



# THE ANDHRA PETROCHEMICALS LIMITED

Regd. Office :  
VENKATARAYAPURAM  
(Tanuku) - 534 215  
West Godavari Dist. (A.P.)  
Tel : 08819-224075, 224755, 224911 (7 Lines)  
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E-mail : info.tnk@andhrapetrochemicals.com  
CIN : L23209AP1984PLC004635  
Website : www.andhrapetrochemicals.com

PART I : Statement of Unaudited Financial Results for the Quarter and Year ended 31.03.2015						(Rs. in lakhs)
Particulars	3 months ended 31.03.2015	Preceding 3 months ended 31.12.2014	Corresponding 3 months ended in the previous year 31.03.2014	Year to date figures for current year ended 31.03.2015	Previous year ended 31.03.2014	
	Refer Note 3	Unaudited	Refer Note 3	Audited	Audited	
<b>1 Income from operations</b>						
(a) Net Sales/Income from Operations (net of excise duty)	7853.74	1561.01	1942.41	14026.17	25929.25	
(b) Other Operating Income	-	-	-	-	-	
<b>Total income from operations (net)</b>	<b>7853.74</b>	<b>1561.01</b>	<b>1942.41</b>	<b>14026.17</b>	<b>25929.25</b>	
<b>2 Expenses</b>						
a) Cost of materials consumed	5832.52	1961.16	2523.36	11551.26	19704.83	
b) Changes in Inventories of finished goods, work-in-progress	279.88	(516.66)	(876.02)	766.69	2166.43	
c) Employee benefits expense	383.24	336.11	403.20	1397.56	1426.80	
d) Depreciation	216.38	228.68	332.08	899.95	1334.53	
e) Power and Fuel	1000.52	419.54	376.18	2193.57	2504.74	
f) Other expenses (gross)	442.68	225.69	298.96	1112.72	1677.23	
Add/(Less): Adj.in respect of Excise Duty on Op/Cl.stock of Finished goods	(32.81)	57.30	72.68	(52.38)	(282.61)	
Other expenses (net)	409.87	282.99	371.64	1060.34	1394.62	
<b>Total expenses</b>	<b>8122.41</b>	<b>2711.82</b>	<b>3130.44</b>	<b>17869.37</b>	<b>28531.95</b>	
<b>3 Profit/(Loss) from operations before other income, finance costs and exceptional items (1-2)</b>	<b>(268.67)</b>	<b>(1150.81)</b>	<b>(1188.03)</b>	<b>(3843.20)</b>	<b>(2602.70)</b>	
4 Other income	16.57	9.97	41.76	63.81	228.87	
<b>5 Profit/(Loss) from ordinary activities before finance costs and exceptional items (3+4)</b>	<b>(252.10)</b>	<b>(1140.84)</b>	<b>(1146.27)</b>	<b>(3779.39)</b>	<b>(2373.83)</b>	
6 Finance costs	326.50	264.68	149.42	969.65	650.16	
<b>7 Profit/(Loss) from ordinary activities after finance costs but before exceptional items (5-6)</b>	<b>(578.60)</b>	<b>(1405.50)</b>	<b>(1295.69)</b>	<b>(4749.04)</b>	<b>(3023.99)</b>	
8 Exceptional items	-	(439.62)	-	-	-	
<b>9 Profit/(Loss) from ordinary activities before tax (7+8)</b>	<b>(578.60)</b>	<b>(1845.12)</b>	<b>(1295.69)</b>	<b>(4749.04)</b>	<b>(3023.99)</b>	
10 Tax expense (including deferred tax)	32.35	(73.05)	103.61	(297.14)	(457.14)	
<b>11 Net profit/(Loss) from ordinary activities after tax (9-10)</b>	<b>(610.95)</b>	<b>(1772.07)</b>	<b>(1399.30)</b>	<b>(4451.90)</b>	<b>(2566.85)</b>	
12 Extraordinary Items	-	-	-	-	-	
<b>13 Net Profit/(Loss) for the period (11-12)</b>	<b>(610.95)</b>	<b>(1772.07)</b>	<b>(1399.30)</b>	<b>(4451.90)</b>	<b>(2566.85)</b>	
14 Paid-up equity share capital (Rs.10/- per share)	8497.16	8497.16	8497.16	8497.16	8497.16	
15 Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	5855.46	10518.76	
<b>16. i Earnings Per Share (before extraordinary items) (of Rs.10/- each) (not annualised):</b>						
Basic & Diluted	(0.72)	(2.09)	(1.65)	(5.24)	(3.02)	
<b>16.ii Earnings Per Share (after extraordinary items) (of Rs.10/- each) (not annualised):</b>						
Basic & Diluted	(0.72)	(2.09)	(1.65)	(5.24)	(3.02)	

