in remuneration of each Director, CFO, CEO, CS or Manager in the financial year:

There was no increase in the remuneration of any of the Director during the financial year 2015-16.

The remuneration (as per the provision of section 17 (1) of Income Tax Act, 1961) of Company Secretary of the Company has been increased by 3.07% respectively from financial year 2014-15, Mr. Raman Mallick was appointed as the CFO of the Company during the financial year, hence no percentage increase in his remuneration is recorded.

- iii) The percentage increase in the median remuneration of employees in the financial year:

The median remuneration of employees has been reduced from the previous year due to the difference in the salary being paid to the Mrs. Rekha Sarda, the Ex-CFO of the Company and Mr. Raman Mallick, the current CFO of the Company.

- iv) The number of permanent employees on the rolls of Company:

During the year 2015-16, there were 3 employees on the rolls of the Company. New CFO Mr. Raman Mallick was appointed at the place of outgoing CFO of the Company in the middle of the year, hence as on 31st March, 2016, only 3 employees were continuing on the rolls of the Company.

- v) Average percentile increase already made in the salaries of employees other than managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

As reported above total 3 employees are on the rolls of the Company, out of which two being the KMPs (CS & CFO) and one other employee in the operations department. There has been no increase in the remuneration of any employee other than Company Secretary of the Company during the reporting period. The CFO of the Company was appointed during the year, hence, no such increment in his salary was made during the year, however the third employee works for the operations department, and considering the fact that the project could not take off, the work relating to operational activity is very limited and confined. The management, for the aforesaid reasons, did not consider the increase in his remuneration, during the year.

- vi) The Remuneration is as per the remuneration policy of the Company.
- vii) The names of Top 10 employees in terms of remuneration are:

S. No.	Name of employee	Designation
1	Mr. Suvindra Kumar	Company Secretary
2	Mr. Raman Kumar Mallick	Chief Financial Officer
3	Mr. Debashish Bera	Officer Commercial

- viii) There were no employees in the Company during the year who were in receipt of remuneration in excess of Rs. 1,02,00,000/- per annum or Rs. 8,50,000/- per month.

26. Secretarial Audit Report

A Secretarial Audit Report in Form No. MR-3 for the Financial year 2015-16 given by M/s. KBK & Co., Company Secretaries is annexed as **Annexure-04** with this report.

The following disclosures have been made by the Secretarial Auditor in his report, requiring explanation:

"Share application money for an amount of Rs 1,57,57,463/- remains pending for allotment."

Explanations given:

Since the situation w.r.t the circumstances in this matter has not changed, hence the explanation to the Secretarial Auditor was the same as given earlier, which state as below:

It has been explained to the Secretarial Auditor that the above mentioned amount of Rs. 1,57,57,463/- is part of FDI, which was received from M/s Abboro Limited, a foreign Body Corporate. This amount is pending for allotment due to the restrictive order of SEBI dated 23rd October, 2013 which has restricted the Company from accessing the Capital markets and/or issuing shares and/or any other instruments convertible into equity or altering its capital structure. Though the Company through its letter dated 12th May, 2015 and reminder letter dated 29th May and 7th December, 2015 had asked for a special permission

from SEBI, under intimation of Registrar of Companies, NCT of Delhi and Haryana, for the relaxation in its order, so that the equity shares could be allotted to M/s Abboro Limited.

The same fact has been suitably recorded by the Secretarial Auditor in his Report.

27. Risk management policy

Pursuant to the requirements of Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Earlier Clause 49(VI) of the Listing agreement), the Board had constituted the Risk Management Committee and had also laid down the Risk Management Plan of the Company. The Committee was responsible for the monitoring and reviewing of the Risk Management Plan. The Major element of Risk which may threaten the existence of the Company is to be identified and laid down in the Risk Management Plan of the Company.

However, as per Regulation 21(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the provisions of Clause 49(VI)(C) [Now, Regulation 21(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015] states that the risk management committee are applicable only to top 100 listed Companies based on the market Capitalization as at the end of the immediate previous financial year.

In light to the aforesaid situation, the Company was not required to maintain the said Committee as it do not stand in the top 100 listed Companies, based on the said market capitalization. Hence the Board in their meeting held on 09.02.2016 dissolved the said Committee with immediate effect.

It was ensured that the Risk Management System/policy of the Company is now to be looked after by the Audit Committee. The system to analyse the Risk Management is implemented in such way that it is commensurate with the Nature, Size and Operations of the Company. The Committee shall look after the areas of Financial Risk and Controls etc.

28. Management Discussion and Analysis Report

The Management Discussion and Analysis Report as required under Regulation 21(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the stock Exchange forms part of this Report.

29. Corporate Governance Report

A separate Section on Corporate Governance forming part of the Director's Report and a certificate from the Practicing Company Secretary confirming compliance of the Corporate Governance Norms as stipulated in Regulation 34 (3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is included with this Annual Report.

30. Listing of Securities

The Securities of your Company are currently listed with Bombay Stock Exchange (BSE) with ISIN- INE40C01022 and scrip code 526652. The Company has paid listing fee to the Bombay Stock Exchange for the financial year 2015-16. All compliances with respect to the listing agreement/regulations is being made in regular course.

31. Director's Responsibility Statement

In terms of the provisions of Section 134(5) of the Companies Act, 2013, your Directors confirm that -

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) The directors had 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 at the end of the financial year and of the profit and loss of the company for that period;

- (c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The directors had prepared the annual accounts on a going concern basis; and
- (e) The directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Government, Bankers, Shareholders, business associates and various other Stakeholders who have extended their valuable, sustained support and encouragement during the year under review.

The Directors would also like to place on record a hearty thanks to the management and the employees of the Company, who have been standing with the Company and giving their tireless support in the adverse circumstances.

For and on behalf of the Board of Directors

(Deep Kumar Rastogi)
Executive Chairman
DIN : 01229644
Place : New Delhi
Date : 29.07.2016

(Sameer Rajpal)
Director
DIN : 05184612

32. Acknowledgements

Your Directors wish to place on record their appreciation for the Co-operation and Assistance received from Regulatory Bodies,

ANNEXURE-01

**Form No. MGT-9
EXTRACT OF ANNUAL RETURN
As on the financial year ended on 31st March, 2016**
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i.	CIN	:	L51909DL1984PLC018775
ii.	Registration Date	:	25/07/1984
iii.	Name of the Company	:	Cals Refineries Limited
iv.	Category / Sub-Category of the Company	:	Company Limited by Shares/ Indian Non-Government Company
v.	Address of the Registered office and contact details	:	Unit No. 209, 2nd Floor, Suneja Tower-II, District Centre, Janakpuri, New Delhi-110058 Phone No.: 011-45067736
vi.	Whether listed company	:	Yes / No
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	:	MCS Share Transfer Agent Limited F-65, 1st Floor, Okhla Industrial Area, Phase-1 New Delhi - 110020, Phone: 011- 41406149-52 Fax: 41709881, Email: admin@mcsregistrars.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:
The Company did not conduct any business operation during the financial year 2015-16, hence no turnover was recorded.

Sl. No.	Name and Description of main products / services	NIC Code of the Products/ services	% to total turnover of the company
N.A.	N.A.	N.A.	N.A.

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Company is not having any holding, subsidiary and associate Company, hence no details are provided:

Sl.No.	Name and address of the Company	CIN/GLN	Holding/ subsidiary/ Associate	% of shares held	Applicable Section
N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i. Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year (2015-16)				No. of Shares held at the end of the year (2015-16)				%Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	0	0	0	0.0000	0	0	0	0.0000	0.0000
b) Central Govt.	0	0	0	0.0000	0	0	0	0.0000	0.0000
c) StateGovt(s)	0	0	0	0.0000	0	0	0	0.0000	0.0000
d) Bodies Corp.	233196000	0	233196000	2.8116	233196000	0	233196000	2.8116	0.0000
e) Banks/FIs	0	0	0	0.0000	0	0	0	0.0000	0.0000
f) Any Other	0	0	0	0.0000	0	0	0	0.0000	0.0000
Sub-total (1):-	233196000	0	233196000	2.8116	233196000	0	233196000	2.8116	0.0000
(2) Foreign									
a) NRIs- Individuals	1110000000	0	1110000000	13.3832	1110000000	0	1110000000	13.3832	0.0000
b) Other- Individuals	0	0	0	0.0000	0	0	0	0.0000	0.0000
c) Bodies Corp.	0	0	0	0.0000	0	0	0	0.0000	0.0000
d) Banks/FIs	0	0	0	0.0000	0	0	0	0.0000	0.0000
e) Any Other	0	0	0	0.0000	0	0	0	0.0000	0.0000
Sub-total (2):-	1110000000	0	1110000000	13.3832	1110000000	0	1110000000	13.3832	0.0000
Total shareholding of Promoter (A)= (A)(1)+(A)(2)	1343196000	0	1343196000	16.1949	1343196000	0	1343196000	16.1949	0.0000
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	112000	112000	0.0014	0	112000	112000	0.0014	0.0000
b) Banks / FIs	135000	78000	213000	0.0026	188000	78000	266000	0.0032	0.0006
c) Central Govt.	0	0	0	0.0000	0	0	0	0.0000	0.0000
d) State Govt(s)	0	0	0	0.0000	0	0	0	0.0000	0.0000
e) Venture Capital Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
f) Insurance Companies	0	0	0	0.0000	0	0	0	0.0000	0.0000
g) FIs	10	0	10	0.0000	10	0	10	0.0000	0.0000
h) Foreign Venture capital	0	0	0	0.0000	0	0	0	0.0000	0.0000
(i) Others (specify)	0	0	0	0.0000	0	0	0	0.0000	0.0000
Sub-total (B)(1):-	135010	190000	325010	0.0039	188010	190000	378010	0.0046	0.0007
2. Non- Institutions									
a) Bodies Corp.									
Indian	485403215	157000	485560215	5.8544	407101734	156000	407257734	4.9103	-0.9441
Overseas	0	120767100	120767100	1.4561	0	120767100	120767100	1.4561	0.0000
b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	2266387180	12372546	2278759726	27.4749	2258371671	12381078	2270752749	27.3784	-0.0965
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	3012459956	3646459	3016106415	36.3651	3093838394	3646459	3097484853	37.3463	0.9812
c) Others (specify)									
Trust & Foundations	120000	0	120000	0.0014	135200	0	135200	0.0016	0.0002
Non Resident Individuals	161583184	6000	161589184	1.9483	166446004	6000	166452004	2.0069	0.0586
Sub-total(B)(2):-	5925953535	136949105	6062902640	73.1002	5925893003	136956637	6062849640	73.0995	0.0007
Total Public Shareholding (B)=(B)(1)+ (B)(2)	5926088545	137139105	6063227650	73.1041	5926081013	137146637	6063227650	73.1041	0.0000
C. Shares held by Custodian for GDRs&ADRs	887539450	0	887539450	10.7010	887539450	0	887539450	10.7010	0.0000
GrandTotal (A+B+C)	8156823995	137139105	8293963100	100.0000	8156816463	137146637	8293963100	100.0000	0.0000

ii) Shareholding of Promoters

SI No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			%Change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Gagan Deep Kumar Rastogi	1110000000	13.3832	0.0000	1110000000	13.3832	0.0000	0.0000
2.	Nyra Holdings Private Limited	233196000	2.8116	0.0000	233196000	2.8116	0.0000	0.0000
	Total	1343196000	16.1948	0.0000	1343196000	16.1948	0.0000	0.0000

iii. **Change in Promoters' Shareholding (please specify, if there is no change):** There is no change in the promoters' shareholding during the year of reporting.

iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

SI No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Abboro Limited	120767100	1.4561	120767100	1.4561
2.	Manpreet Singh Chadha	53130163	0.6406	53130163	0.6406
3.	Jatinder Kaur	46349213	0.5588	46349213	0.5588
4.	Rajinder Singh Chadha	45845520	0.5528	45845520	0.5528
5.	Niftys Technologies Private Limited	47536191	0.5731	36973226	0.4458
6.	Rajinder Singh Chadha	35854758	0.4323	35854758	0.4323
7.	Karvy Stock Broking Limited	27594329	0.3327	26231641	0.3162
8.	Naseer Husain Ubar Sayed	10000000	0.1206	26200000	0.3159
9.	Satish Laxmanbhai Mistry	30020000	0.3620	22380000	0.2698
10.	Shri Parasram Holdings Pvt. Ltd.	22922161	0.2764	20831434	0.2512

Note: Details of Date wise increase or decrease in shareholding is given on the website of the Company.

v. **Shareholding of Directors and Key Managerial Personnel:** No KMPs and Directors other than Mr. Sameer Rajpal, held equity shares of the Company, the details are as under:

SI No.	For Each of the Director & KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	15468439	0.19	15468439	0.19
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/sweat equity etc): Entire equity shareholdings were Sold on 21/07/2015 and 22/07/2015	15468439	0.19	0.00	0.00
	At the End of the year	0	0.00	0	0.00

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Rs. in Million)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	Nil	70.76	Nil	70.76
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total(i +ii + iii)	Nil	70.76	Nil	70.76
Change in Indebtedness during the financial year				
• Addition	Nil	12.63	Nil	12.63
• Reduction	Nil	Nil	Nil	Nil
Net Change	Nil	12.63	Nil	12.63
Indebtedness at the end of the financial year				
i) Principal Amount	Nil	83.39	Nil	83.39
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i +ii + iii)	Nil	83.39	Nil	83.39

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: No Remuneration was paid to Mr. Deep Kumar Rastogi, the only whole time Director of the Company, during the financial year 2015-16, as he has opted not to take any managerial remuneration.

