

**CHEMICAL TERMINAL TROMBAY LIMITED**

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF CHEMICAL TERMINAL TROMBAY LIMITED  
Report on the Financial Statements**

We have audited the accompanying financial statements of **CHEMICAL TERMINAL TROMBAY LIMITED** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2016, the Statement of Profit and Loss and 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 prescribed under section 133 of the Act, as applicable.

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**

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 thereunder and the Order under section 143 (11) of the Act.

We conducted our audit of the standalone financial statements 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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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. 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.

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

**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 31<sup>st</sup> March, 2016, and its profit and its cash flows for the year ended on that date.

**Emphasis matter**

We draw attention to Note 29 to the Financial Statements which describes the proposed "Scheme of Amalgamation" ("the Scheme") under Section 391 to 392 and other applicable provisions, if any of the Companies Act, 1956 and Companies Act, 2013, between the Company and The Tata Power Company Limited ("the transferee company", "holding company") for transfer of the entire business and the whole of the undertaking of the Company on a going concern basis to the transferee company with effect from 1<sup>st</sup> April, 2014 (appointed date). The Scheme is subject to the approval of the Honorable High Court of Judicature at Bombay. Pending approval of the Honorable High Court, no effect of the proposed Scheme has been given in the Financial Statements.

Our opinion is not modified in respect of this matter.

**Report on Other Legal and Regulatory Requirements**

1. 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.

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- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards prescribed under section 133 of the Act, as applicable.
  - (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - (g) 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 has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 20 to the financial statements
    - (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.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in term of Section 143 (11) of the Act, we give in the "Annexure B" a statement on the matters specified in paragraph 3 and 4 of the Order.

For DELOITTE HASKINS & SELLS LLP  
Chartered Accountants  
(Firm's Registration No. 117366W /W-100018)



Gurvinder Singh  
Partner  
Membership Number: 110128

MUMBAI, 25 April, 2016

**ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT**

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ of our report of even date)

**Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of **CHEMICAL TERMIAL TROMBAY LIMITED** (“the Company”) as of 31<sup>st</sup> March, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditor’s Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.



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**Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For DELOITTE HASKINS & SELLS LLP  
Chartered Accountants  
(Firm Registration No. 117366W/W – 100018)



Gurvinder Singh  
Partner  
Membership No.110128

MUMBAI, 25 April, 2016

**ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT**

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government in terms of Section 143(11) of the Companies Act, 2013 ('the Act') of Chemical Terminal Trombay Limited ('the Company')

- (i) In respect of its fixed assets:
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
  - (c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / transfer deed provided to us, we report that, the title deeds, comprising the immovable properties of building which are freehold, are held in the name of the Company as at the balance sheet date.
- (ii) The Company does not have any inventory hence reporting under clause 3 (ii) of the Order is not applicable.
- (iii) The company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not given any loans, investments, guarantees, and security in accordance with the provisions of Sections 185 and 186 of the Companies Act, 2013 hence reporting under clause (iv) of the Order is not applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year. The Company does not have unclaimed deposits as at 31<sup>st</sup> March, 2016 and accordingly, provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act are not applicable to the Company.
- (vi) Having regard to the nature of the Company's business / activities, reporting under clause 3 (vi) of the Order is not applicable.

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- (vii) According to the information and explanations given to us in respect of statutory dues:
- (a) The company has been generally regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.
  - (b) There were no undisputed amounts payable in respect of Provident Fund, , Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues in arrears as at 31<sup>st</sup> March, 2016 for a period of more than six months from the date they became payable.
  - (c) There are no dues of income-tax, sales tax, service tax, custom duty, excise duty, value added tax and cess which have not been deposited as on 31<sup>st</sup> March,2016 on account of disputes.
- (viii) The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause 3 (viii) of the Order is not applicable to the Company.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In the opinion of the management since the paid-up capital of the Company is less than 10 crores no whole-time key managerial personnel are required and the parent Company provides for the services of part time part time key managerial personnel, in respect of whom no specific payment has been made to the parent Company.
- (xii) The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

91

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- (xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under section 45-I of the Reserve Bank of India Act, 1934 and hence the clause is not applicable.

For DELOITTE HASKINS & SELLS LLP  
Chartered Accountants  
(Firm Registration No. 117366W/W – 100018)



Gurvinder Singh  
Partner  
Membership No.110128

MUMBAI, 25 April, 2016

Chemical Terminal Trombay Limited

Balance Sheet as at 31st March, 2016

	Notes	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
(a) Share capital	3	1,86,20,000	1,86,20,000
(b) Reserves and surplus	4	48,19,88,806	45,50,77,194
		<b>50,06,08,806</b>	<b>47,36,97,194</b>
<b>Non-current liabilities</b>			
Long-term provisions	5	47,13,256	43,24,434
		<b>47,13,256</b>	<b>43,24,434</b>
<b>Current liabilities</b>			
(a) Trade payables			
(i) total outstanding dues of micro enterprises and small enterprises ( Refer Note 21)		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		2,52,94,891	1,98,13,083
(b) Other current liabilities	6	54,26,104	1,81,25,793
(c) Short-term provisions	7	25,62,417	24,96,676
		<b>3,32,83,412</b>	<b>4,04,35,552</b>
<b>TOTAL</b>		<b>53,86,05,474</b>	<b>51,84,57,180</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets	8	9,36,05,828	9,25,15,506
(ii) Intangible assets	8	1,267	13,801
(iii) Capital work-In-progress		-	4,70,924
(b) Non-current investments	9	7,75,43,625	24,17,55,398
(c) Deferred tax assets (net)	28	14,60,358	3,77,447
(d) Long-term loans and advances	10	2,95,83,775	2,87,44,402
		<b>20,21,94,853</b>	<b>36,38,77,478</b>
<b>Current assets</b>			
(a) Current investments	11	31,70,69,423	13,05,22,767
(b) Trade receivables	12	1,64,03,264	1,40,94,817
(c) Cash and bank balances	13	4,30,270	23,88,854
(d) Short-term loans and advances	14	21,62,194	61,37,018
(e) Other current assets	15	3,45,470	14,36,246
		<b>33,64,10,621</b>	<b>15,45,79,702</b>
<b>TOTAL</b>		<b>53,86,05,474</b>	<b>51,84,57,180</b>

See accompanying notes forming part of the financial statements 1 - 31

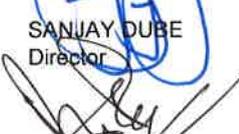
In terms of our report attached.