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PART II : Select Information for the Quarter and year ended 31.03.2015					
<b>A PARTICULARS OF SHAREHOLDING</b>					
1 Public shareholding					
Number of Shares	46691206	46691206	46691206	46691206	46691206
Percentage of shareholding	54.95%	54.95%	54.95%	54.95%	54.95%
2 Promoters and promoter group shareholding					
a) Pledged/Encumbered					
- Number of shares					
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)					
- Percentage of shares (as a % of the total share capital of the company)					
b) Non-encumbered					
- Number of shares	38280394	38280394	38280394	38280394	38280394
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100%	100%	100%	100%	100%
- Percentage of shares (as a % of the total share capital of the company)	45.05%	45.05%	45.05%	45.05%	45.05%
<b>B INVESTOR COMPLAINTS</b>					
Pending at the beginning of the quarter		Nil			
Received during the quarter		4			
Disposed of during the quarter		4			
Remaining unresolved at the end of the quarter		Nil			


Statement of Assets and Liabilities

Particulars	(Rs. in lakhs)	
	As at 31.03.2015	As at 31.03.2014
	Unaudited	Audited
<b>A EQUITY AND LIABILITIES</b>		
1 Shareholders' funds:		
(a) Share Capital	8497.16	8497.16
(b) Reserves and Surplus	5855.46	10518.76
Sub-total - Shareholders' funds	14352.62	19015.92
2 Non-current liabilities		
(a) Long-term borrowings	4144.89	1876.86
(b) Deferred tax liabilities (net)	2321.40	2720.07
(c) Other long-term liabilities	5.00	5.00
(d) Long-term provisions	143.38	114.97
Sub-total - Non-current liabilities	6614.67	4716.90
3 Current liabilities		
(a) Short-term borrowings	3725.51	2669.08
(b) Trade payables	893.07	1083.29
(c) Other current liabilities	674.99	607.90
(d) Short-term provisions	221.11	232.11
Sub-total - current liabilities	5514.68	5492.38
<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>26481.97</b>	<b>29225.20</b>
<b>B ASSETS</b>		
1 Non-current assets		
(a) Fixed Assets	20014.86	21227.99
(b) Non-current investments	1527.05	1527.05
(c) Long-term loans and advances	802.87	740.02
Sub-total - Non-current assets	22344.78	23495.06
2 Current assets		
(a) Inventories	2542.90	3972.65
(b) Trade receivables	76.06	112.94
(c) Cash and cash equivalents	333.19	119.56
(d) Short-term loans and advances	1186.04	1524.99
Sub-total - Current assets	4137.19	6730.14
<b>TOTAL - ASSETS</b>	<b>26481.97</b>	<b>29225.20</b>

Notes:

- During the year, Plant was shutdown over prolonged periods due to non-remunerative selling prices of the products and Hudhud cyclone on 12th October 2014. Hence, the Company incurred loss.
- The above results, reviewed by the Audit Committee, were approved by the Board of Directors at its Meeting held on 22nd May, 2015.
- The figures for the quarters ended 31.03.2015 and 31.03.2014 are the balancing figures between the audited figures of the full financial years ended 31.03.2015 and 31.03.2014, respectively, and the published year-to-date figures upto the nine months ended 31.12.2014 and 31.12.2013 respectively.
- The useful life of the fixed assets have been revised w.e.f.01.04.2014 as per Schedule-II of the Companies Act, 2013. Consequently, depreciation for the year ended 31.03.2015 is decreased by an amount of Rs. 407.30 lakhs and the opening balance of retained earnings is decreased by an amount of Rs.211.39 lakhs (net of deferred tax).
- Segmental reporting as per AS-17 issued by the ICAI is not applicable, as the Company is engaged in manufacture of a single line of product.
- None of the assets qualify for impairment in accordance with AS-28 of ICAI.
- Figures of previous periods have been regrouped/rearranged wherever necessary.

Place: Visakhapatnam  
Date: 22nd May, 2015

  
Dr. B. B. RAMAIAH  
Managing Director



## BRAHMAYYA & CO.

Chartered Accountants

at VIJAYAWADA, HYDERABAD, VISAKHAPATNAM, GUNTUR, KAKINADA, TANUKU

### INDEPENDENT AUDITORS' REPORT

To  
The Members of  
The Andhra Petrochemicals Limited,  
Tanuku

#### Report on the Financial Statements:

We have audited the accompanying financial statements of The Andhra Petrochemicals Limited, Tanuku, which comprise the Balance Sheet as at March 31, 2015 and the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

#### Management's Responsibility for the Financial Statements:

The Company's Board of Directors is 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 the Companies (Accounts) Rules, 2014. This responsibility also 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, and design, implementation and maintenance of adequate internal financial controls, that were 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:

1. Our responsibility is to express an opinion on these financial statements based on our audit.
2. 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.
3. 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.