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount (Rs.)
		Sameer Rajpal	Pranav Kumar	Monika Moorjani	
1.	Independent Directors				
	• Fee for attending board and committee meetings	50,000/-	50,000/-	25,000/-	1,25,000/-
	• Commission	Nil	Nil	Nil	Nil
	• Others, please specify	Nil	Nil	Nil	Nil
	Total(1)	50,000/-	50,000/-	25,000/-	1,25,000/-
2.	Other Non-Executive Directors				
	• Fee for attending board and committee meetings	N.A	N.A	N.A	N.A
	• Commission				
	• Others, please specify				
	Total(2)	-	-	-	-
	Total(B)=(1+2)	50,000/-	50,000/-	25,000/-	1,25,000/-
	Total Managerial Remuneration	50,000/-	50,000/-	25,000/-	1,25,000/-
	Overall Ceiling as per the Act	-	-	-	-

C. Remuneration to key managerial personnel other than MD/Manager/WTD

(Amount in Rs.)

Sl. No.	Particulars of Remuneration	Key Management Personnel			
		CEO	Company Secretary	CFO*	Total
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	N.A.	7,09,432/-	2,98,567/-	10,07,999/-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	N.A.	N.A.	N.A.	N.A.
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	N.A.	N.A.	N.A.	N.A.
2.	Stock Option	N.A.	N.A.	N.A.	N.A.
3.	Sweat Equity	N.A.	N.A.	N.A.	N.A.
4.	Commission				
	• as % of profit	N.A.	N.A.	N.A.	N.A.
	• Others, specify	N.A.	N.A.	N.A.	N.A.
5.	Others, please specify	N.A.	N.A.	N.A.	N.A.
	Total	N.A.	7,09,432/-	2,98,567/-	10,07,999/-

* Mr. Raman Mallick was appointed as CFO w.e.f 06th November, 2015, hence his remuneration represents for 5 Months approx.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: No Penalty, Punishment was imposed by any authority e.g., Regional Director, NCLT and/or Court and therefore no Compounding of penalties and punishment was made/applied for by the Company its Directors and Officers in default under the Companies Act, 2013, during the year of reporting.

ANNEXURE-02

Corporate Social Responsibility (CSR)

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

Cals Refineries Limited (CALS) believes in the ideology to give back to the society from which it receives numerous things for survival and to meet daily needs and requirements. It believes in fulfilling the responsibility towards Society, Community and Environment in which it operates, with the sacred intention to achieve responsible growth and hence your Company is committed to operate in a socially responsible way. All the activities listed in Schedule V of Companies Act, 2013 have been incorporated in the Company's CSR policy.

Presently the financial status of the Company does not allow it to allocate the funds for the CSR activities of the Company as there is no revenue generation in the Company since long time and therefore no profits. As has been reporting that one of the prime reasons for such circumstances is the restrictive orders on the Company, which led to a situation, where Company is unable to enter into the market and also to procure requisite investment, which in turn substantially hampers the project establishments. However, to meet the necessary compliance of law a policy had been formulated as per the requirements of Section 135 of Companies Act, 2013, but no activity as mentioned under the CSR policy was taken up during the year of reporting, due to the reasons as mentioned above.

A web link to the CSR policy of the Company is mentioned below:

<http://www.cals.in/Data/Documents/Cals%20Refineries%20-%20OD%20-%20CSR%20Policy.pdf>

2. The Composition of the CSR Committee.

The CSR Committee of the Company consists of following members:

- Mr. Pranav Kumar (Chairman)
- Mr. Sameer Rajpal
- Mr. Deep Kumar Rastogi

3. Average net profit of the company for last three financial years

The Company is not having any profit during the last three financial years.

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)

Since, there has been no profits during last three financial years, no amount has been prescribed/allocated for CSR expenditure during the financial year 2015-16.

5. Details of CSR spent during the financial year.

(a) Total amount to be spent for the financial year: NIL

(b) Amount unspent, if any: No amount has been spent.

(c) Manner in which the amount spent during the financial year is detailed below.

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S.No	CSR project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other Specify (2) The State district and where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: (1) Direct Expenditure on projects or programs (2) Overheads	Cumulative expenditure upto to the reporting period	Amount spent : Direct or through implementing agency*
1	-	-	-	-	-	-	-
2	-	-	-	-	-	-	-
	TOTAL	-	-	-	-	-	-

* Details of implementing agency: N.A

6. In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.

The Company has not spent any amount on CSR activities of the Company, since the Company has no operational income and revenue generation and has not booked any profit during the last three financial years.

CSR Committee confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

Sd/-
(Deep Kumar Rastogi)
Executive Chairman

Sd/-
(Pranav Kumar)
Chairman of CSR Committee

ANNEXURE-03
POLICY RELATING TO THE REMUNERATION OF WHOLE TIME/ EXECUTIVE/ MANAGING DIRECTOR, KEY MANAGERIAL PERSONNEL(KMP) AND SENIOR MANAGEMENT PERSONNEL.
PREAMBLE

This Policy has been prepared in accordance with the requirements of Clause 49(IV)(B)(1) of the Equity Listing Agreement and Section 178(3) of Companies Act, 2013.

This policy shall stand automatically modified with respect to any statutory modifications in the said act or their allied rules.

DEFINITIONS

"Act" means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.

"Board" means Board of Directors of the Company.

"Directors" means the Whole time Directors/Executive Directors/Managing Directors of the Company.

"Key Managerial Personnel" means

- i. Managing Director or Chief Executive Officer or Manager and in their absence Whole- time director;
- ii. Chief Financial Officer;
- iii. Company Secretary; and

"Senior Management" means personnel of the company who are members of its core management team excluding the Board of Directors including Functional Heads.

APPLICABILITY

This Policy shall be applicable on all Directors, Key Managerial Personnel and Senior Management of the Company.

PURPOSE

This policy has been designed by the Nomination and Remuneration Committee of the Company to devise a criteria for payment of remuneration to Directors, KMP and Senior Management of the Company. Any Appointments made in future shall be governed by this policy.

REMUNERATION CRITERIA
i. General:

- a) The remuneration / compensation / commission etc. to the Directors, KMP and Senior Management will be determined by the Nomination and Remuneration Committee and recommend to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
- b) The remuneration and commission to be paid to the Whole-time Directors/ Managing Directors shall be in accordance with the percentage / slabs / conditions laid down in the Articles of Association of the Company and as per the provisions of the Act.
- c) Increments to the existing remuneration/ compensation structure may be recommended by the Nomination and Remuneration Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director and Managing Director.
- d) Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

ii. Remuneration to Whole-time / Executive / Managing Director, KMP and Senior Management Personnel:
a) Fixed pay:

The Director/ KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to Provident Fund, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board/ the Person authorized by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

b) Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Directors/Managing Directors in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

c) Provisions for excess remuneration:

If any Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Shareholders and Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by Law.

iii. Remuneration to Non- Executive / Independent Director:
a) Remuneration / Commission:

The remuneration / commission shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company and the Act.

b) Sitting Fees:

The Non- Executive / Independent Director may receive sitting fees for attending meetings of Board or Committee thereof. Currently, the maximum amount prescribed by the Central Government is Rs. 1,00,000/- per meeting of the Board or Committee thereof. However the Company, presently gives Rs. 5,000/- for every meeting attended by them.

c) Commission:

Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.

d) Stock Options:

An Independent Director shall not be entitled to any stock option of the Company.

Notes:

The total managerial remuneration payable by a public company to its directors, including managing director and whole time director in respect of any financial year shall not exceed 11% of the net profits of the company. Any payment exceeding 11% would require Central Government approval.

DIRECTOR'S REPORT



The remuneration payable to any one managing director; or whole time director shall not exceed 5% of the net profits of the company and if there is more than one such director remuneration shall not exceed 10% of the net profits to all such directors taken together. Any payment exceeding the said 5% or 10% limits would require the approval of the shareholders.

The remuneration payable to all the non-executive directors shall not exceed 1% of the net profits of the Company, if there is a managing or whole time Director. As there is a Whole time Director in the Company, the applicable limit is of 1% of the net profit. Any payment exceeding 1% would require the approval of the shareholders subject to the overall limit of 11%.

However, the Company in general meeting may, with the approval of the Central Government, authorise the payment of remuneration exceeding 11% of the net profits of the company, subject to the provisions of Schedule V.

CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES & INDEPENDENCE OF DIRECTOR

S.No.	Criteria
1.	Qualifications of a Director: A director shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, operations or other disciplines related to the company's business.
2.	Positive attributes of a Directors: A director shall be a person of integrity, who possesses relevant expertise and experience and who shall uphold ethical standards of integrity and probity; act objectively and constructively; exercise his responsibilities in a bona-fide manner in the interest of the company; devote sufficient time and attention to his professional obligations for informed and balanced decision making; and assist the company in implementing the best corporate governance practices.
3.	Independence of Directors: Directors should be free to present their view point independently, Company has also adopted to conduct the separate meeting of the independent Directors, which will ensure that the independent directors of the Company can review the performance of the Board and Chairman. Moreover the Directors should meet the other requirements of the Companies Act, 2013 and Listing Agreement /Regulations concerning independence of directors.

ANNEXURE-04

FORM No. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31st MARCH 2016

[Pursuant to section 204(1) of Companies Act, 2013 and rule no. 9 of the companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
CALs Refineries Limited
Unit No. 209, 2nd Floor, Suneja Tower-II, District Centre,
Janakpuri New Delhi -110058
CIN: L51909DL1984PLC018775

I have conducted secretarial audit of the compliance of applicable statutory provisions and adherence to good corporate practices by M/s. CALS Refineries Limited (hereinafter called "the Company"). The secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of M/s. CALS Refineries Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2016, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent based on the management representation letter/ confirmation received from the management, in the manner and subject to the reporting made hereinafter. The members are requested to read this report along with our letter dated July 27, 2016 annexed to this report as **Annexure - A**.

- I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2016 according to the applicable provisions of:
 - The Companies Act, 2013 (the Act) and the rules made thereunder;
 - The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
 - The Depositories Act, 1996 and the regulations and bye-laws framed thereunder;
 - Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
 - The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (not applicable to the Company during the Audit period);
 - The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (not applicable to the Company during the Audit period)
 - The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (not applicable to the Company during the Audit period);
 - The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (not applicable to the Company during the Audit period);
 - The Securities and Exchange Board of India (Registrars to an issue and share transfer agents) Regulations, 1993 regarding the companies Act and dealing with client; and
 - The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (not applicable to the Company during the Audit period).
- I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents, records, management confirmations in pursuance thereof, on test check basis, the company has complied with the following laws applicable specifically to the Company:
 - Employees Provident Fund and Miscellaneous Provisions Act, 1952, as amended from time to time ;

- ii) Payment of Gratuity Act, 1972, as amended from time to time;
 - iii) Employees' State Insurance Act, 1948 as amended from time to time.
3. I have also examined compliance of the applicable clause of the following:
- i) Secretarial Standards 1 and 2 issued by The Institute of Company Secretaries of India as they become applicable only from 01 July 2015.
 - ii) Listing Agreements/SEBI (Listing Obligation and Disclosure Requirement), Regulations, 2015 entered into by the Company with Bombay Stock Exchange Limited.
4. During the period under review, to the best of our knowledge and belief and according to the information and explanations given to us, the Company has complied with the provisions of the Acts, Rules, Regulations and Agreements mentioned under paragraph 1 above, to the extent applicable.
5. I further report that:
- i) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
 - ii) Adequate notice is given to all directors to schedule the Board Meetings. Notice of Board meetings was sent in compliance with the Act. A system exists for directors to seek and obtain further information and clarifications on the agenda items before the meetings and for their meaningful participation at the meetings. Majority decision is being carried out unanimously for each agenda item of the meeting. We are informed that there were no dissenting members' views on any of the matters during the year that were required to be captured and recorded as part of the minutes.
 - iii) There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
 - iv) The Company was in receipt of Share application money for an amount of Rs. 1,57,57,463/- received from M/s Abboto Limited as a Foreign Direct Investment, remains pending for allotment. SEBI vide its order no. WTM/SR/ISD/27/2013 dated 23rd October, 2013 restricted the company from accessing the Capital markets and/or issuing shares and/or any other instruments convertible into equity or altering its capital structure from the date of the order for a period of ten years. However, SEBI in the said order had stated that, vide its interim order dated September 21, 2011, the Company was directed not to issue further share or alter their capital structure in any manner till further direction. It was further mention in the order that since the Company has already undergone the prohibition imposed vide the interim order for a period of approximately two years. Hence the prohibition already undergone by the Company pursuant to the aforementioned Interim order of SEBI shall be reduced while computing the period in respect of the prohibition imposed vide this order. Considering the above order of SEBI, the Company was restricted from accessing the Capital markets and/or issuing shares and/or any other instruments convertible into equity or altering its capital structure from the date of the order effectively for a period of approx. eight years. However, as on the date of the report the Company has complied with the order of SEBI for approx. five years and accordingly it has to further comply for period of 5 years approx. Further, the Company had asked special permission from Securities and Exchange Board of India (SEBI) vide letter dated 12th May, 2015 with a copy to Registrar of Companies, National Capital Territory of Delhi & Haryana, making a request to SEBI for relaxing its aforesaid order to enable the Company to allot the equity share against the aforesaid share application money, pending allotment, the Company has however not received any reply from the concern authority. However, a reminder letter dated 29th May and 7th December, 2015 were also sent to the above said authority (ies) with a prayer to give relaxation from its aforesaid order. The Company is still waiting for reply from the concerned authority(ies)
 - v) During the audit period:
The members have passed special resolutions under Section 180 of the Act empowering the Board of Directors to do the following:
 - Borrow moneys provided that the amounts borrowed and outstanding at any point of time does not exceed Rs. 50 crores, over and above the aggregate of paid up share capital and free reserves; apart from temporary loans from the Company's bankers in the ordinary course of business.