For DELOITTE HASKINS & SELLS LLP  
Chartered Accountants

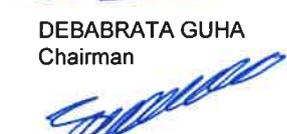
GURVINDER SINGH  
Partner

For and on behalf of the Board,

  
SANJAY DUBE  
Director

  
PARAG A. RAILKAR  
Chief Executive Officer

  
DEBABRATA GUHA  
Chairman

  
S.P. KARMARKAR  
Company Secretary

Place : Mumbai

Date: 25th April, 2016

Place : Mumbai

Date: 25th April, 2016

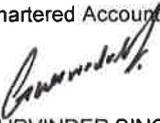
**Chemical Terminal Trombay Limited**

**Statement of Profit and Loss for the year ended 31st March, 2016**

	Notes	For the year ended	For the year ended
		31st March, 2016	31st March, 2015
		₹	₹
Revenue from operations	16	21,14,35,567	19,95,00,023
Other income	17	87,97,853	4,78,07,880
<b>Total revenue</b>		<b>22,02,33,420</b>	<b>24,73,07,903</b>
<b>Expenses</b>			
(a) Purchase of traded goods		2,16,38,353	1,63,55,099
(b) Employee benefits expense	18	4,67,17,733	4,50,69,197
(c) Depreciation and amortisation expense	8	1,53,70,483	1,93,49,508
(d) Other expenses	19	10,08,51,074	10,06,81,480
<b>Total expenses</b>		<b>18,45,77,643</b>	<b>18,14,55,284</b>
<b>Profit before tax</b>		<b>3,56,55,777</b>	<b>6,58,52,619</b>
<b>Tax Expense:</b>			
(a) Current tax expense for current year		1,06,00,000	1,29,50,000
(b) Provision for taxes of earlier years		(7,72,924)	12,98,420
(c) Deferred tax expense	28	(10,82,911)	(14,21,000)
		<b>87,44,165</b>	<b>1,28,27,420</b>
<b>Profit for the year</b>		<b>2,69,11,612</b>	<b>5,30,25,199</b>
Earnings per share (Face Value of Rs.100/- per share) Basic and Diluted	27	144.53	284.78
<b>See accompanying notes forming part of the financial statements</b>	1 - 31		

In terms of our report attached.

For DELOITTE HASKINS & SELLS LLP  
Chartered Accountants

  
GURVINDER SINGH  
Partner

For and on behalf of the Board,

  
SANJAY DUBE  
Director  
  
PARAG A. RAILKAR  
Chief Executive Officer

  
DEBABRATA GUHA  
Chairman  
  
S.P. KARMARKAR  
Company Secretary

Place : Mumbai

Date: 25th April, 2016

Place : Mumbai

Date: 25th April, 2016

CHEMICAL TERMINAL TROMBAY LIMITED

Cash Flow Statement for the year ended 31st March, 2016

	For the year ended 31st March, 2016	For the year ended 31st March, 2015
<b>A. Cash flow from operating activities</b>		
Profit before tax	3,56,55,777	6,58,52,619
Adjustments for:		
Depreciation and amortisation expense	1,53,70,483	1,93,49,508
Interest income	(10,93,093)	(9,28,854)
Dividend income	(76,84,884)	(29,65,136)
Net loss/(gain) on sale / retirement of assets	(19,876)	2,31,305
Profit on Renunciation of Rights Issue of Holding Company	-	(12,67,431)
Net gain on sale of non - current investments	-	(318,85,935)
Net gain on sale of current investments	-	(107,60,524)
	<u>65,72,630</u>	<u>(2,82,27,067)</u>
	4,22,28,407	3,76,25,552
Operating profit before working capital changes		
Adjustments for (increase) / decrease in operating assets:		
Trade receivables	(23,08,447)	(75,37,775)
Short-term loans and advances	39,74,824	(25,25,238)
Other current assets	12,89,866	(12,89,866)
Long-term loans and advances	2,36,353	13,87,758
	<u>31,92,596</u>	<u>(99,65,121)</u>
	454,21,003	276,60,431
Adjustments for increase in operating liabilities		
Trade payables	54,81,808	(47,74,364)
Long-term provisions	3,88,822	2,75,006
Short-term provisions	65,741	(7,73,732)
Other current liabilities	(156,41,352)	30,37,688
	<u>(97,04,981)</u>	<u>(22,35,402)</u>
Cash generated from operations	3,57,16,022	2,54,25,029
Net income tax paid	(1,09,02,802)	(1,28,37,544)
<b>Net cash generated from operating activities (A)</b>	<b>2,48,13,220</b>	<b>1,25,87,485</b>
<b>B. Cash flow from investing activities</b>		
Capital expenditure on fixed assets including capital advances	(1,30,70,727)	(1,09,13,757)
Proceeds from sale of fixed assets	54,919	1,72,959
Profit on renunciation of rights issue of holding company	-	12,67,431
Purchase of current investments	(2,73,34,883)	(12,71,32,202)
Proceeds from sale of non-current investments	-	333,15,660
Proceeds from sale of current investments	50,00,000	11,84,71,950
Interest received	8,94,003	9,31,209
Dividend received	76,84,884	29,65,136
	<u>(2,67,71,804)</u>	<u>190,78,386</u>
<b>Net cash (used) in /generated from investing activities (B)</b>	<b>(2,67,71,804)</b>	<b>190,78,386</b>
<b>C. Cash flow from financing activities</b>		
Repayment of short term borrowings	-	(1,00,00,000)
Dividend paid	-	(1,86,20,000)
Tax on dividend	-	(31,64,470)
	<u>-</u>	<u>(317,84,470)</u>
<b>Net cash used in financing activities (C)</b>	<b>-</b>	<b>(317,84,470)</b>
<b>Net decrease in cash and cash equivalents (A+B+C)</b>	<b>(19,58,584)</b>	<b>(1,18,599)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>23,88,854</b>	<b>25,07,453</b>
<b>Cash and cash equivalents at the end of the year (Refer Note no. 13)</b>	<b>4,30,270</b>	<b>23,88,854</b>

See accompanying notes forming part of the financial statements 1 - 31

In terms of our report attached.  
For DELOITTE HASKINS & SELLS LLP  
Chartered Accountants

  
GURVINDER SINGH  
Partner

For and on behalf of the Board,

  
SANJAY DUBE  
Director

PARAG A. RAILKAR  
Chief Executive Officer

  
DEBABRATA GUHA  
Chairman

  
S.P. KARMARKAR  
Company Secretary

Place : Mumbai  
Date : 25th April, 2016

Place : Mumbai  
Date : 25th April, 2016

**Notes**

**1 Corporate information**

Chemical Terminal Trombay Limited (CTTL) is a wholly owned subsidiary of The Tata Power Company Limited (TPCL). The Company offers Bulk Storage Facility of Liquid Chemicals and Petroleum Products apart from Fly Ash Disposal Management services and generation and sale of renewable electricity.