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4. An audit involves performing procedures to obtain audit evidence about the amounts and the 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 control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statement.

**Opinion:**

In our opinion and to the best of our information and according to the explanations given to us, 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, of the state of affairs of the Company as at 31st March, 2015, and its losses and its cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements:**


1. As required by the Companies (Auditor's Report) Order, 2015 ("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 the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on 31st March, 2015, taken on record by the Board of Directors, none of the

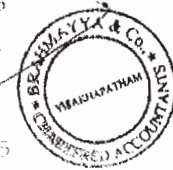


directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act and

- f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us.
  - i. The Company does not have any pending litigations that would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For BRAHMAYYA & CO.,  
Chartered Accountants  
Firm Regn No. 000513S

  
(C. V. Ramana Rao)  
Partner  
Membership No. 018545



Place: Visakhapatnam  
Date: 22.05.2015



## BRAHMAYYA & CO.

Chartered Accountants

at VIJAYAWADA, HYDERABAD, VISAKHAPATNAM, GUNTUR, KAKINADA, TANUKU

### Annexure to the Independent Auditor's Report:

The Annexure referred to in our Independent Auditor's report of even date, to the members of THE ANDHRA PETROCHEMICALS LIMITED, TANUKU, for the year ended 31 March 2015. We report that:

- i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.  
b) The fixed assets have been physically verified by the management during the year. According to the information furnished to us, no material discrepancies have been noticed on such verification.
- ii) a) Physical verification of inventory has been conducted during the year by the management at reasonable intervals.  
b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.  
c) On the basis of our examination of the records of inventory we are of the opinion that the Company is maintaining proper records of inventory. The discrepancies noticed on such verification between the physical stocks and the book records were not material.
- iii) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Consequently, clauses 3 (iii) (a) and (b) of the Order are not applicable.
- iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventories fixed assets and sale of goods. We have not observed any major weakness in the internal control system during the course of the audit.
- v) The Company has not accepted any deposits from the public. Consequently, the clause 3(v) of the order is not applicable to the Company.
- vi) We have broadly reviewed the books of account relating to materials, labour and other items of cost maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records.



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vii) a) According to the information and explanations given to us and on the basis of examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts are payable in respect of income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax or cess and other material statutory dues which were in arrears as at 31<sup>st</sup> March 2015 for a period of more than six months from the date they became payable.

b) As at 31<sup>st</sup> March 2015, there have been no disputed dues, which have not been deposited with the respective authorities in respect of Income tax, Wealth-tax, Service tax, duty of customs, duty of excise, value added tax and Cess, except the following:

Sr. No.	Name of the Statute	Nature of the Dues	Amount* (Rs. In lakhs)	Period to which the amount relates	Forum where dispute is pending
1.	The Income Tax Act, 1961.	Tax Deduction at Source	1.72	Assessment Year 2006-07	Income Tax Appellate Tribunal, Visakhapatnam.
2.	The Income Tax Act, 1961.	Income Tax	2.82	Assessment Year 2008-09	Commissioner of Income Tax (Appeals), Visakhapatnam.
3.	The Income Tax Act, 1961	Fringe benefit tax	2.28	Assessment Year 2008-09	Commissioner of Income Tax (Appeals), Visakhapatnam.
4.	The Income Tax Act, 1961	Tax Deduction at Source	15.68	Assessment Years 2008-09 & 2009-10	Commissioner of Income Tax (Appeals), Visakhapatnam.
5.	Value Added Tax	Disallowance of Input tax credit	10.45	Assessment Year 2009-10	Appellate Deputy Commissioner (CI)

\*Net of Pre deposits made.

c) According to the information and explanations given to us the amounts which were required to be transferred to the Investor education and



- protection fund in accordance with the relevant provisions of the Companies Act, 1956(I of 1956) and rules there under has been transferred to such fund within time.
- viii) The Company has no accumulated losses. It has incurred cash losses during the financial year covered by our audit and also the immediately preceding financial year.
- ix) The Company has not defaulted in payment of any loan installment or interest in respect of term loans from financial institutions and banks consequent to the rescheduling of term loan installments by IDBI Bank.
- x) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions. Consequently the clause 3 (x) of the order is not applicable to the Company.
- xi) In our opinion, the Term Loans obtained during the financial year under report and in earlier years have been applied for the purposes for which they were raised.
- xii) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

For BRAHMAYYA & CO  
Chartered Accountants  
Firms' Registration Number: 0005135

  
(C.V. RAMANA RAO)  
Partner  
Membership Number: 018545



Place : Visakhapatnam  
Date : 22.05.2015