FOR KBK & CO
Company Secretaries

Kumar Bhavesh Kishore
Membership No: A22843
Certificate of Practice No: 11598

Place: New Delhi
Date: 27.07.2016

Annexure -A to Secretarial Audit Report dated July 27, 2016

To,
The Members
CALS Refineries Limited
Unit No. 209, 2nd Floor, Suneja Tower-II, District Centre,
Janakpuri New Delhi -110058
CIN: L51909DL1984PLC018775

Our Secretarial Audit Report dated July 27, 2016 is to be read with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to make a report based on the secretarial records produced for our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our report.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company as it is taken care in the statutory audit.
4. We have obtained the Management's representation about the compliance of laws, rules and regulations and happening of events, wherever required.
5. Compliance with the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. This Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

FOR KBK & CO
Company Secretaries

Kumar Bhavesh Kishore
Membership No: A22843
Certificate of Practice No: 11598

Place: New Delhi
Date: 27.07.2016

To the Members of

Cals Refineries Limited

We have examined the Compliance of conditions of Corporate Governance by Cals Refineries Limited ('the Company'), for the year ended March 31, 2016, as stipulated in Chapter IV of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, pursuant to Listing agreement of the said Company with Stock Exchange.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, pursuant to Listing agreement of the said Company with Stock Exchange.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For Priya Gupta & Associates
Company Secretaries

Place : Delhi
Date : 29.07.2016

(Priya Gupta)
Proprietor
M. No. - 22710
C.P. No. - 8180

COMPLIANCE CERTIFICATE

[Pursuant to Regulation 17(8) of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015]

To,
Board of Directors
CALS Refineries Limited

- A. We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2016 and that to the best of our knowledge and belief:
- (1) These statements do not contain any materially untrue statement or omit any material facts or contain statements that might be misleading;
 - (2) These statements together present a true and fair view of the Listed, Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of their knowledge and belief, no transactions entered into by the Listed Entity Company during the year which are fraudulent, illegal or violative of the listed entity's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the listed entity pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit Committee
- (1) Significant changes in internal control over financial reporting during the year;
 - (2) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (3) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

(Deep Kumar Rastogi)
Executive Chairman
DIN: 01229644

(Raman Mallick)
Chief Financial Officer

Place : New Delhi
Date : 27.05.2016

REPORT ON CORPORATE GOVERNANCE
CORPORATE GOVERNANCE PHILOSOPHY

We believe that the purpose of the Good Corporate Governance is only achieved and materialized if the rights of the stakeholders are safeguarded. The Good Corporate Governance system is built and erected on the balanced quantum of transparency and disciplined way of working. Our organisation works on this ideology and are committed for the transparent way of working further, these are characterised by a firm commitment and adoption of ethical practices by us in our dealings with a wide group of stakeholders.

We have cultivated a culture in which we have ensured the high standards of ethical behavior, individual accountability and transparent disclosure are embedded in all its dealings and shared by its board of directors, management and employees. As a responsible corporate citizen, the Company is committed to ensure high standards of transparency and accountability in all its activities. The Company has established systems and procedures to ensure that its Board of Directors is well-informed and well-equipped to cope up with its overall responsibilities and to provide the management with the strategic direction needed to create long-term shareholder value.

1. BOARD OF DIRECTORS:

The Board of Directors consists of following directors during financial year 2015-16.

a. Composition and category of Directors :

S.No.	Name of the Directors	Category
1.	Deep Kumar Rastogi	Whole Time Director (Promoter Category)
2.	Sameer Rajpal	Non Executive and Independent Directors
3.	Pranav Kumar	Non Executive and Independent Directors
4.	Monika Moorjani*	Non Executive and Independent Directors

* Ceased to be associated as the Director of the Company w.e.f 23rd March, 2016 due to Resignation. However, she has again joined the Board as Non-Executive and Independent Directors w.e.f 27th May, 2016

b. Attendance of each Director at the Board Meetings and the last AGM:

S.No.	Name of the Directors	Attendance Particulars	
		No. of Board meetings attended	Last AGM attended (Yes/No)
1.	Deep Kumar Rastogi	6	Yes
2.	Sameer Rajpal	6	Yes
3.	Pranav Kumar	6	Yes
4.	Monika Moorjani	5	Yes

c. Number of other Boards or Board Committees in which Directors are member or Chairperson as on 31st March, 2016.

S.No.	Name of the Directors	No. of other Directorships and Committee member or Chairmanship		
		Other Directorships	Committee Memberships	Committee Chairmanships
1.	Deep Kumar Rastogi	0	0	0
2.	Sameer Rajpal	1	3	2
3.	Pranav Kumar	1	1	0
4.	Monika Moorjani	0	0	0

d. Number of Board meetings held during the reporting year and dates thereof.

During the year, Six Board Meetings were held on May 04, 2015, May 29, 2015, August 13, 2015, September 25, 2015, November 06, 2015 and February 09, 2016.

e. During the year under review, the Independent Directors held one separate meeting on 09th February, 2016 to evaluate the performance of the Chairman, Individual Directors and the Board as a whole and also to assess the Quality, Quantity and timeliness of the flow of Information between the Company Management and the Board. All the independent Directors had attended the meeting.

f. No Non-Executive Directors of the Company, held any equity shares therein.

g. Details of training imparted to Independent Directors

Details of the training imparted to or familiarization program to Independent Directors are explained in Directors Report, however a familiarization program was conducted on 06th November, 2016, details of the same are placed on the website of the Company, a web link thereto is given below:

http://www.cals.in/Familiarisation_Program.pdf

2. COMMITTEES OF THE BOARD:

I. AUDIT COMMITTEE

The Company is having in its place an adequately qualified Audit Committee, which is suitably equipped with the mixture of qualified professional and experienced person. The Committee is also fulfilling the requirements of the Companies Act, 2013 and Regulation 18(3) read with Part C of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

i. Terms of Reference:

The terms of reference stipulated by the Board to the Audit Committee, as contained under Regulation 18(3) read with Part C of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as per the Companies Act, 2013, are enumerated herein below:

1. Recommendation for appointment, fixation of remuneration, terms of appointment and removal, of auditors of the company;
2. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
3. Discussion with statutory auditors before audit commences, as regards nature and scope of audit as well as having post audit discussion to ascertain any areas of concern.
4. Examining and reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries, based on exercise of judgment by the Management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with the stock exchange and other legal requirements relating to financial statements
 - f. Any related party transactions, i.e., transactions of the Company of a material nature, with promoters or the management, their subsidiaries or relatives etc. that may have potential conflict with larger interests of the Company and also approval of any subsequent modification of transactions of the Company with Related Parties
 - g. Qualifications in the draft audit report
 - h. Compliance with the Accounting standard
 - i. Going concern assumptions
5. Reviewing, with the management, the quarterly, half yearly financial results before submission to the board for approval;
6. Scrutiny of Inter Corporate Loan and Investments;
7. Valuation of undertaking or assets of the Company wherever it is necessary;
8. Evaluation of internal financial controls and risk Management system;
9. Reviewing adequacy of Internal Audit Function, coverage and frequency of Internal Audit Report.
10. Discussion with Internal Auditors and concurrent Auditors on any significant finding in their reports and follow up thereon.
11. Review of the appointment, removal and terms of remuneration of the internal auditor.
12. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
13. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.
14. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
15. To investigate any activity within its terms of reference.
16. To seek information from any employee.
17. To obtain outside legal or other professional advice.
18. To secure attendance of outsiders with relevant expertise, if it considers necessary.
19. Recommendation of a Vigil Mechanism (Whistle Blower Mechanism) to the Board for consideration and any change thereto from time to time. The Board shall establish the Vigil Mechanism.
20. The Audit Committee shall oversee and review the functioning of the Vigil Mechanism and if any of the members of the Committee has a conflict of interest in a given case, they should rescue themselves and others on the Committee shall deal with the matter in hand. In appropriate and exceptional cases, the Vigil Mechanism to provide for Direct Access to the chairperson of the Audit Committee.
21. Any other matter, as the Audit Committee may deem fit, to ensure the internal control, transparency and for necessary compliances of the law, that may include Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 etc.

ii. Composition, Name of Members and Chairperson of the Committee:

During the Financial year 2015-16, The Audit Committee comprised of Mr. Deep Kumar Rastogi, Mr. Sameer Rajpal and Mr. Pranav Kumar.

Mr. Sameer Rajpal is presently the Chairman of the committee. Mr. Suvindra Kumar, Company Secretary and Compliance officer is the secretary of the Committee, the Chief financial officer of the Company and the statutory auditors are permanent invitees to the meeting of the Audit Committee. The minutes of each Audit Committee meeting are placed before and discussed in the Board.

iii. Meetings and attendance during the year:

During the year, the Committee has met 5 times on May 4, 2015, May 29, 2015, August 07, 2015, November 06, 2015 and February 09, 2016.

Attendance of each member at the Audit Committee meetings held during the year is as follows:

Name of Committee Members	No. of Meetings held	No. of Meetings Attended
Sameer Rajpal	5	5
Pranav Kumar	5	5
Deep Kumar Rastogi	5	5

II. NOMINATION AND REMUNERATION COMMITTEE

The Company has a duly constituted Nomination and Remuneration Committee, which is responsible for identification of the suitable person as Directors, KMPs, and other Senior Management and recommending to the Board for their appointment. The detailed terms of reference of the said Committee is as under:

(i) Terms of reference:

The terms of reference for the Nomination and Remuneration Committee as enumerated herein below:

1. to identify persons
 - who are qualified to become Directors, and
 - who may be appointed in senior management

in accordance with the criteria laid down, recommended to the Board their appointment and removal and shall carry out evaluation of every director's performance.
2. To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy relating to the remuneration for the Directors, Key managerial personnel and other employees.
3. To ensure that:
 - (a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully,
 - (b) Relationship of the remuneration to performance is clear and meets appropriate performance benchmarks; and
 - (c) Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

Explanation: The expression "Senior Management" means personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of the management one level below the Executive Director, including all the functional heads.

(ii) Composition, Name of Members and Chairperson of the committee:

During the year 2015-16, the Nomination and Remuneration committee consists of following 3 members:

- Deep Kumar Rastogi
- Sameer Rajpal
- Pranav Kumar

Mr. Sameer Rajpal is the Chairman of the Committee.

(iii) Attendance during the year:

Only 2 meetings of the Nomination and Remuneration Committee were held during the year on May 04, 2015 and February 09, 2016 at which all 3 members were present.

(iv) Remuneration Policy:

During the year under review, the Nomination and Remuneration Committee reviewed the Remuneration Policy for Directors, KMPs and other employees and recommended no changes to be made in the Policy to the Board of Directors of the Company. The said policy forms part of the Board's Report as **Annexure-03**.

(v) Details of remuneration paid to all the Directors:

Mr. Deep Kumar Rastogi, Executive Director, has opted not to take any managerial remuneration.

The Independent Directors are only paid through sitting fee for the meetings of the Board and Audit Committee attended by them. Sitting fees paid for the year ended March 31, 2016, to the Directors are as follows:

Name of Directors	Sitting Fees (₹)
Mr. Sameer Rajpal	50,000/-
Mr. Pranav Kumar	50,000/-
Ms. Monika Moorjani	25,000/-

(vi) The Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 states that a formal annual evaluation needs to be made by the Board of its own performance, its committees, Chairman and individual Directors. Schedule IV of the Companies Act, 2013 and Regulation 17 of Listing Regulations states that the performance evaluation of Independent Directors shall be done by the entire Board of Directors, excluding the Director being evaluated.

The Board in concurrence with Nomination and Remuneration Committee has laid down the evaluation criteria for itself, Committees, Chairperson, Executive and Non-Executive Directors and Independent Directors. The Evaluation was carried out through a structured questionnaire/parameters covering various aspects of the functioning of the Board of Directors.

The following broad parameters were considered for evaluation:

1. *Is the attendance of Independent Directors at meetings satisfactory?*
2. *Do the Independent Directors show willingness to spend time and effort learning about the Company and its business?*
3. *How well prepared and well informed the Independent Directors for Board Meetings?*
4. *What has been the quality and value of Independent Director's contributions at Board and Committee Meetings?*
5. *What has been their contribution to the development of Strategy and risk management?*
6. *How successfully the Independent Directors brought their knowledge and experience to bear in the consideration of strategy?*
7. *Where necessary, how resolute are they in holding to their views and resisting pressure from others?*
8. *How effectively have they followed up matters about which they have expressed concern?*
9. *How good are their relationship with other board members, the company secretary and senior management?*
10. *How actively and successfully do they refresh their knowledge and skill? Are they up-to-date with the latest developments in areas such as the corporate governance framework and financial reporting and in the industry and market conditions?*
11. *How well do they communicate with other board members, senior management and others (e.g. shareholders)?*
12. *Can they present their views convincingly, yet diplomatically?*
13. *Do they listen to the views of others?*

III. STAKEHOLDER'S RELATIONSHIP COMMITTEE

The Prime responsibility of the Stakeholder's Relationship Committee is to take care of the shareholder grievances and to resolve the same amicably, within the given time period.

(i) Name of Non-executive Director heading the Committee:

Mr. Sameer Rajpal and Mr. Deep Kumar Rastogi are the members of the Committee, Mr. Sameer Rajpal acts as the Chairman of the Committee, he was also present in the previous Annual General Meeting of the Company held on 25th September, 2015. M/s MCS Share Transfer Agent Limited was the Registrar and Share Transfer Agents to handle the grievances of the shareholders. The Company suitably monitors and analyse the work of registrar to ensure that the investors' grievances are settled in given time period.