**2 Significant accounting policies**

**2.1 Basis of accounting and preparation of financial statements**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

**2.2 Use of estimates**

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

**2.3 Inventories**

The nature of the Company's business does not involve stocking of inventories. Stores consumed are shown at cost consisting of purchase price, taxes, duties and other incidental expenses, if any.

**2.4 Cash and Cash Equivalents (for purposes of Cash Flow Statement):**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

**2.5 Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

**2.6 Depreciation and amortisation**

Depreciable amount for assets is the cost of an asset, less its estimated residual value.

Depreciation on tangible fixed assets has been provided on the written down value method as per the useful life prescribed in Schedule II to the Companies Act, 2013

Intangible assets-Computer software is amortised over the useful economic life of 5 years.

The estimated useful life of 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.



**Note 2 Significant accounting policies (Contd.)**

**2.7 Revenue Recognition**

**Sale of goods**

Sales of Fly ash is recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales include excise duty but exclude sales tax and value added tax.

**Income from services**

Revenues from contracts priced on a time and material basis are recognised when services are rendered and related costs are incurred.

Storage and Other Terminalling Income and Allied Charges are recognised for the period to which they relate as and when they are accrued and invoiced.

Revenues from maintenance contracts are recognised pro-rata over the period of the contract.

Revenue from power supply are accounted for on the basis of billings and agreements entered into with consumers.

**2.8 Other income**

Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.

**2.9 Fixed Assets (Tangible / Intangible)**

Fixed assets are carried at cost less accumulated depreciation / amortisation and impairment losses, if any. The cost of fixed assets comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use. Subsequent expenditure on fixed assets after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Fixed assets are capitalised at cost plus freight, insurance, sales tax, customs duty, erection/installation charges and consultancy fees.

Fixed assets retired from active use and held for sale are stated at the lower of their net book value and net realisable value and are disclosed separately.

Capital work-in-progress:

Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

**2.10 Investments**

Long-term investments (excluding investment properties), are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

**2.11 Employee benefits**

Employee benefits include provident fund, gratuity fund, compensated absences.

Defined contribution plans

The Company's contribution to provident fund and superannuation fund are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

(a) Provident Fund: Contributions to secure retiral benefits in respect of Employees' Provident Fund and Employees' Family Pension Fund based on applicable rules, are charged to the Statement of Profit and Loss.

(b) Superannuation: The Company contributes a sum equivalent to 15% of eligible employees' salary to the Company's Superannuation Fund which is administered by trustees and managed by Life Insurance Corporation of India (LIC). The Company has no liability for future Superannuation Fund benefits other than its annual contribution and recognises such contributions as an expense in the year incurred.



**Chemical Terminal Trombay Limited**  
**Notes forming part of the financial statements**

**Note 2 Significant accounting policies (Contd.)**

Defined benefit plans

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

The Company has taken Group Gratuity-Cum-Life Assurance Scheme of Life Insurance Corporation of India (LIC) for gratuity payable to the employees. Incremental liability based on actuarial valuation done by LIC as per the projected unit credit method as at the reporting date, is charged to the Statement of Profit and Loss.

Expenditure for pension payable to Ex-Executive Director as at the Balance Sheet date is calculated by independent actuary.

Short Term Benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under :

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) in case of non-accumulating compensated absences, when the absences occur.

Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date less the fair value of the plan assets out of which the obligations are expected to be settled.

**2.12 Segment Reporting**

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

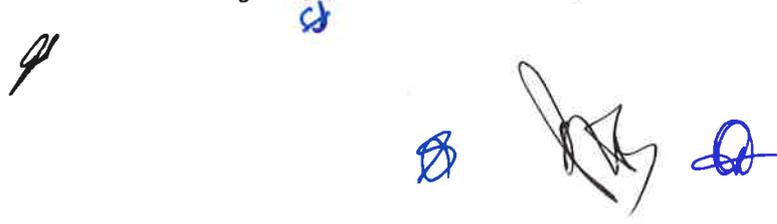
The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

**2.13 Leases**

Lease arrangements where the risks and rewards incidental to the ownership of an asset substantially vest with the lessor are recognized as operating leases. Lease rentals under operating leases are recognized in the Statement of Profit and Loss on a straight-line basis over the lease term.



**Note 2 Significant accounting policies (Contd.)**

**2.14 Earning per share**

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

**2.15 Taxes on income**

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

Current and deferred tax relating to items directly recognised in reserves are recognised in reserves and not in the Statement of Profit and Loss.

**2.16 Provisions, contingent liabilities and contingent assets**

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present values and are determined based on the best estimate required to settle the obligations at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements and are disclosed in the Notes. A Contingent asset is neither recognised nor disclosed in the financial statements.

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Note 3 Shareholders' funds - Share Capital

	As at 31st March, 2016		As at 31st March, 2015	
	Number of shares	₹	Number of shares	₹
(a) Authorised Equity shares of Rs. 100 each	10,00,000	10,00,00,000	10,00,000	10,00,00,000
(b) Issued, subscribed and fully paid up Equity shares of Rs. 100 each	1,86,200	1,86,20,000	1,86,200	1,86,20,000

Notes :

i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period

Equity Shares

	As at 31st March, 2016		As at 31st March, 2015	
	Number of shares	₹	Number of shares	₹
At the beginning and at the end of the year	1,86,200	1,86,20,000	1,86,200	1,86,20,000

ii) Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs.100 per share. Each holder of equity share is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. The Company declares and pays dividend in Indian Rupees.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

iii) 1,86,200 shares (31st March, 2015 - 1,86,200 shares) being the entire share capital is held by The Tata Power Company Limited, the holding Company.

iv) Aggregate number of shares bought back for the period of 5 years immediately preceding the Balance Sheet Date

Particulars	As at 31st March, 2016	As at 31st March, 2015
Equity shares bought back by the Company in aggregate	25,000	25,000

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**Chemical Terminal Trombay Limited**  
**Notes forming part of the financial statements**

**Note 4 Shareholders' funds - Reserves and surplus**

	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
(a) Capital Redemption Reserve	25,00,000	25,00,000
(b) General Reserve	23,68,01,800	23,68,01,800
(c) Surplus in Statement of Profit and Loss		
Opening balance	21,57,75,394	16,48,18,690
Add: Profit for the year	2,69,11,612	5,30,25,199
Less: Depreciation on transition to Schedule II of the Companies Act, 2013 on tangible fixed assets with nil remaining useful life (Net of Deferred Tax -Nil , 31st March 2015 - ₹ 9,93,447)	-	20,68,495
Closing balance	24,26,87,006	21,57,75,394
<b>Total</b>	<b>48,19,88,806</b>	<b>45,50,77,194</b>

**Note 5 Long-term provisions**

	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
Provision for employee benefits :		
(i) Provision for compensated absences	22,51,490	18,39,118
(ii) Provision for retiring benefits to Ex-Executive Director	24,61,766	24,85,316
<b>Total</b>	<b>47,13,256</b>	<b>43,24,434</b>

Provision for employee benefits :

- (i) Provision for compensated absences  
(ii) Provision for retiring benefits to Ex-Executive Director

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Chemical Terminal Trombay Limited  
Notes forming part of the financial statements

Note 6 Other current liabilities

	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
Other payables		
(i) Statutory remittances	13,84,369	15,80,221
(ii) Security deposit received from customers	1,35,000	63,22,500
(iii) Security deposit from licensee	-	92,58,000
(iv) Creditors for capital expenses	39,06,735	9,65,072
<b>Total</b>	<b>54,26,104</b>	<b>1,81,25,793</b>

Note 7 Short-term provisions

	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
Provisions for employee benefits :		
(i) Provision for compensated absences	11,87,314	11,03,860
(ii) Provision for retiring benefits to Ex-Executive Director	13,25,566	13,92,816
(iii) Provision for gratuity	49,537	-
<b>Total</b>	<b>25,62,417</b>	<b>24,96,676</b>











Note 8 Fixed assets

A. Tangible Assets	Gross block			Accumulated depreciation			Net Block		
	Balance at 1st April, 2015	Additions during the year	Deduction during the year	Balance as at 31st March, 2016	Adjusted in the Surplus in Statement of P&L #	Depreciation for the year	Deduction during the year	Balance as at 31st March, 2016	Balance as at 31st March, 2015
	(at cost)			(at cost)	₹	₹	₹	₹	₹
(a) Freehold land*	88,22,511 (88,22,511)	-	-	88,22,511 (88,22,511)	-	-	-	-	88,22,511
(b) Buildings									
Plant	69,50,269 (67,22,697)	2,13,300 (2,27,572)	-	71,63,569 (69,50,269)	-	2,26,820 (5,28,234)	-	64,96,369 (62,69,549)	6,67,200
Others- Given under operating lease**	3,08,14,095 (3,08,14,095)	-	-	3,08,14,095 (3,08,14,095)	-	5,11,875 (5,37,832)	-	2,07,19,954 (2,02,08,079)	1,00,94,141
(c) Plant and equipment									
(i) Plant	20,17,31,440 (19,53,11,657)	1,60,11,279 (84,40,950)	2,03,853 (20,21,167)	21,75,36,866 (20,17,31,440)	-	1,01,71,383 (1,24,92,022)	1,78,335 (16,78,669)	16,17,00,186 (15,17,07,138)	5,00,24,302
(ii) Plants under lease	8,18,65,907 (8,18,65,907)	-	-	8,18,65,907 (8,18,65,907)	-	14,91,234 (17,32,031)	-	7,17,26,132 (7,02,34,898)	1,16,31,009
(iii) Solar power plant	55,48,678 (55,48,678)	(17,400)	-	55,48,678 (55,48,678)	-	8,21,817 (10,03,026)	(813)	18,30,374 (10,08,557)	45,40,121
(d) Furniture and fixtures	36,52,959 (34,03,394)	34,560 (2,49,565)	-	36,87,519 (36,52,959)	-	2,72,543 (3,46,724)	-	29,62,485 (26,89,942)	9,63,017
(e) Office equipments	28,58,868 (22,19,880)	2,24,175 (6,59,401)	1,09,014 (20,413)	29,74,029 (28,58,868)	-	4,51,429 (5,70,392)	99,489 (8,756)	23,13,009 (19,61,069)	8,97,799
(f) Vehicles	95,56,697 (93,61,140)	-	(6,70,443)	95,56,697 (95,56,697)	-	14,10,848 (19,95,031)	(6,36,921)	66,17,534 (52,06,686)	43,50,011
<b>Total</b>	<b>35,18,01,424</b>	<b>1,64,83,314</b>	<b>3,12,867</b>	<b>36,79,71,871</b>	<b>-</b>	<b>1,53,57,949</b>	<b>2,77,824</b>	<b>27,43,66,043</b>	<b>9,25,15,506</b>
<b>Previous year</b>	<b>34,40,69,959</b>	<b>1,04,60,888</b>	<b>27,29,423</b>	<b>35,18,01,424</b>	<b>30,54,514</b>	<b>1,92,05,292</b>	<b>23,25,159</b>	<b>25,92,85,918</b>	<b>-</b>

B. Intangible assets	Gross block			Accumulated amortisation			Net Block		
	Balance at 1st April, 2015	Additions during the year	Deduction during the year	Balance as at 31st March, 2016	Adjusted in the Surplus in Statement of P&L #	Amortisation for the year	Deduction during the year	Balance as at 31st March, 2016	Balance as at 31st March, 2015
	(at cost)			(at cost)	₹	₹	₹	₹	₹
(a) Computer software	3,72,669 (3,72,669)	-	-	3,72,669 (3,72,669)	-	12,534 (1,44,216)	-	3,71,402 (3,58,668)	13,801
<b>Total</b>	<b>3,72,669</b>	<b>-</b>	<b>-</b>	<b>3,72,669</b>	<b>(7,429)</b>	<b>12,534</b>	<b>-</b>	<b>3,71,402</b>	<b>13,801</b>
<b>Previous year</b>	<b>3,72,669</b>	<b>-</b>	<b>-</b>	<b>3,72,669</b>	<b>7,429</b>	<b>1,44,216</b>	<b>-</b>	<b>3,58,668</b>	<b>-</b>

\*\* Buildings include Rs.500/- being cost of ordinary shares in a co-operative society.