The main areas and functions looked after by Stakeholder's Relationship Committee are as under:

1. Redressal of shareholders and investors complaints like transfer of shares, non-receipt of Annual Report, non-receipt of declared dividends, if any etc.
2. Consolidation and sub-division of share certificates.
3. Approving the transfer(s), transmission(s) of share certificates.
4. To oversee the performance of the Registrar and Transfer Agent of the Company.

(ii) Name and Designation of Compliance officer:

The Compliance officer of the Company is Mr. Suvintra Kumar, the Company Secretary of the Company, he also acts as a secretary to the Committee.

(iii) Number of Shareholder Complaints received so far:

The Company has Nil Complaints pending at the beginning of the year and it received four complaints from the shareholders during the year and all the complaints were resolved by furnishing the requisite information/ documents. There were Nil complaints pending as on March 31, 2016.

(iv) Number of complaints not solved to the satisfaction of Shareholders: Nil

(v) Number of Pending Complaints: Nil

IV. CSR COMMITTEE

The CSR Committee of the Company comprises of Mr. Pranav Kumar, Chairman of the Committee, Mr. Sameer Rajpal and Mr. Deep Kumar Rastogi.

The CSR policy of the Company has been placed on the website of the Company.

Considering the persistent financial status of making loss, the Company did not allocate any funds for the CSR activities of the Company as there is no revenue generation in the Company since long time and therefore no profits was earned. Considering this reason the Company has not spent any amount on its CSR activities.

The Terms of Reference of the Committee are as follows:

1. To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013.
2. To recommend the amount and area of expenditure to be incurred on various activities.
3. To monitor the Corporate Social Responsibility Policy of the Company from time to time.
4. Any other item as may be referred to by the Board.

V. RISK MANAGEMENT COMMITTEE

The Risk Management Committee of the Company was established pursuant to Clause 49 of the Listing Agreement (Now Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015). The Committee was comprising of Mr. Deep Kumar Rastogi, Mr. Sameer Rajpal and Mr. Pranav Kumar. The Committee was chaired by Mr. Deep Kumar Rastogi.

Further, as per Regulation 21(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the provisions of Clause 49(VI)(C) [Now Regulation 21(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015] relating to constituting the risk management committee are applicable only to top 100 listed Companies by market Capitalization as at the end of the immediate previous financial year. In reference to the aforesaid situation, the Company is not required to have the said Committee as it does not fall into the aforesaid categories of the Companies, hence the Board in its meeting held on 09th February, 2016, dissolved the Committee.

While dissolving the Risk Management Committee of the Company, the management ensured that the terms of reference of the Committee will be looked after by the Audit Committee.

3. ANNUAL GENERAL MEETINGS AND EXTRAORDINARY GENERAL MEETING

Location and time, where last three AGMs/EGMs held.

Year	AGM	Location	Date	Time
2014-15	AGM	Executive Club, Dolly Farms & Resorts, 439, Village Shahurpur, P.O. Fatehpur Beri, New Delhi-110074.	25.09.2015	10.30 A.M.
2013-14	AGM	Executive Club, Dolly Farms & Resorts, 439, Village Shahurpur, P.O. Fatehpur Beri, New Delhi-110074.	25.09.2014	10.30 A.M.
2012-13	AGM	Executive Club, Dolly Farms & Resorts, 439, Village Shahurpur, P.O. Fatehpur Beri, New Delhi-110074.	27.09.2013	10.30 A.M.

In the last three financial years, special resolutions as set out in the schedule below were passed by the members of the Company either in the AGM/EGM or through postal ballot:

Year	AGM Date	Special Resolutions
2014-15	25.09.2015	<ul style="list-style-type: none"> Setting up the Borrowing limits of the Company under Section 180(1)(c) of the Companies Act, 2013. Ratification of Material Related Party Transactions entered with Nyra Holdings Private Limited and authority to enter into further related party transactions in future with Related parties including Nyra Holdings Private Limited.
2013-14	25.09.2014	No Special Resolution was passed.
2012-13	27.09.2013	No Special Resolution was passed.

No Special Resolution was passed through postal ballot last year, further at present there is no Special Resolution proposed to be conducted through postal ballot.

4. DISCLOSURES
i. Disclosures on materially significant related party transactions that may have potential conflict with the interests of company at large:

None of the transactions with any of the related parties, were in conflict with the interests of the Company. However, the Company has formulated a policy on materiality of related party transactions and also on dealing with Related Party Transactions which can be downloaded from the link mentioned below:

<http://www.cals.in/Data/Documents/Cals%20Refineries%20-%20OD%20-%20RPT%20Policy.pdf>

ii. Details of non-compliance by the company, penalties, and strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years:

The Securities and Exchange Board of India (SEBI), while investigating certain entities in regard to "Market Manipulation using GDR issues" had by its ex-parte order No.WTM/PS/ISD/02/2011 dated September 21, 2011, which was later confirmed vide order dated December 30, 2011, directed your Company not to issue equity shares or any other instruments convertible into equity shares or alter capital structure in any manner till further directions in this regard. SEBI, in this matter, on 23rd October, 2013, had issued a final order against the Company, which operative portion are as under:

- That the Company will not issue equity shares or any other instruments convertible into equity shares or any other security, for a period of ten years.*
- Vide Interim Order dated September 21, 2011 (later confirmed through the Confirmatory Order on December 30, 2011), the Company 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, the Company has already gone 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 the Company pursuant to the aforementioned SEBI Order shall be reduced while computing the period in respect of the prohibition imposed vide this order.*

From the above Order it is clear that the Company is restrained from issuing any further equity shares or any other instruments convertible into equity shares or any other security, effectively for a period of eight years (approx.), from the date of the order, to which we have survived almost half of the restrictive order.

- iii. The Company has in place a Vigil Mechanism/ Whistle Blower Policy, the details of establishment of which are given in Board's Report. Further, no personnel has been denied access to the audit committee.
- iv. The Company is compliant with the mandatory requirements applicable to the Company under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- v. The Discretionary requirements as specified in Part-E of Schedule-II is adopted with respect to the effect that the Internal Auditor, reports directly to the Audit Committee.
- vi. The Company has complied with the requirements of the corporate governance specified in regulations 17 to 27 and clauses (b) to (i) of sub regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

5. MEANS OF COMMUNICATION

Pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the unaudited/audited financial results are intimated to the stock exchange, immediately after the Board meetings at which they are approved. These quarterly results/disclosures are published in Business Standard.

The financial results/disclosure are also displayed on the website of the Company, i.e., <http://www.cals.in/Financials.php>

6. GENERAL SHAREHOLDER INFORMATION

i. Annual General Meeting (For financial year 2015-2016)

Date and Time	:	Thursday, September 29, 2016 at 9.30 a.m.
Venue	:	Executive Club, Dolly Farms & Resorts, 439, Village Shahurpur, P.O. Fatehpur Beri, New Delhi 110074.

ii. Financial Year : 01st April to 31st March of every year.

Financial Calendar (Tentative and subject to change)

Financial Results/Disclosure for the Quarter ending June 2016	On or before 14 th August, 2016
Financial Results/Disclosure for the Quarter ending September 2016	On or before 15 th November, 2016
Financial Results/Disclosure for the Quarter ending December 2016	On or Before 15 th February, 2017
Financial Results/Disclosure for the Quarter ending March 2017	On or Before 30 th May, 2017
Annual General Meeting	September, 2017

iii. Date of Book closure: Friday 23rd September, 2016 to Thursday 29th September, 2016 (both days inclusive).

iv. Dividend payment date: Since Company is not proposing any dividend, this date is not applicable.

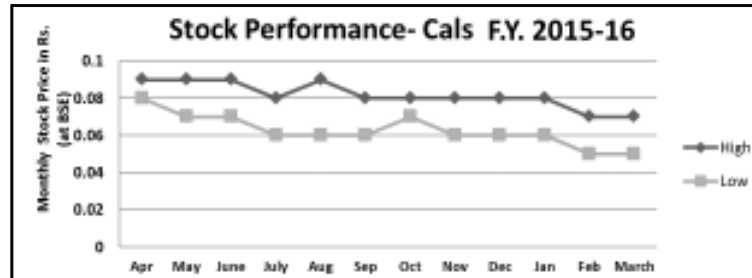
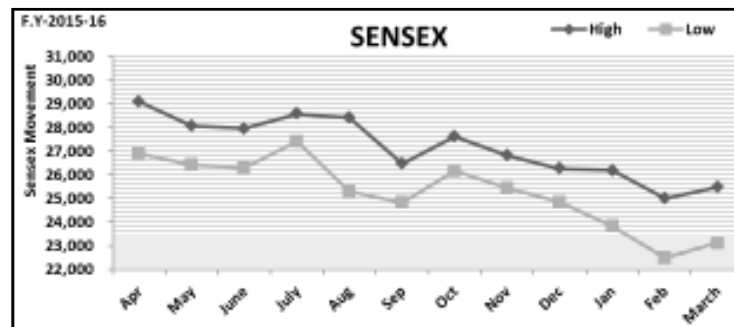
v. Listing on Stock Exchanges, Stock Code & ISIN:

INSTRUMENT	STOCK EXCHANGE	STOCK CODE	ISIN
Equity Shares	Bombay Stock Exchange, Mumbai	Trading Symbol- CALSREF- 526652	INE 040C01022

Company has paid Rs. 4,44,444/- out of Rs. 8,02,754/- as on the date of signing this report, and shall make rest of the payment in due course.

vi. Market Price Data : High, Low during each month in last financial year and performance in comparison to BSE Sensex.

Months	Share Price (BSE) (In ₹)		SENSEX		Volume (No. of Shares)
	Month's High Price	Month's Low Price	Month's High	Month's Low	
April 2015	0.09	0.08	29094.61	26897.54	50427499
May 2015	0.09	0.07	28071.16	26423.99	41562304
June 2015	0.09	0.07	27968.75	26307.07	51172421
July 2015	0.08	0.06	28578.33	27416.39	71508539
August 2015	0.09	0.06	28417.59	25298.42	95790978
September 2015	0.08	0.06	26471.82	24833.54	65940313
October 2015	0.08	0.07	27618.14	26168.71	58665411
November 2015	0.08	0.06	26824.30	25451.42	40635037
December 2015	0.08	0.06	26256.42	24867.73	63521976
January 2016	0.08	0.06	26197.27	23839.76	63314717
February 2016	0.07	0.05	25002.32	22494.61	63973103
March 2016	0.07	0.05	25479.62	23133.18	47204748

Our Stock Performance for the year 2015-16:

Sensex Movement for the year 2015-16:

vii. Registrar and Transfer Agents (RTA):

During the year of reporting the Registrar and transfer activity was being handled by M/s MCS Share Transfer Agent Limited situated at F-65, 1st Floor, Okhla Industrial Area, Phase I, New Delhi - 110020. E-mail: admin@mcsregistrars.com

viii. Share Transfer System:

Presently, the share transfers, which are received in physical form, are processed and the Share certificates returned within the prescribed time period, subject to the documents being valid and complete in all respects.

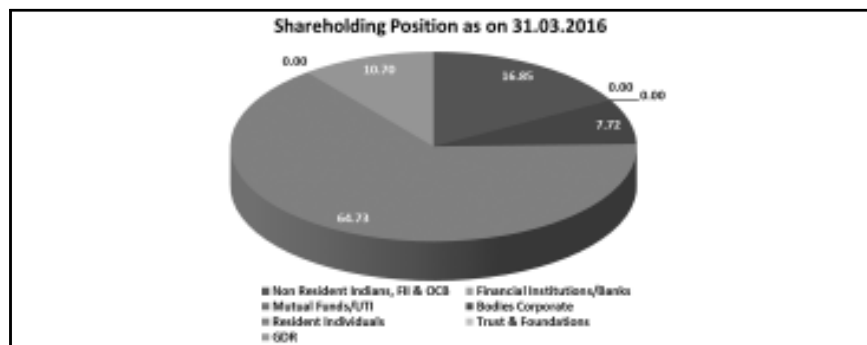
ix. a. Distribution of shareholding as on March 31, 2016:

Range	Shares	Percent Shares	Folios	Percent Holders/Folio
1 - 500	3464389	0.0418	12298	6.8265
501 - 1000	25131104	0.3030	25827	14.3363
1001 - 2000	33991782	0.4098	18411	10.2198
2001 - 3000	27391163	0.3303	9842	5.4632
3001 - 4000	18554880	0.2237	4870	2.7033
4001 - 5000	99256629	1.1967	19984	11.0929
5001 - 10000	291222072	3.5113	32017	17.7723
10001 - 50000	1022271448	12.3255	39170	21.7429
50001 - 100000	786776492	9.4861	9548	5.3000
And Above	5985903141	72.1718	8184	4.5429
Total	8293963100	100.000	180151	100.000

b. Distribution of shareholding among Non-Resident, FII, Body Corporate and Individuals:

As on the end of year of reporting, i.e., as on 31.03.2016, the Distribution of shareholdings between NRI, FIIs, OCBs, Body Corporate and Individuals are represented below:

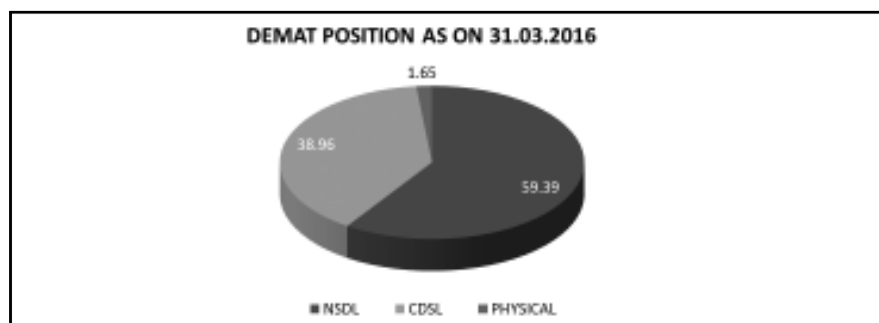
Category	No. of Shares	% age
Non Resident Indians, FII & OCB	1397219114	16.85
Financial Institutions/Banks	266000	0.00
Mutual Funds/UTI	112000	0.00
Bodies Corporate	640453734	7.72
Resident Individuals	5368237602	64.72
Trust and Foundations	135200	0.00
GDR	887539450	10.70
Total	8293963100	100.00



x. Dematerialisation of shares and liquidity:

As at the end of March 31, 2016, 8156823995 Equity Shares (98.34 % of the equity capital of the company) were dematerialised. The Following table shows the details relating to dematerialisation of shares of the Company:

Particulars	No. of Shares	% age
NSDL	4925815992	59.39
CDSL	3231000471	38.96
PHYSICAL	137146637	1.65
Total	8293963100	100.00



xi. Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity

The GDR's outstanding as on March 31, 2016 were 1,77,50,789 representing underlying 88,75,39,450 Equity Shares which was listed at Luxembourg Stock Exchange, and delisted w.e.f 14th July, 2014.

xii. Address for correspondence

Investor Correspondence:
(For transfer/dematerialisation of shares and any other query related to the shares of the Company)

For shares held in physical form
MCS Share Transfer Agent Limited
Address: F-65, 1st Floor, Okhla Industrial Area, Phase I,
New Delhi - 110020
Phone: 011-41406149/50/51
Fax: 011-41709881
E-Mail: admin@mcsregistrars.com

For shares held in Dematerialised form
To the depository participant

Any query on Annual Report

Cals Refineries Limited
Shares Department
Address: 209, 2nd Floor, Suneja Tower - II, District Centre,
Janak Puri, New Delhi-110058.
Phone: 011- 45067736,
E-Mail: cs@calsrefineries.com

DECLARATION

It is hereby declared that all the Board Members and senior management of the Company have reaffirmed adherence to in compliance with the 'Code of Conduct' laid down by the Company.