# Refer Note 28

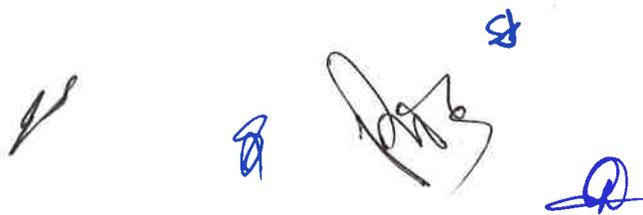
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Note 9 Non-current investments

	Face Value	Quantity	As at 31st March, 2016	Quantity	As at 31st March, 2015
	₹		₹		₹
<b>Investments valued at cost less provision for diminution in value</b>					
A. Ordinary Shares-(Unquoted) fully paid up - Non Trade					
(1) ASL Advanced Systems Private Limited	10	3,75,000	37,50,000	3,75,000	37,50,000
Less : Provision for diminution in value of investments other than temporary			(37,50,000)		(37,50,000)
(2) Tata International Limited	1,000	3,500	3,75,43,625	3,500	3,75,43,625
			3,75,43,625		3,75,43,625
B. Preference Shares-(Unquoted) fully paid up - Non Trade					
7.25% Redeemable Cumulative Convertible Preference Shares (RCCPS) of Tata Ceramics Limited	100	4,00,000	4,00,00,000	4,00,000	4,00,00,000
			4,00,00,000		4,00,00,000
C. Investments in Mutual Funds- Unquoted					
i Tata FMP - Series 44 - Scheme B - Growth	10.00		-	1,19,51,664	11,95,16,644
ii Tata FMP - Series 46 - Scheme A - Growth	10.00		-	31,68,325	3,16,83,246
iii Tata FMP - Series 45 - Scheme D - Growth	10.00		-	13,01,188	1,30,11,883
					16,42,11,773
<b>Total</b>			<b>7,75,43,625</b>		<b>24,17,55,398</b>
			<b>Cost as at 31st March, 2016</b>		<b>Cost as at 31st March, 2015</b>
			₹		₹
Aggregate amount of Unquoted Investments- Less: Provision for Diminution in Value of Investments other than temporary			8,12,93,625		24,55,05,398
Aggregate amount of Unquoted Investments (net of Provision)			(37,50,000)		(37,50,000)
			<b>7,75,43,625</b>		<b>24,17,55,398</b>

Note 10 Long-term loans and advances

	As at 31st March, 2016	As at 31st March, 2015
	₹	₹
(a) Security deposits - Unsecured, considered good		
(i) Deposits with Mumbai Port Trust	1,16,00,315	1,16,00,315
(ii) Security deposits - others	16,95,901	16,88,201
(b) Other loans and advances - Unsecured, considered good		
Loans and advances to Staff	70,312	1,60,269
(c) Prepaid expenses - Unsecured, considered good	1,59,683	3,13,779
(d) Advance income-tax (Net of provisions - Rs.59,223,520/-, 31st March, 2015 - Rs.8,24,71,940/-) - Unsecured, considered good	1,60,57,564	1,49,81,838
<b>Total</b>	<b>2,95,83,775</b>	<b>2,87,44,402</b>



Note 11 Current investments (valued at lower of cost and fair value)

	Face Value ₹	Total no of units	As at	
			31st March, 2016 ₹	31st March, 2015 ₹
<b>A Current portion of long-term investments</b>				
<b>Investments in Mutual Funds-</b>				
<b>Unquoted</b>				
i Tata FMP - Series 44 - Scheme B - Growth	10.00	1,19,51,664.45	11,95,16,644	-
ii Tata FMP - Series 46 - Scheme A - Growth	10.00	31,68,324.53	3,16,83,246	-
iii Tata FMP - Series 45 - Scheme D - Growth	10.00	13,01,188.32	1,30,11,883	-
<b>Total (A)</b>			<b>16,42,11,773</b>	
<b>B Other current investments</b>				
<b>Investments in Mutual Funds-</b>				
<b>Unquoted</b>				
i Tata Liquid Fund Plan A - Daily Dividend	1,000.00	1,37,151.32	15,28,57,650	1,17,111.20
<b>Total (B)</b>			<b>15,28,57,650</b>	<b>13,05,22,767</b>
<b>Total (A+B)</b>			<b>31,70,69,423</b>	<b>13,05,22,767</b>
			<b>As at</b>	<b>As at</b>
			<b>31st March, 2016</b>	<b>31st March, 2015</b>
			₹	₹
Aggregate amount of unquoted Investments-			31,70,69,423	13,05,22,767
			<b>As at</b>	<b>As at</b>
			<b>31st March, 2016</b>	<b>31st March, 2015</b>
			₹	₹
<b>Reconciliation for disclosure as per Accounting Standard 13</b>				
<b>Long term investments</b>				
Non Current Investments (Refer Note no. 9)			7,75,43,625	24,17,55,398
Current portion of long-term investments - (Refer Note no. 11 above)			16,42,11,773	-
			<b>24,17,55,398</b>	<b>24,17,55,398</b>
<b>Current Investments</b>				
Other current investments - (Refer Note no. 11 above)			15,28,57,650	13,05,22,767
<b>Total</b>			<b>39,46,13,048</b>	<b>37,22,78,165</b>

Chemical Terminal Trombay Limited  
Notes forming part of the financial statements

Note 12 Trade receivables

	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
Trade receivables outstanding for a period exceeding six months from the date they were due for payment Unsecured considered good	22,97,110	19,66,300
Other Trade Receivables :		
Secured considered good	35,94,187	54,35,183
Unsecured considered good	1,05,11,967	66,93,334
<b>Total</b>	<b>1,64,03,264</b>	<b>1,40,94,817</b>

Note 13 Cash and bank balances

	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
(a) Cash on hand	3,102	1,939
(b) Balances with banks in current accounts	4,27,168	23,86,915
<b>Cash and cash equivalents as per AS 3 "Cash Flow Statement"</b>	<b>4,30,270</b>	<b>23,88,854</b>

Note 14 Short-term loans and advances

	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
(a) Loans to Employees Unsecured, considered good	1,28,520	1,79,342
(b) Others Unsecured, considered good		
i) Prepaid expenses	3,73,193	13,31,823
ii) Balance with government authorities	3,68,516	9,60,550
iii) Other advances (includes advances to suppliers and contractors etc.)	12,91,965	36,65,303
<b>Total</b>	<b>21,62,194</b>	<b>61,37,018</b>

Note 15 Other current assets

	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
Interest receivable on deposits	3,45,470	1,46,380
Advance to Gratuity Fund to LIC	-	12,89,866
<b>Total</b>	<b>3,45,470</b>	<b>14,36,246</b>



**Chemical Terminal Trombay Limited**  
**Notes forming part of the financial statements**

**Note 16 Revenue from operations**

	For the year ended 31st March, 2016 ₹	For the year ended 31st March, 2015 ₹
(a) Sale of fly ash (traded goods)	5,68,23,044	4,23,23,092
(b) Sale of services	15,33,55,096	15,64,42,730
(c) Sale of power	7,95,654	7,34,201
(d) Other operating revenues- Sale of scrap	4,61,773	-
<b>Total</b>	<b>21,14,35,567</b>	<b>19,95,00,023</b>
	For the year ended 31st March, 2016 ₹	For the year ended 31st March, 2015 ₹
(a) Sale of fly ash	5,68,23,044	4,23,23,092
<b>Total - Sale of products</b>	<b>5,68,23,044</b>	<b>4,23,23,092</b>
(b) Sale of services comprises:		
(i) Storage	13,36,96,701	13,40,84,205
(ii) Other Terminalling Income	8,93,666	10,09,134
(iii) Fly Ash Management fees	48,00,000	48,00,000
(iv) Fly Ash Management - Business Auxiliary	12,900	4,77,983
(v) License fees and allied charges	1,39,51,829	1,60,71,408
<b>Total - Sale of services</b>	<b>15,33,55,096</b>	<b>15,64,42,730</b>

**Note 17 Other income**

	For the year ended 31st March, 2016 ₹	For the year ended 31st March, 2015 ₹
(a) Interest Income	10,93,093	9,28,854
(b) Dividend Income		
from current investments - trade	73,34,884	21,14,411
from non-current investments - trade	-	5,00,725
from non-current investments - non trade	3,50,000	3,50,000
(c) Net gain on sale of		
current investment	-	1,07,60,524
non-current investment	-	3,18,85,935
(d) Profit on renunciation of rights issue of holding company	-	12,67,431
(e) Profit on sale of assets (net)	19,876	-
<b>Total</b>	<b>87,97,853</b>	<b>4,78,07,880</b>
	For the year ended 31st March, 2016 ₹	For the year ended 31st March, 2015 ₹
(a) Interest income comprises:		
(i) Interest from banks on deposits	8,60,399	-
(ii) Interest on loans and advances	16,967	8,93,295
(iii) Interest - others	17,536	35,559
(iv) Interest on Income Tax Refund	1,98,191	-
<b>Total</b>	<b>10,93,093</b>	<b>9,28,854</b>

**Chemical Terminal Trombay Limited**  
**Notes forming part of the financial statements**

**Note 18 Employee benefits expense**

	For the year ended 31st March, 2016 ₹	For the year ended 31st March, 2015 ₹
(a) Salaries, wages and incentives	3,50,84,106	3,29,80,042
(b) Contributions to provident and other funds	27,17,920	28,17,133
(c) Retiring gratuities	13,39,403	10,35,046
(d) Staff welfare expenses	75,76,304	82,36,976
<b>Total</b>	<b>4,67,17,733</b>	<b>4,50,69,197</b>

**Note 19 Other expenses**

	For the year ended 31st March, 2016 ₹	For the year ended 31st March, 2015 ₹
Consumption of stores (Refer Note No.22)	18,45,884	11,80,295
Electricity charges	35,60,131	38,68,597
Rental of land, buildings, plant and equipment, etc.	2,86,51,140	3,11,19,762
Repairs and maintenance - Buildings	35,42,178	20,55,813
Repairs and maintenance - Machinery	1,34,29,892	1,05,55,544
Repairs and maintenance - Others	11,33,529	10,40,955
Reimbursement of staff on deputation		
- For fly ash management	15,31,352	22,97,031
- For others	94,76,911	145,81,053
Rates and taxes	4,68,631	14,95,337
Travelling and Conveyance	2,46,019	3,92,252
Insurance	11,34,874	14,72,424
Contribution towards Oil Spill	4,50,000	4,50,000
Fly ash business development	80,24,677	32,54,556
Fly ash management - operating expenses	20,76,188	30,60,674
Fly ash management - Brick expenses	-	2,349
Other operating expenses	57,95,751	60,51,691
Operating expenses - Solar	2,01,662	1,07,000
Payments to auditors		
(i) As auditors - statutory audit	7,50,000	7,50,000
(ii) For taxation matters	1,00,000	1,00,000
Consultancy fees	90,57,265	68,97,241
Cost of Service - Security	41,27,098	34,15,118
Donation	26,000	27,661
Expenditure on Corporate Social Responsibility	13,57,314	10,12,419
Service tax on Exempted services	4,34,294	3,19,293
Pension and medical benefits to Ex-Executive Director	6,93,301	22,25,831
Information Technology Expenses	10,12,000	-
Loss on sale/retirement of assets (net)	-	2,31,305
Miscellaneous expenses	17,24,983	27,17,279
<b>Total</b>	<b>10,08,51,074</b>	<b>10,06,81,480</b>

Note 20 Additional information to the financial statements

	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
<b>20.1 Contingent liabilities and commitments (to the extent not provided for)</b>		
<b>(i) Contingent liabilities</b>		
Claims against the company not acknowledged as debts		
<b>(a) Mumbai Port Trust penal way leave fee</b>		
1) Mumbai Port Trust's (MbPT) claims against the Company pertaining to the period September 1996 to March 2010 towards Penal Way Leave Fees has disputed by the Company. The Company has neither admitted nor acknowledged its liability to pay to MbPT the said alleged claims or any part thereof. Further, MbPT has so far not initiated any legal proceeding against the Company for recovery of claims. The Company is of the view, supported by legal opinion, that the Order can be successfully challenged on the grounds of being time barred and hence, adjustment, if any, will be recorded by the Company on the final outcome of the matter.	9,06,23,045	8,42,00,063
2) The alleged claims of the period April 2010 to March 2011 are also disputed by the Company. The Company has neither admitted nor acknowledged its liability to pay to MbPT the said alleged claims or any part thereof. Further, MbPT has so far not initiated any legal proceeding against the Company for recovery of claims. The Company is of the view, supported by legal opinion, that the Order can be successfully challenged on the grounds of being time barred and hence, adjustment, if any, will be recorded by the Company on the final outcome of the matter.	2,15,56,670	1,95,14,460
<b>(b) Property Tax claims disputed by the Company relating to rates charged</b>	89,97,991	91,40,734
Future cash outflows in respect of the above matters are determinable only on receipt of judgements / decisions pending at various forums /authorities.		
<b>(ii) Commitments</b>		
<b>(a) Estimated amount of contracts remaining to be executed (net of capital advance) on capital account and not provided for.</b>		
Tangible assets	-	27,91,499
<b>(b) The Wage Agreement entered by the Company with the employees, expired on 31st December, 2014 and a fresh Agreement is under negotiation. Pending finalisation of these negotiations, provision on an estimated basis has been made during the year and is included in Note 18 Employees benefits expense and no separate allocation has been made toward the Company's contribution to Provident and other Funds etc. included therein. Any adjustment necessary consequent on final determination of the liability pertaining to the period from 1st January, 2015 to 31st March, 2016 will be made in the year in which such negotiations are concluded.</b>		
<b>21 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006</b>		
Based on the information received by the Company from "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006, there are no amounts due to any supplier covered under this Act, as at 31st March, 2014 and hence, the disclosure relating to the amounts unpaid as at the year end with interest paid or payable as required under the said Act have not been given.		
<b>22 Details of consumption of stores</b>		
	<b>31st March, 2016</b>	<b>31st March, 2015</b>
	₹	₹
	%	%
(a) Imported	-	-
(b) Indigenous	18,45,884	11,80,295
	100%	100%
	18,45,884	11,80,295
	100%	100%