Place : New Delhi
Date : 29.07.2016

(Deep Kumar Rastogi)
Executive Chairman

FORWARD-LOOKING STATEMENTS

The report contains forward-looking statements, identified by words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates', 'envisages/ envisaged' and so on. All statements that address expectations or projections about the future, but not limited to the Company's strategy for expenditures, and financial results, are forward-looking statements. Since these are based on certain assumptions and expectations of future events, the Company cannot guarantee that these are accurate or will be realized. The Company's actual results, performance or achievements could thus differ from any forward looking statements. The Company assumes no responsibility to publicly amend, modify or revise any such statements on the basis of subsequent developments, information or events.

INDUSTRY STRUCTURE AND DEVELOPEMENTS
GLOBAL

The oil and gas industry is in turmoil, a downturn in crude oil markets has taken a bumpy path, resulting in declining oil prices and leading to deep CAPEX spending reductions. Since mid-2014, the crude oil markets cycle has turned downward, resulting in ever lower prices and creating turmoil across the oil and gas industry, Market Price had briefly slipped down from USD 108 barrel in FY 2014 to USD 85 per barrel in FY 2015 and further to USD 48 approx. in FY 2016. The current downturn has been brought on by a various factors including, but not limited to, the US tight oil revolution, the Organisation of Petroleum Exporting Countries (OPEC) new strategy led by Saudi Arabia to protect market share rather than balance the market, the lifting of sanction on Iran, growing inventory levels of crude oil and refined products worldwide, and expectations of lower world oil demand growth due to a worldwide economic downturn.

The forecast for the industry is extremely different today compared to how it looked just a couple of years ago, when the fundamentals of the oil industry were controlled by cartels. That traditional structural discipline has been replaced by a systemic imbalance marked by vastly increased supply and receding demand. Global economic weakness (in particular, slower growth in China the world's second largest consumer of crude oil, and continuing financial woes in Europe), tougher fuel economy regulations, more viable forms of alternative energy, have all combined to dramatically curtail the need for oil. Meanwhile, robust new reserves, especially of shale oil, in numerous regions around the world are glutting the market.

Presently, it appears that demand supply of the Crude oil shall slightly improve at the end of the year, the Global supply of crude oil seems to have stabilized. The rise in the prices of the crude oil depends on getting rid on the aforesaid factors and increase in demand, especially in China and the other growing markets.

DOMESTIC

The oil and gas sector is among the six core industries in India and plays a major role in influencing decision making for all the other important sections of the economy. India's economic growth is closely related to energy demand; therefore the need for oil and gas is projected to grow more, thereby making the sector quite conducive for investment. The Government of India has adopted several policies to fulfil the increasing demand. The government has allowed 100 per cent Foreign Direct Investment (FDI) in many segments of the sector, including natural gas, petroleum products, and refineries, among others.

The Ministry of Petroleum and Natural Gas is seeking to enhance India's crude oil refining capacity through 2040 by setting up a high-level panel, which will work towards aligning India's energy portfolio with changing trends and transition towards cleaner sources of energy generation. The Union Cabinet has allowed state-owned oil firms to evolve their own crude oil import policies which involve freedom to choose source companies as well as pricing for their crude oil imports, thus allowing them to compete in the market effectively.

The Ministry of Petroleum and Natural Gas has announced a new 'Marginal Fields Policy', which aims to bring into production 69 marginal oil and gas fields with 89 million tonnes or Rs 75,000 crore (US\$ 11.12 billion) worth of reserves, by offering various incentives to oil and gas explorers such as exemption from payment of oil cess and customs duty on machinery and equipment.

RISKS AND CONCERNS

The Board of Directors along with the Audit Committee looks after the risk management control in ordinary course. Since the Company has no business operation as of now, as the refinery could not be established, due to the reason's beyond Company's control, the Risk management activity is presently limited to the financial risk and the risk relating to non-compliances of various statutory laws.

However, your Board in context to the business, i.e., crude oil industry, understands and has taken on record that the competition, slumping oil prices, and glutted energy demand are not the only giant scale factors affecting the Industry. The Oil and Gas landscape is being significantly reshaped by a potent emerging trend: the fear of climate change and a powerful, concerted effort to reduce CO2 emissions and minimize fossil fuels. The most important task for companies in Oil and Gas Industry this year is to address or at least face up to a vital existential issue: how to successfully do business as an Oil and Gas company in an increasingly carbon constrained world.

FINANCIAL PERFORMANCE AND REVIEW

We have been reporting since long that the position of the Company has remained same and no considerable changes could take place due to prolonged investigation and Appeal proceedings pending with SEBI. The appeal made to Hon'ble SAT against the restrictive order of the SEBI, prohibiting the Company to access the capital market, issuance of any kind of securities and alteration in capital structure of the Company for a period of approx. 8 years from the date of the order, i.e., 23rd October, 2013, is still going on and this will be completed in due course. The Company lived half of the restriction period of the order.

As Reported earlier, the funds which was raised through GDRs in the year 2007, the same was invested in the pre-operative set-up expenses, while the company was nearing its implementation schedule, which stopped due to aforesaid Investigation of SEBI which carried for approx 2 years and ended with the order dated 23rd October, 2013 in negative.

Further with SEBI's adverse order, many other unwarranted connected investigations from SFIO etc. started and still carrying on. The company had no business operations and the likely hood of starting the proposed project has also been substantially diluted. The company's future prospect is bleak, unless the SEBI and other investigations, against which the company filed appeals on merit, are withdrawn, stayed or results into favorable orders for the company.

In the year of reporting the turnover of the Company has remained Nil, the Company did not have any operational profit, the Net Loss for the year was Rs. 12.64 million as compared to Rs. 5602.65 million of the previous year, the sharp and considerable decrease in the losses is due to the exceptional items i.e., decision of writing off of various capital advances and assets of the Company upto Rs. 5587.67 million in the previous financial year.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has adequately adopted the procedures to ensure the proper internal control, suitable policies and guidelines in accordance with the provisions of the Companies Act, 2013 the Listing Agreement and the SEBI Listing Regulations. These policies, e.g. Vigil Mechanism Policy/Whistle Blower Policy, Risk Management Policy are meant to comply with the requirement of the law, to reduce the possible threats of fraud and to ensure the orderly and efficient conduct of the business of the Company. These policies and guidelines are adequately monitored and reviewed by the designated Committees of the Board. The Company apart from the above, has also in place a system of internal audit adequate in respect to the size and operations of the Company. M/s Amarjeet Singh & Associates, Chartered accountants had been the Internal Auditor of the Company for the financial year 2015-16. Quarterly internal audit exercise was conducted by them. No material discrepancies have been reported by them during the period of their Audit. The Company prepares the financial information/ Reporting as per the requisite requirements of the Companies Act, 2013 and the Listing Regulations, and places it to the Audit Committee and Board for the approval, and once approved the said financial results are submitted to the stock exchange and also placed on the website of the Company.

HUMAN RESOURCE DEVELOPMENT

The past few years of the Company has been scratchy and the Company has struggled hard for its survival. However the company has been able to face such difficult time only with the unconditional and incredible support of its limited and devoted employees who have always worked with full commitment.

Our Human Resources/Industrial Relations during the financial year have been dispute free and cordial. The company has a policy relating to the remuneration to the of Whole time Director/ Executive/Managing Director, Key Managerial Personnel (KMP) and Senior Management Personnel, as required under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015. Presently, the Company has been operating with 3 employees. During the year, Mrs. Rekha Sarda had resigned from her office of CFO of the Company and in her place Mr. Raman Mallick was appointed as CFO of the Company.

To,
The Members of CALS REFINERIES LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **CALS REFINERIES LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and 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

The management and Board of Directors of the Company are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the act') with respect to 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with rule 7 of Companies (Accounts) Rules, 2014. This responsibility includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, 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 have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 misstatement.

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 financial control relevant to the Company's preparation of the financial statements, that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's management and Board of Directors, as well as evaluating the overall presentation of the financial statements.

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

Basis of Qualified Opinion

Attention of the matters is invited to note no.27(d) of the notes to accounts regarding the financial statements of the company having been prepared on a Going Concern basis, notwithstanding that due to continuous losses incurred by the company during the past years and current year, the accumulated losses of the Company have far exceeded its Net Worth resulting in negative net worth on Balance Sheet date. The company has written-off a substantial part of its Fixed Asset during the previous year. This situation indicates the existence

of a material uncertainty that may cast a significant doubt on the company's ability to continue as going concern.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, *except for the effects of the matters described in the basis of Qualified Opinion paragraph* the aforesaid 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:-

- in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2016;
- in the case of the statement of Profit and Loss, of the loss for the period ended on that date; and
- in the case of the Cash Flow Statement, of the cash flows for the period ended on that date.

Emphasis of matter

Without qualifying our opinion we draw attention to:

- The Securities Exchange Board of India (SEBI) has initially put 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 vide its interim order dated 21st September, 2011. In its final order dated 23rd October, 2013 the same order was upheld. The Company as on date of the final order has undergone such prohibition for approximately two years thus the restriction will be reduced effectively to eight years from the date of the final order. The Company is in appeal against the order of SEBI Dated 31st December, 2014 alleging siphoning of funds 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.
- The company has share application money pending allotment for a period of more than two years and cannot issue shares in view of the Order of SEBI as aforesaid.
- Trade payables appearing in the books of accounts are subject to confirmation and reconciliation, if any. Consequent impact if any will be considered as and when determined.
- Re-opening of Assessment for F.Y 2007-08 (A.Y. 2008-09) U/s 148 of Income Tax Act, 1961, was initiated against the Company. The Company is contesting the case and the assessment proceedings under process. The matter is referred to Transfer Pricing Officer to determine the Arm length price for the International Transaction. The final order from the A.O as well the Transfer Pricing officer is awaited. The impact on the order will be considered as and when order received from the department.

Report on Other Legal and Regulatory Requirements

- As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters Specified in paragraphs 3 and 4 of the Order.
- As required by section 143(3) of the Act, we further report that:
 - we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - 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;
 - 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;
 - in our opinion, the financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014

- e. on the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of Section 164(2) of the Act; and
- f. In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
- (i) The Company has disclosed the impact of pending litigations on its financial positions in its standalone financial statements- Refer Note 19 to the financial Independent statements;
- (ii) The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise
- (iii) There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise

For **VATSS & Associates,**
Regn. No.017573N
Chartered Accountants

Suresh Arora
Partner

Place : New Delhi
Date : 27.05.2016

Membership No: 90862

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in our Independent Auditors' Report of even date to the members of **CALS REFINERIES LIMITED** on the accounts of the company for the year ended 31st March, 2016.

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets ;
- (b) As explained to us, fixed assets have been physically verified by the management at regular intervals; as informed to us no material discrepancies were noticed on such verification;
- (c) In our opinion and according to the information and explanations given to us, the title deeds of immovable property are held in the name of the company;
- (ii) The nature of business of the Company does not require it to have any inventory. Hence, the requirement of clause (ii) of paragraph 3 of the said Order is not applicable to the Company;
- (iii) As informed to us, the Company has not granted loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Hence clauses 3(iii) (a) to (c) of the order are not applicable to the Company.
- (iv) In our opinion, and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.
- (v) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- (vi) As informed to us, the maintenance of cost records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- (vii) (a) According to the information and explanations given to us and based on the records of the company examined by us, the company is regular in depositing the undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Value added Tax, Cess and any other statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2016 for a period of more than six months from the date on when they become payable;
- (b) According to the information and explanations given to us and based on the records of the company examined by us, there are no dues of Income Tax, Wealth Tax, Service Tax, Sales Tax, Customs Duty and Excise Duty which have not been deposited on account of any disputes.
- (viii) According to the records of the company examined by us and as per the information and explanations given to us, the company has not taken any loans from any financial institutions, banks or debenture holder and hence the question of defaulting in repayment of dues does not arise.
- (ix) According to the records of the company examined by us and as per the information and explanations given to us, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- (x) According to the records of the company examined by us and as per the information and explanations given to us, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion, the Company has not paid any managerial remuneration. Therefore, the provisions of clause 4 (xi) of the Order are not applicable to the Company.
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- (xiii) According to the records of the company examined by us and as per the information and explanations given to us, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- (xiv) According to the records of the company examined by us and as per the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- (xv) According to the records of the company examined by us and as per the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- (xvi) In our opinion, the company is not required to be registered under section 45 1A of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For **VATSS & Associates,**
Regn. No.017573N
Chartered Accountants

Suresh Arora
Partner

Place : New Delhi
Date : 27.05.2016

Membership No: 90862

BALANCE SHEET AS AT MARCH 31, 2016


(₹ in million)

Particulars	Note No.	As at March 31, 2016	As at March 31, 2015
I. EQUITY AND LIABILITIES			
1. Shareholders' funds			
(a) Share Capital	3	8,293.96	8,293.96
(b) Reserves and Surplus	4	(8,500.36)	(8,487.72)
		(206.40)	(193.76)
2. Share application money pending allotment	5	15.76	15.76
3. Non-current liabilities			
(a) Long-Term Provisions	6	0.38	1.50
		0.38	1.50
4. Current liabilities			
(a) Short Term Borrowings	7	83.39	70.76
(b) Trade payables	8	114.47	113.14
(c) Other Current Liabilities	9	0.83	1.00
(d) Short Term Provisions	6	0.01	0.04
		198.70	184.94
TOTAL		8.44	8.44
II. ASSETS			
1. Non-current assets			
(a) Fixed Assets			
(i) Tangible Assets	10	0.32	0.53
(b) Long-term Loans and Advances	11	7.71	7.71
		8.03	8.24
2. Current assets			
(a) Cash and Cash Equivalents	12	0.32	0.18
(b) Short-term Loans and Advances	11	0.09	0.02
		0.41	0.20
TOTAL		8.44	8.44

Significant Accounting Policies and Notes to Accounts

As per our Report of even date

For & on Behalf of the Board of Directors

 For **VATSS & Associates**
Chartered Accountants

Deep Kumar Rastogi
Executive Chairman
(DIN : 01229644)

Sameer Rajpal
Director
(DIN : 05184612)

 Per **Suresh Kumar Arora**
Partner
Membership No. 090862
FRNo. : 017573N

Suvindra Kumar
Company Secretary

Raman Mallick
Chief Financial Officer

 Place : New Delhi
Date : 27.05.2016

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016**

(₹ in million)

Particulars	Note No.	For the year ended March 31, 2016	For the year ended March 31, 2015
Income			
Revenue from operations :			
Other Income	13	<u>3.02</u>	<u>0.16</u>
Total Revenue		3.02	0.16
Expenditure			
Employee Benefits Expenses	14	3.63	6.47
Finance Costs	15	0.00	0.00
Depreciation and Amortization Expenses	10	0.21	0.38
Other Expenses	16	11.82	8.29
Total Expenses		<u>15.66</u>	<u>15.14</u>
Profit/(Loss) before Exceptional Items		<u>(12.64)</u>	<u>(14.98)</u>
Exceptional Items	17	-	5,587.67
Profit/(Loss)		<u>(12.64)</u>	<u>(5,602.65)</u>
Earnings per equity share:			
(1) Basic	18	(0.00)	(0.68)
(2) Diluted		(0.00)	(0.68)

Significant Accounting Policies and Notes to Accounts

As per our Report of even date

For & on Behalf of the Board of DirectorsFor **VATSS & Associates**
Chartered Accountants**Deep Kumar Rastogi**
Executive Chairman
(DIN : 01229644)**Sameer Rajpal**
Director
(DIN : 05184612)Per **Suresh Kumar Arora**
Partner
Membership No. 090862
FRNo. : 017573N
Place : New Delhi
Date : 27.05.2016**Suvindra Kumar**
Company Secretary**Raman Mallick**
Chief Financial Officer

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016


(₹ in million)

	For the year ended March 31, 2016	For the year ended March 31, 2015
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/ (Loss) before tax as per Statement of Profit and Loss	(12.64)	(5,602.65)
Adjustment for :		
Depreciation and Amortization Expense	0.21	0.38
Loss on Fixed Assets Sold/Discarded	-	0.53
Service Tax Expenses	-	39.35
Balances - Written off	-	(960.52)
Capital Work in Progress Written off	-	1,538.48
Interest Reversed	-	-
GDR Issue Expenses Written Off	-	223.45
Capital Advance Written off	-	4,723.59
Equity Share Capital issue expenses Written off	-	22.79
Operating Profit Before Working Capital Changes	(12.43)	(14.60)
Movements in working capital :		
Increase/(Decrease) in Trade Payables	1.33	2.31
Increase /(Decrease) in Long-Term Provisions	(1.12)	0.34
Increase /(Decrease) in Short-Term Provisions	(0.03)	(0.02)
Increase/(Decrease) in Other Current Liabilities	(0.17)	(0.10)
Decrease /(Increase) in Long-Term Loans and Advances	-	-
Decrease /(Increase) in Short-Term Loans and Advances	(0.07)	0.09
Cash Generated from /(used in) Operations	(12.49)	(11.98)
Net cash flow from/ (used in) Operating Activities (A)	(12.49)	(11.98)
CASH FLOW FROM INVESTING ACTIVITIES		
Proceed from Sale of Fixed Assets	-	0.05
Additions/Deletions in Capital Work in Progress	-	-
Net cash flow from/(used in) Investing Activities (B)	-	0.05
CASH FLOW FROM FINANCING ACTIVITIES		
Decrease in Miscellaneous Expenditure	-	-
Proceeds from Short-Term Borrowings	12.63	11.37
Net Cash Flow from/(used in) Financing Activities (C)	12.63	11.37
Net Increase/(Decrease) in Cash and Cash Equivalents (A + B + C)	0.14	(0.56)
Opening Balance of Cash and Cash Equivalents	0.18	0.74
Closing Balance of Cash and Cash Equivalents	0.32	0.18
	0.14	(0.56)

As per our Report of even date

 For **VATSS & Associates**
Chartered Accountants

 Per **Suresh Kumar Arora**
Partner
Membership No. 090862
FRNo. : 017573N

 Place : New Delhi
Date : 27.05.2016

For & on Behalf of the Board of Directors
Deep Kumar Rastogi
Executive Chairman
(DIN : 01229644)

Suvindra Kumar
Company Secretary

Sameer Rajpal
Director
(DIN : 05184612)

Raman Mallick
Chief Financial Officer

1. Corporate information

Cals Refineries Limited (the Company) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956 read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of section 133 of Companies Act, 2013. Its shares are listed on Bombay Stock Exchange in India.

2. Significant accounting policies
a) Basis for preparation of financial statements

These financial statements have been prepared under historical cost convention from books of accounts maintained on an accrual basis (unless otherwise stated hereinafter) in conformity with accounting principles generally accepted in India and comply with the Accounting Standards issued by the Institute of Chartered Accountants of India and referred to Sec 129 & 133 of the Companies Act, 2013, of India. The accounting policies applied by the company are consistent with those used in previous year.

On 16th February, 2016, the Ministry of Corporate affairs notified Companies (Accounting Standards) Rules, 2016 along with new "Indian Accounting Standards". However, the said accounting standards shall be applicable on the Company from the period starting 01st April, 2017 onwards and hence no impact of the same has been given in these financial statements.

b) Use of estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the results of 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 those estimates and revisions, if any, are recognized in the current and future periods.

c) Tangible Fixed assets and depreciation/amortisation

(i) Fixed assets are stated at cost less accumulated depreciation/amortisation. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

(ii) Fixed assets under construction and cost of assets not ready for use as at the year-end are disclosed as capital work-in-progress.

(iii) In respect of fixed assets acquired during the year, depreciation/ amortisation is charged on a straight line basis so as to write off the cost of the assets over the useful lives and for the assets acquired prior to 1 April, 2014, the carrying amount as on 1 April, 2014 is depreciated over the remaining useful life based on an evaluation:

Type of asset	Useful life (Years)
Computers	3
Furniture and fixtures	10
Vehicles	
- Motor Cycles	10
- Motor Cars	8
Office equipment	5

(iv) Assets costing less than Rs. 5,000 individually have been fully depreciated in the year of purchase. Obsolete assets have been discarded during the year.

(v) The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

d) Intangible Fixed assets and depreciation/amortisation

Software costs relating to acquisition of initial software license fee and installation costs are capitalized in the year of purchase. Depreciation has been provided based on life assigned to each asset in accordance with Schedule II of the Companies Act, 2013.

e) Leases

Leases of assets under which significant risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Lease payments under an operating lease are recognized as expense in the "Statement of Profit and Loss" on a straight line basis over the lease term.

f) Borrowing costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are charged to the statement of profit and loss account as incurred.

g) Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognized in the "Statement of Profit and Loss". If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

h) Revenue recognition*Sale of goods*

Revenue from the sale of goods is recognized when significant risk and rewards in respect of ownership of the goods are transferred to the customer. Revenue is stated net of trade discounts, rebates, sales return and sale tax or value added tax, where ever applicable.

i) Foreign currency transactions

Transactions in foreign currency and non-monetary assets are accounted for at the exchange rate prevailing on the date of the transaction. All monetary items denominated in foreign currency are converted at the year-end exchange rate. The exchange differences arising on such conversion and on settlement of the transactions are recognized income or as expense for the year.

j) Employee benefits

Expenses and liabilities in respect of employee benefits are recorded in accordance with Revised Accounting Standard 15 - Employee Benefits (Revised 2005)

i) Gratuity

Gratuity is a post employment benefit and is in the nature of a defined benefit plan. The liability recognized in the balance sheet in respect of gratuity is the present value of the defined benefit obligation at the balance sheet date, together with adjustments for unrecognized actuarial gains or losses and past service costs. The defined benefit obligation is calculated at or near the balance sheet date by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged or credited to the "Statement of Profit and Loss" in the year in which such gains or losses are determined.

ii) Provident Fund

The Company makes contribution to statutory provident fund in accordance with Employees Provident Fund and Miscellaneous Provision Act, 1952 which is a defined contribution plan and contribution payable is recognized as an expense in the year in which services are rendered by the employee.

iii) Compensated absences

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

iv) Other short term benefits

Expense in respect of other short-term benefits is recognized on the basis of the amount payable for the year during which services are rendered by the employee.

k) Taxation

Provision for tax comprises current income-tax and deferred tax. Current income-tax is determined in respect of taxable income with deferred tax being determined as the tax effect of timing differences representing the difference between taxable income and accounting income that originate in one period, and are capable of reversal in one or more subsequent period(s). Such deferred tax is quantified using rates and laws enacted or substantively enacted as at the end of the financial year.

l) Contingent liabilities and provisions

Depending upon the facts of each case and after due evaluation of legal aspects, claims against the Company not acknowledged as debts are treated as contingent liabilities. In respect of statutory dues disputed and contested by the Company, contingent liabilities are provided for and disclosed as per original demand without taking into account any interest or penalty that may accrue thereafter. The Company makes a provision when there is a present obligation as a result of a past event where the outflow of economic resources is probable and a reliable estimate of the amount of obligation can be made. Possible future or present obligations that may but will probably not require outflow of resources or where the same cannot be reliably estimated, have been disclosed as a contingent liability in the financial statements.

m) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of dilutive potential equity shares.

3. Share Capital (₹ in million)

	As at March 31, 2016	As at March 31, 2015
Authorized shares		
Equity Shares of ₹ 1 each	40,000.00	40,000.00
	40,000.00	40,000.00
Issued, subscribed and paid-up		
Equity Shares of ₹ 1 each	8,293.96	8,293.96
Total issued, subscribed and paid-up share capital	8,293.96	8,293.96

a) The details of Shareholders holding more than 5% shares :
(₹ in million)

Name of the Shareholder	31 March 2016		31 March 2015	
	No. of Shares	% held	No. of Shares	% held
Gagan Deep Kumar Rastogi	1,110.00	13.38%	1,110.00	13.38%

b) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period
(₹ in million)

Shares	31 March 2016		31 March 2015	
	No. of Shares	₹	No. of Shares	₹
At the beginning of the period	8,293.96	8,293.96	8,293.96	8,293.96
Issued during the period	-	-	-	-
Outstanding at the end of the period *	8,293.96	8,293.96	8,293.96	8,293.96
* The above includes underlying Equity Shares in GDR and each GDR represents 50 underlying Equity Shares of ₹ 1 each.	17.75	887.54	17.91	895.54

c) Terms / rights attached to Equity Shares/ GDRs

- # The Company has only one class of shares referred to as equity shares having a par value of ₹ 1/-. Each holder of equity shares is entitled to one vote per share. Holders of GDRs will have no voting rights with respect to the Deposited Shares.
- # In case of Depository receipts, the Depository will, if so requested by the Board of Directors of the Company and subject to receipt from the Company of an opinion from the Company's legal counsel, (such counsel being reasonably satisfactory to the Depository, that to do so will not be illegal or violate any applicable law of India, or subject the Depository to liability to any Holder or any shareholder of the Company), either vote as directed by the Board or as conveyed by the Chairman of the Company or give a proxy or power of attorney to vote the Deposited Shares in favour of a Director of the Company or other person or vote in the same manner as those shareholders designated by the Board.
In the absence of receipt from the Company of an opinion from legal counsel as aforesaid, the Depository shall not have any obligation to exercise any voting rights and shall have no liability to the Company or any holder.
- # The Company declares and pays dividend in Indian rupees. During the year ended March 31, 2016, the amount of dividend recognized as distribution to equity shareholders was ₹ Nil per share (Previous year : ₹ Nil).
- # In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

4 Reserves and Surplus
(₹ in million)

	As at March 31, 2016	As at March 31, 2015
Surplus/(Deficit) in the Statement of Profit and Loss		
Balance as per the last financial statements	(8,487.72)	(2,884.79)
Adjustment to carrying value of Fixed assets as per provisions of Companies Act 2013	-	(0.28)
Profit/ (Loss) for the period	(12.64)	(5,602.65)
	(8,500.36)	(8,487.72)

5 Share Application Money Pending Allotment

Share application money pending allotment	15.76	15.76
	15.76	15.76
a) No. of equity shares of ₹ 1 each proposed to be issued at par	15.76	15.76
b) The Company has sufficient authorised capital to cover the share capital amount resulting from allotment of shares against share application money.		