Note 23 Disclosures under Accounting standard 15

Note 23.1 Employee benefit plans

a Defined contribution plans

These are plans in which the Company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. These comprise of contributions to the employees' provident fund, family pension fund and superannuation fund. The Company's payments to the defined-contribution plans are reported as expenses during the period in which the employees perform the services relating to such payment.

(a) Provident Fund: Contributions to secure retiral benefits in respect of Employees' Provident Fund and Employees' Family Pension Fund based on applicable rules, are charged to revenue. The amount recognised under Contributions to provident and other funds in Note 18 in Employee benefits expense as on 31st March, 2016 is Rs.15,86,331/- (31st March, 2015 - Rs.16,33,331/-).

(b) Superannuation: The Company contributes a sum equivalent to 15% of eligible employees' salary to the Company's Superannuation Fund which is administered by trustees and managed by Life Insurance Corporation of India (LIC). The Company has no liability for future Superannuation Fund benefits other than its annual contribution and recognizes such contributions as an expense in the year incurred. The amount recognised under Contributions to provident and other funds in Note 18 in Employee benefits expense as on 31st March, 2016 is Rs.11,31,589/- (31st March, 2015 - Rs.11,83,802/-).

b Defined benefit plans

The Company operates the following unfunded/funded defined benefit plans:

Unfunded:

Pension payable to Ex-Executive Director

The amount recognised under Pension to Ex-Executive Director in Note 19 in Other Expenses as on 31st March, 2016 is Rs.6,93,301/- (31st March, 2015 - Rs.22,25,831/-). Further, provision pension payable to Ex-Executive Director outstanding as at 31st March 2016 is Rs.24,61,766/- (31st March, 2015 - Rs.24,85,316/-) disclosed under Note 5 as Long Term Provisions and Rs.13,25,566/- (31st March, 2015 - Rs.13,92,816/-) disclosed under Note 7 as Short Term Provision.

Funded:

Gratuity

The Company has taken Group Gratuity-Cum-Life Assurance Scheme of Life Insurance Corporation of India (LIC) for gratuity payable to the employees.

The following table sets out the funded status of the defined benefit schemes and the amount recognised in the financial statements:

Particulars	Year ended 31st March, 2016	Year ended 31st March, 2015
	Gratuity	Gratuity
<b>Components of employer's expense</b>		
Current service cost	6,37,600	6,68,854
Interest cost	(1,03,061)	14,73,322
Expected return on plan assets	-	(12,32,222)
Actuarial losses/(gains)	8,04,864	1,25,092
<b>Total expense recognised in the Statement of Profit and Loss</b>	<b>13,39,403</b>	<b>10,35,046</b>
<b>Actual contribution and benefit payments for the year</b>		
Actual benefit payments	(15,46,967)	(64,75,236)
Actual contributions	-	40,89,248
<b>Net asset / (liability) recognised in the Balance Sheet</b>		
Present value of defined benefit obligation	1,27,11,001	1,18,68,315
Fair value of plan assets	1,26,61,464	1,31,58,181
<b>Net asset / (liability) recognised in the Balance Sheet</b>	<b>(49,537)</b>	<b>12,89,866</b>

Particulars	Year ended 31st March, 2016	Year ended 31st March, 2015
	Gratuity	Gratuity
<b>Change in defined benefit obligations (DBO) during the year</b>		
Present value of DBO at beginning of the year	1,18,68,315	1,59,27,805
Current service cost	6,37,600	6,68,854
Interest cost	9,48,278	14,73,322
Actuarial (gains) / losses	8,03,775	2,73,570
Benefits paid	(15,46,967)	(64,75,236)
<b>Present value of DBO at the end of the year</b>	<b>1,27,11,001</b>	<b>1,18,68,315</b>
<b>Change in fair value of assets during the year</b>		
Plan assets at beginning of the year	1,31,58,181	1,41,63,469
Expected return on plan assets	10,51,339	12,32,222
Actual company contributions	-	40,89,248
Actuarial gain / (loss)	(1,089)	1,48,478
Benefits paid	(15,46,967)	(64,75,236)
<b>Plan assets at the end of the year</b>	<b>1,26,61,464</b>	<b>1,31,58,181</b>

Actual return on plan assets

Composition of the plan assets is as follows:		
Others (Insurer Managed Funds)	1,26,61,464	1,31,58,181
<b>Actuarial assumptions</b>		
Discount rate	7.99%	7.99%
Expected return on plan assets	7.99%	7.99%
Salary escalation	8.00%	6.00%
Attrition	2.00%	2.00%
Mortality tables	Indian assured Lives Mortality (2006-08)	Indian assured Lives Mortality (2006-08)

Note 23 Disclosures under Accounting standard 15 (Contd.)

**Particulars**

The expected rate of return on plan assets is determined after considering several applicable factors such as the composition of the plan assets, investment strategy, market scenario, etc. in order to protect the capital and optimise returns within acceptable risk parameters, the plan assets are well diversified.

The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.