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS



(₹ in million)

c) Period before which shares were to be allotted	March 31, 2016 No. of shares	March 31, 2015 No. of shares
October 19, 2011*	2.09	2.09
March 20, 2012*	11.95	11.95
August 28, 2012*	1.72	1.72
	15.76	15.76

- d) * The Securities and Exchange Board of India has issued an Order dated October 23, 2013 against the Company, which 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.

6 Provisions (₹ in million)

	Long-term		Short-term	
	As at March 31, 2016	As at March 31, 2015	As at 31 March 2016	As at 31 March 2015
Provision for Employee Benefits				
Provision for Gratuity	0.32	0.74	0.01	0.02
Provision for Compensated Absences	0.06	0.76	0.00	0.02
	0.38	1.50	0.01	0.04

7 Short-term Borrowings (₹ in million)

	As at March 31, 2016	As at March 31, 2015
Unsecured Loans Repayable on Demand *		
- From related party (refer note no. 25)	80.89	68.26
- From others#	2.50	2.50
	83.39	70.76

* Loans Repayable on Demand. Interest is not provided due to moratorium as per the loan agreement.

Loan from Ex-directors.

8 Trade Payables

Micro, Small and Medium Enterprises (refer note no. 22 for details of dues to micro and small enterprises)	-	-
Others	114.47	113.14
	114.47	113.14

9 Other Current Liabilities

Service tax payable	-	0.00
TDS payable	0.21	0.12
Other current liabilities	0.62	0.88
	0.83	1.00

10 Fixed Assets

(₹ in million)

Description	Gross Block				Depreciation and Amortization				Net Book Value	
	As at April 1, 2015	Additions	Deductions/ Adjustments	As at March 31, 2016	As at April 1, 2015	Additions	Deductions/ Adjustments	As at March 31, 2016	As at March 31, 2016	As at March 31, 2015
Computers	0.50	-	-	0.50	0.47	-	-	0.47	0.02	0.02
Vehicles	1.32	-	-	1.32	1.10	0.13	-	1.23	0.09	0.22
Furniture & fixtures	0.59	-	-	0.59	0.30	0.08	-	0.38	0.21	0.29
Total	2.41	-	-	2.41	1.87	0.21	-	2.09	0.32	0.53
Previous Year	5.26	-	2.85	2.41	3.49	0.39	2.00	1.89	0.53	1.77

11 Loans and Advances

(₹ in million)

		Long Term		Short Term	
		As at March 31, 2016	As at March 31, 2015	As at 31 March 2016	As at 31 March 2015
Capital advances					
Unsecured, considered good		-	-	-	-
	(A)	-	-	-	-
Security deposit					
Secured considered good		-	-	0.07	-
Unsecured, considered good		0.50	0.50	-	-
	(B)	0.50	0.50	0.07	-
Advances recoverable in cash or kind					
Secured considered good		-	-	0.02	0.02
Unsecured considered good*		7.21	7.21	-	-
	(C)	7.21	7.21	0.02	0.02
Other loans and advances					
Loans to employees		-	-	-	-
CENVAT credit receivable		-	-	-	-
	(D)	-	-	-	-
Total (A+ B + C + D)		7.71	7.71	0.09	0.02

* Deposit with Mumbai High Court

12 Cash and Cash Equivalents

(₹ in million)

	As at March 31, 2015	As at March 31, 2014
Balances with banks:		
- On current accounts	0.30	0.17
Cash on hand	0.02	0.01
	0.32	0.18

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS



(₹ in million)

	For the year ended March 31, 2016	For the year ended March 31, 2015
13 Other Income		
Liabilities Written Back	3.02	0.04
Bad Debts Recovered	-	0.12
	<u>3.02</u>	<u>0.16</u>
14 Employee Benefit Expenses		
Salaries, wages and bonus	3.00	5.86
Contribution to provident and other fund	0.62	0.59
Staff welfare expenses	0.01	0.02
	<u>3.63</u>	<u>6.47</u>
15 Finance Costs		
Bank charges	0.00	0.00
Interest	-	-
Interest on outstanding statutory dues	0.00	0.00
	<u>0.00</u>	<u>0.00</u>
16 Other Expenses		
Communication	0.04	0.04
Legal and professional	2.76	1.15
Printing and stationery	0.01	0.01
Repair and maintenance - building	0.07	0.02
Repair and maintenance - others	0.00	0.01
Power and fuel	0.04	-
Auditor's remuneration (Refer 16(i))	0.54	0.57
Directors' sitting fees	0.14	0.10
Insurance	0.00	-
Rates and taxes	4.64	4.05
Rent	0.24	-
Travelling and conveyance	0.04	0.10
Miscellaneous expenses	0.08	0.10
Foreign Exchange - Gain/Loss	3.22	2.14
	<u>11.82</u>	<u>8.29</u>
(i) Payment to Auditors		
As Auditor:		
-Audit Fee	0.45	0.45
-Limited Review Fee	0.09	0.08
In other capacity:		
Reimbursement of expenses	-	0.04
	<u>0.54</u>	<u>0.58</u>
17 Exceptional Items		
Balances - Written Off	-	(960.52)
Interest Reversed	-	-
Capital Work in Progress Written off	-	1,538.48
Loss on Fixed Assets Sold/Discarded	-	0.53
GDR Issue Expenses Written Off	-	223.45
Service Tax Expenses	-	39.35
Equity Share Capital issue expenses Written off	-	22.79
Capital Advance Written off	-	4,723.59
Provision for Bad Debts	-	-
	<u>-</u>	<u>5,587.67</u>

18 Earnings Per Share (EPS) (₹ in million)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Net profit/(loss) for calculation of basic/diluted EPS (in million)	(12.64)	(5,602.65)
Weighted average number of equity shares in calculating basic & diluted EPS (in million)	8,293.96	8,293.96
Basic and Diluted Earning per share (₹)	(0.00)	(0.68)
Face Value per equity share (₹)	1.00	1.00

19 Contingent Liabilities and Commitments (To The Extent Not Provided For) (₹ in million)

Particulars	As at March 31, 2016	As at March 31, 2015
Contingent Liabilities :		
Claim against the Company not acknowledged as debt	7.71	7.71
Capital & other commitments :		
Estimated amount of contracts remaining to be executed on capital accounts and not provided for (net of advances)	-	-

20 Disclosure of "Employee Benefits" as per Accounting Standard 15 are as follows:
A. Gratuity
Statement of Profit and Loss

Net employee benefit expense recognized in employee cost

(₹ in million)

Description	March 31, 2016	March 31, 2015
Current service cost	0.05	0.12
Interest cost	0.06	0.05
Actuarial (gain)/loss recognized during the year	0.29	0.02
Past service cost	-	-
	0.41	0.19

Balance Sheet

Details of provision for Gratuity

(₹ in million)

Description	March 31, 2016	March 31, 2015
Opening defined benefit obligation	0.76	0.57
Current service cost	0.05	0.12
Interest cost	0.06	0.05
Actuarial (gain)/ loss recognized during the year	0.29	0.02
Benefits paid	(0.84)	-
Past service cost	-	-
Closing defined benefit obligation	0.33	0.76

The entire amount of plan obligation is unfunded therefore changes in the fair value of plan assets, categories of plan assets as a percentage of the fair value of total plan assets and the Company's expected contribution to the plan assets in the next year is not given.

For determination of the gratuity liability of the Company, the following actuarial assumptions were used:

	2016	2015
Discount rate	7.70%	8.00%
Rate of increase in compensation levels	7.00%	7.00%
Withdrawal Rate	5% at younger ages and reducing to 1% at older ages according to graduated scale	
Mortality Rate	Indian Assured Lives Mortality (2006-08) Ult.	

Estimates of future salary increase are based on inflation, seniority, promotion and other relevant factors such as demand and supply in the employment market.

Amounts for the current and previous three years are as follows:

	Gratuity			(₹ in million)
	31/3/2016	31/3/2015	31/3/2014	31/3/2013
Defined benefit obligation	0.33	0.76	0.57	0.54
Deficit	0.33	0.76	0.57	0.54
Experience adjustments on plan liabilities Loss/(Gain)	0	0	0	0

B. Compensated Absences

Statement of Profit and Loss

(₹ in million)

Description	March 31, 2016	March 31, 2015
Current service cost	0.04	0.11
Interest cost	0.06	0.05
Actuarial loss recognized during the year	(0.64)	0.07
Past service cost	-	-
	<u>(0.55)</u>	<u>0.23</u>

Balance Sheet

(₹ in million)

Description	March 31, 2016	March 31, 2015
Opening defined benefit obligation	0.78	0.64
Current service cost	0.04	0.11
Interest cost	0.06	0.05
Actuarial loss recognized during the year	(0.64)	0.07
Benefits paid	(0.17)	(0.09)
Closing defined benefit obligation	<u>0.07</u>	<u>0.78</u>

For determination of the liability in respect of compensated absences of the Company, following actuarial:

	2016	2015
Discount rate	7.70%	8.00%
Rate of increase in compensation levels	7.00%	7.00%

C. Provident fund

Contribution made by the Company during the year is ₹ 0.19 million (Previous year ₹ 0.40 million).

- 21 In the opinion of the Board of Directors, current assets, loans and advances have a value on realization in the ordinary course of the business at least equal to the amounts at which they are stated and provision for all known liabilities have been made.
- 22 The Company has not received confirmation from its vendors to confirm their status under Micro, Small and Medium Enterprises Development Act (MSMED), 2006. Based on this, we are not able to comment on amounts due to any micro or small enterprise under the MSMED Act, 2006.
- 23 Balances of Trade Payables and Loans are subject to confirmation.
- 24 Deferred tax Asset has not been recognized considering the principle of virtual certainty as per Accounting Standard -22 'Accounting for Taxes on Income'.

25 a) Related Party Disclosures

Nature of Relationship	Name of Related Parties
Key managerial personnel	Mr. Deep Kumar Rastogi (Executive Chairman)
Enterprises owned or significantly influenced by key management personnel or their relatives	Nyra Holding Private Limited

b) Transaction during the year with related party (₹ in million)

Nature of Transactions	2015-16	2014-15
Enterprises owned or significantly influenced by key management personnel or their relatives		
Transactions during the year :		
Loan received during the year	12.63	11.38
Closing Balance :		
Loan payable	80.89	68.26

26 Expenditure in Foreign Currency

(On cash basis including amount capitalized) (₹ in million)

Description	For the year ended March 31, 2016	For the year ended March 31, 2015
Bank charges	-	0.00
Stock exchange fees	-	0.21
Total	-	0.21

27 Project Status

a The Company had plans to set up crude oil refinery in Haldia, West Bengal. Ministry of Forest and Environment (MOEF) has accorded Environmental Clearance for 5 MMTPA refinery project. The Haldia Development Authority (HDA) / West Bengal Industrial Development Corporation (WBIDC) had allotted land in Haldia. The Government of West Bengal extended various concessions which included VAT incentives equivalent to the investment in Plant & Machinery. The Company raised Equity for US\$ 200 million in Dec'07 by issuing Global Depository Receipts (GDR) 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 Company entered into contracts for relocation of one refinery from Ingolstadt, Germany and had also paid advances for such equipments. However, the Company could not achieve financial closure and thus was unable to fulfill the terms of the said contract, resulting in cancellation of the contract and forfeiture of the advances paid.

The Company had, on March 15, 2011, entered into an Asset Purchase Agreement with Tagore Investments SA (Tagore) (an affiliate of Hardt group) for the CENCO Petroleum Refinery at a cost of US\$ 275 million. As per the said agreement, the cost of such equipments was to be settled by the Company by issue of Equity in the form of GDR to the extent of US\$ 175 million to Tagore and balance US\$ 100 million in cash on achievement of financial closure.

The Company had also contracted for another set of Refinery equipments from another affiliate of Hardt group namely Amber Energy SA (Amber) at a cost of US\$ 142 million which was to be paid by issue of GDR of US\$ 142 million to Amber.

Simultaneously, the Company had entered in to a 'Deed of Novation' with an affiliate of Hardt Group for assuming the contractual obligations envisaged on the supplier under an erstwhile agreement of plant & machinery for which an advance of ₹ 4,583.44 million had been paid.

Hardt Group had agreed to become a strategic investor in the Company and assist it in implementing the refinery project. Abboro Limited (affiliate of Hardt Group) had brought in ₹ 136.52 million as equity during March'11 to March'12 (out of which 120.76 million already allotted & the balance 15.76 million to be allotted as equity shares) to meet funding requirement for working capital and project activities.

After signing the agreements with Hardt Group for purchase of refinery equipment and with the set of refining equipment for which the Company had already contracted and paid advances, the Company revised the capacity of refinery envisaged in Haldia to 10 MMTPA from 5 MMTPA. It filed an application to Ministry of Environment to enhance the approval for putting up 200,000 bpd equivalent to 10 MMTPA capacity refineries. However, the Ministry vide its letter dt. Sept 20, 2011 declined the request as Haldia has been notified as a critically polluted area and no new capacity or expansion can be permitted till it is de-notified. Meanwhile, the Company lost the Bayeroil equipment as it couldn't fulfill its contractual commitments.

The Company's proposal for issue of such GDRs to Tagore and Amber, aggregating US\$ 317 million was approved by the Foreign Investment Promotion Board (FIPB) in their meeting held on May 20, 2011. Since the amount of issue had exceeded ₹ 12,000 million, the proposal was recommended to Cabinet Committee on Economic Affairs (CCEA). However, prior to receipt of the CCEA approval, SEBI Vide Interim Order in Sep'11 had issued directions to the Company not to issue equity or any other instruments convertible into

equity or alter capital structure in any manner till further directions. The SEBI has issued a final order dated 23rd October, 2013 against the Company which mainly states that the Company will not issue equity shares or any other instruments convertible into equity shares or any other security, for a period of ten years.

The Company has already undergone the prohibition imposed vide the Interim Order for a period of approximately two years before the final order and around 3 years from the date of final order.

The Company's various efforts to restart the project also failed due to the embargo on issue of new equity by SEBI. Hardt Group has also stopped infusing further funds. The contracts entered with Hardt group have expired. 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.

- b Land- Haldia Development Authority (HDA), vide its memo dated March 25, 2008, offered land admeasuring about 400 acres at Haldia, West Bengal to the Company for setting up the refinery project ('the project'). As per the terms of the said memo, lease premium of ₹ 600 million was stipulated, which could not be paid by the Company pending financial closure for the refinery project. Subsequently, the Company entered into a tripartite agreement dated March 19, 2010 along with HDA and West Bengal Industrial Development Corporation Limited (WBIDC). The Company was given permissive possession of the land for a period of six months from the date of the agreement with a condition that the land shall be sub-leased in favour of the Company at the end of six months, subject to compliance with certain conditions. Since the Company could not comply with these conditions, it had requested additional time from WBIDC for the same.

WBIDC, while granting such extension, stipulated additional conditions relating to tie up of equity and achievement of financial closure for the project. The Company was not in a position to comply with these conditions as the SEBI order was subsisting and informed WBIDC accordingly requesting further extension. However, WBIDC had not acceded to the Company's request and had withdrawn the permissive possession of land.

In the absence of any development in the project and withdrawal of the permissive possession of land,

- i. Cost of leasehold land ₹ 990.71 million (including cost of land development ₹ 196.91 million) and civil work of factory building (included in capital work in progress) ₹ 49.64 million were written off in the previous year 2014-15.
- ii. Expenses incurred on the project which are 'Preoperative Expenses Pending Allocation' ₹ 432.51 million, 'Consultancy Fees' ₹ 65.62 million shown under 'Capital Work in Progress' and 'Capital Advances' ₹ 4,723.59 million shown under 'Loan and Advances' were also written off in the previous year 2014-15.

It is pertinent to note here that the resources including the Capital raised through GDR issue etc. have been fully utilised to pay capital advances related to purchase of equipment of Refineries and other corporate expenses incurred during the construction period. At this moment the Company has no operational project and hence no operational revenues accrues to the Company. The Company has been funding its day to day operations and statutory requirements through the funding received by way of unsecured loans from one of the related parties. It has now become difficult to continue receiving funding support from any other sources including by way of unsecured loans. In view of the complex statutory requirements and financial position of the Company, no lender other than the related party, is ready to lend money to the Company.

The Company's ability to raise funds has been restricted due to the adverse order of SEBI as explained above. In view of the current scenario the project contemplated is difficult to be made viable at least until significant funding is possible to this effect.

- c The ability of the Company to continue as a going concern is significantly dependent on getting a favourable order from SAT and the management is confident for such favourable order. The promoter is committed to provide necessary funds to meet the Company's liabilities arising in the foreseeable future. These financial statements have been prepared on a going concern basis and do not include the adjustments that would result if the Company is unable to continue as a going concern.

28 Previous year figures have been re-classified/ re-grouped, wherever considered necessary to conform to current year's classification.

As per our Report of even date

For & on Behalf of the Board of Directors

For VATSS & Associates

Chartered Accountants

Deep Kumar Rastogi
Executive Chairman
(DIN : 01229644)

Sameer Rajpal
Director
(DIN : 05184612)

Per **Suresh Kumar Arora**

Partner

Membership No. 090862

FRNo. : 017573N

Place : New Delhi

Date : 27.05.2016

Suvindra Kumar
Company Secretary

Raman Mallick
Chief Financial Officer

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on September 26, 2016 at 09:00 A.M. and ends on September 28, 2016 at 05:00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 22, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Members holding shares in physical or in demat form as on cut-off date, i.e., September 22, 2016 shall only be eligible for e-voting.
- (ii) Shareholders who have already voted through e-voting prior to the meeting date would not be entitled to vote through physical mode at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
(Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.)
- (iv) Click on "Shareholders" tab.
- (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form

PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. Sequence number is printed on the stickers pasted on the cover of the annual report. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company please enter the member id/folio number in the dividend bank details field as mentioned in instruction(v).

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the '**Cals Refineries Limited**' on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take print out of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Note for Non - Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates. Corporates and Custodians already registered with CDSL should use their login details.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - The Admin login details will be sent by CDSL. After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. September 22, 2016 may follow the same instructions as mentioned above for e-Voting.
- (xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

Other Information:

- Pursuant to Section 108 and corresponding Rules of Companies Act, 2013, the Company will provide e-voting facility to the members. All business to be transacted at the annual general meeting can be transacted through the electronic voting system.
- The notice of annual general meeting will be sent to the members, whose names appear in the register of members/ depositories as at closing hours of business, on Friday, 26th August, 2016.
- The Voting rights of shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company.
- Mr. Ankush Agarwal, Managing Partner, of M/s. Forecore Professionals LLP has been appointed as Scrutinizer to scrutinize the e-voting process and also the voting done through Physical ballot at the AGM venue and for conducting the same in a fair and transparent manner.
- Notice of the meeting is also displayed at www.cals.in.
- Scrutinizer shall, after scrutinizing the votes cast at the AGM and through Remote E-voting, not later than 2 (two) days from the conclusion of the AGM submit a consolidated Scrutinizer's report to the Chairman. The Result of the voting will be announced by the Chairman of the meeting on or after the 32nd AGM to be held on 29th September, 2016 and will be communicated to the Stock Exchange and placed on the website of the Company, i.e., www.cals.in.

CALS
CALS REFINERIES LIMITED

CIN: L51909DL1984PLC018775
Regd. off: Unit No. 209, 2nd Floor, Suneja Tower-II, District Centre,
Janakpuri, New Delhi-110058., Phone: +91 (11) 45067736,
Email: info@calsrefineries.com, Web: www.cals.in

PROXY FORM

Form No. MGT-11

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies(Management and Administration) Rules, 2014]

Name of the member (s) :
Registered address :
E-mail Id:
Folio No/ Client Id :
DP ID :

I/We, being the member (s) of _____ shares of the above named company, hereby appoint

1. Name : _____ Address: _____
E-mail: _____ Signature: _____, or failing him

2. Name : _____ Address: _____
E-mail: _____ Signature: _____, or failing him

3. Name : _____ Address: _____
E-mail: _____ Signature: _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 32nd Annual General Meeting of the Company, to be held on the 29th day of September, 2016 at Executive Club, Dolly Farms & Resorts 439, Village Shahurpur, P.O. Fatehpur Beri, New Delhi 110074 at 09:30 A.M. and at any adjournment thereof in respect of such resolutions as are indicated below:

Ordinary Business:

- To receive, consider and adopt the audited financial statement of the Company for the financial year ended 31st March, 2016 and the Reports of Director's and Auditor's thereon.
- To appoint a Director in place of Mr. Deep Kumar Rastogi (DIN- 01229644) who retires by rotation and being eligible, offers himself for reappointment.
- To ratify the appointment of M/s VATSS & Associates, Chartered Accountant (Firm Registration No.- 017573N) as statutory auditors of the Company for the Financial year 2016-17 and to authorise the Board of Directors of the Company to fix their remuneration.

Special Business:

- Regularization of appointment of Mr. Deep Kumar Rastogi as Whole Time Director and Executive Chairman of the Company.
- Regularization of Appointment of Ms. Monika Moorjani as Independent Director of the Company.

Signed this..... day of..... 20.....

Signature of shareholder

Signature of Proxy holder(s)

Affix
Revenue
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

----- Cut Here -----

CALS

CALS REFINERIES LIMITED

CIN: L51909DL1984PLC018775
Regd. off: Unit No. 209, 2nd Floor, Suneja Tower-II, District Centre,
Janakpuri, New Delhi-110058., Phone: +91 (11) 45067736,
Email: info@calsrefineries.com, Web: www.cals.in

ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE HALL

I/We hereby record my/our presence at the 32nd Annual general meeting of the Company to be held on Thursday, September 29, 2016 at 09.30 a.m. at Executive Club, Dolly Farms & Resorts 439, Village Shahurpur, P.O. Fatehpur Beri, New Delhi 110074.

Name(s) of the Shareholder(s) or Proxy (in Block Letters)	No. of Shares held	Registered Folio/ Client ID No. & DP ID No.

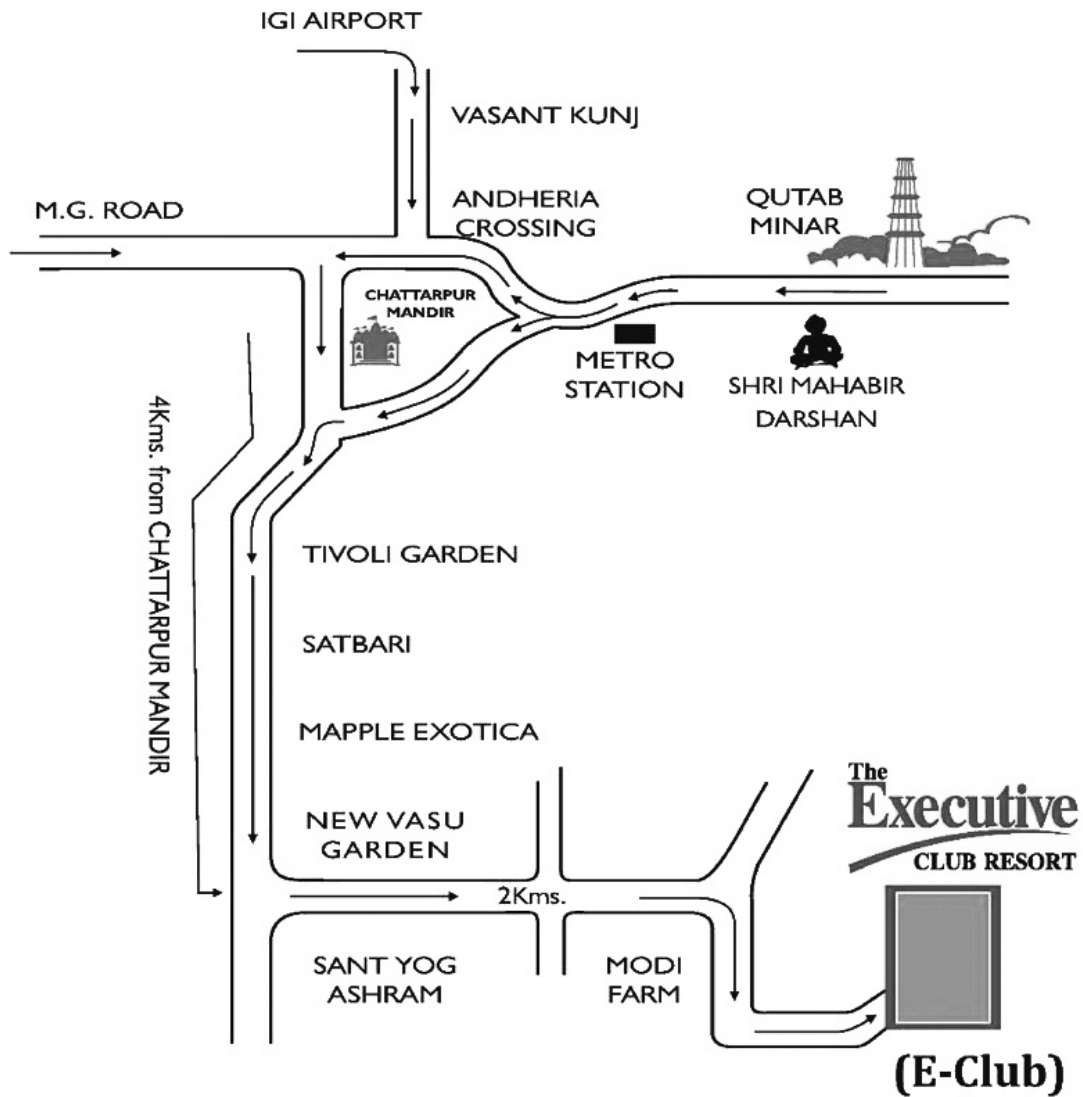
I certify that I am a member/proxy/ authorized representative for the member of the Company.

Signature/s of the Shareholder/s or Proxy
(To be signed at the time of handing over the slip)

**PLEASE CARRY YOUR COPY
OF ANNUAL REPORT**

**NO GIFTS/SNACKS WILL BE
PROVIDED AT THE MEETING**

ROUTE MAP OF EXECUTIVE CLUB, THE AGM VENUE



If undelivered, please return to :-

CAL S REFINERIES LIMITED

Unit No. 209, 2nd Floor, Suneja Tower-II

District Centre, Janakpuri, New Delhi-110058