The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

**Experience adjustments**

	31-Mar-2016	31-Mar-2015	31-Mar-2014	31-Mar-2013	31-Mar-2012
<b>Gratuity</b>	₹	₹	₹	₹	₹
Present value of DBO	1,27,11,001	1,18,68,315	1,59,27,805	1,29,62,571	1,28,69,035
Fair value of plan assets	1,26,61,464	1,31,58,181	1,41,63,469	1,40,86,264	1,39,41,824
Funded status [Surplus / (Deficit)]	(49,537)	12,89,866	(17,64,336)	11,23,693	10,72,789
Experience gain / (loss) adjustments on plan liabilities	4,47,412	-	-	(1,21,420)	-
Experience gain / (loss) adjustments on plan assets	(1,089)	1,48,478	(77,053)	1,08,824	-

	Year ended 31st March, 2016	Year ended 31st March, 2015
<b>Actuarial assumptions for long-term compensated absences</b>		
Discount rate	7.99%	7.99%
Expected return on plan assets	-	-
Salary escalation	6.00%	6.00%
Attrition	2.00%	2.00%

The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.  
The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

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24 Segment information (Refer 2.12)

(a) Primary Segment Information :

Year ended and as at 31st March, 2016

	Income from rendering of services	Fly Ash Services	Others	Total
	₹	₹	₹	₹
<b>REVENUE</b>				
Total segment Revenue	14,90,03,969 <i>15,11,64,747</i>	6,16,35,944 <i>4,76,01,075</i>	7,95,654 <i>7,34,201</i>	21,14,35,567 <i>19,95,00,023</i>
<b>RESULT</b>				
Total segment Results	65,76,847 <i>39,81,296</i>	2,44,47,517 <i>1,85,55,179</i>	(2,27,825) <i>(3,75,825)</i>	3,07,96,539 <i>2,21,60,650</i>
Unallocated income (Net)				48,59,238 <i>4,36,91,969</i>
Income taxes				87,44,165 <i>1,28,27,420</i>
<b>Profit after Tax</b>				<b>2,69,11,612</b> <b><i>5,30,25,199</i></b>
<b>OTHER INFORMATION</b>				
Segment Assets	10,22,89,182 <i>10,33,08,038</i>	95,73,814 <i>1,11,97,041</i>	1,36,36,936 <i>1,34,39,806</i>	12,54,99,932 <i>12,79,44,885</i>
Unallocated Assets				41,31,05,542 <i>39,05,12,295</i>
<b>Total Assets</b>				<b>53,86,05,474</b> <b><i>51,84,57,180</i></b>
Segment Liabilities	3,09,10,372 <i>3,04,93,659</i>	29,83,964 <i>97,04,637</i>	3,15,000 <i>6,83,558</i>	3,42,09,336 <i>4,08,81,854</i>
Unallocated Liabilities				37,87,332 <i>38,78,132</i>
<b>Total Liabilities</b>				<b>3,79,96,668</b> <b><i>4,47,59,986</i></b>
Capital Expenditure	1,30,00,869 <i>75,06,675</i>	(3,81,272) <i>(3,81,272)</i>	4,51,130 <i>37,88,354</i>	1,30,70,727 <i>1,09,13,757</i>
Non-cash Expenses other than Depreciation/Amortisation	- <i>(2,31,305)</i>	- <i>-</i>	- <i>-</i>	- <i>(2,31,305)</i>
Depreciation/Amortisation	1,43,92,129 <i>1,81,42,104</i>	1,56,537 <i>2,04,378</i>	8,21,817 <i>10,03,026</i>	1,53,70,483 <i>1,93,49,508</i>

\* Figures in *Italics* indicate previous year's figures.

(b) Secondary segment information :

There is no secondary reportable segment relating to the Company's business.

(c) Services in each business segment :

Income from rendering of services:

Storage, Other terminalling income, License fees and allied charges

Fly ash services:

Fly ash trading and management services.

Others:

Sale of power and the Company has acquired land towards Wind Farm.



**Chemical Terminal Trombay Limited**  
**Notes forming part of the financial statements**

**25 Related party transactions:**

**25.1a Details of related parties**

**Description of relationship**

Holding Company

Related party disclosures where transactions have taken place

Fellow Subsidiary

**Names of related parties**

The Tata Power Company Limited

Tata Power Solar System Limited

Note: Related parties have been identified by the Management

**25.1b Details of related party transactions during the year ended 31st March, 2016 and balances outstanding as at 31st March, 2016:**

	<u>Holding Company</u>	<u>Fellow Subsidiary</u>
<b>Transactions during the period:</b>		
Electricity Charges Paid	35,60,161/- (38,68,597/-)	
Land Lease Rent Paid	95,05,166/- (91,38,675/-)	
Rent paid for Parel Office	6,44,000/- (6,44,004/-)	
Water Charges	1,93,191/- (70,598/-)	
Purchase of Traded Goods - Fly Ash	2,16,38,353/- (1,63,55,099/-)	
Income from Fly ash handling services	48,00,000/- (48,00,000/-)	
Fly Ash Management - Business Auxiliary Services	12,900/- (4,77,983/-)	
Dividend received	Nil (5,00,725/-)	
Dividend paid	Nil (1,86,20,000/-)	
Remuneration *	1,10,08,355/- (1,68,78,084/-)	
Interest received on Electricity Deposit	17,536/- (35,559/-)	
Internal Audit Fees	Nil (1,25,000/-)	
IT Expenses	10,12,000/- (Nil)	
Solar Power Plant Operation and maintenance		2,01,662/- (1,07,000/-)
Repayment of Interest free loan	Nil (1,00,00,000/-)	
<b>Balances outstanding :</b>		
Deposit paid	3,16,100/- (1,96,400/-)	
Other Payables	85,91,507/- (92,89,237/-)	1,20,000/- (5,88,558/-)
Trade / Other Receivable	67,89,990/- (61,90,289/-)	

\* Reimbursement of deputation cost to the Holding Company

Figures in brackets relate to the previous year.

26 Details of leasing arrangements

The Company derives income on account of rental income for assets given under leave and license agreement

As Lessor

Future minimum lease payments which are non-cancellable not later than one year

	For the year ended 31st March, 2016	For the year ended 31st March, 2015
		40,27,575

27 Earnings per Share

Net profit for the year  
Number of equity shares  
Par value per share  
Basic and Diluted Earnings Per Share

	For the year ended 31st March, 2016	For the year ended 31st March, 2015
(A)	269,11,612	530,25,199
(B)	1,86,200	1,86,200
	100	100
(A) / (B)	<b>144.53</b>	<b>284.78</b>

28 Deferred tax (liability)/asset

Deferred tax liability related to fixed assets  
Deferred tax asset relating to leave encashment, bonus and director pension  
Net deferred tax asset/(liability)

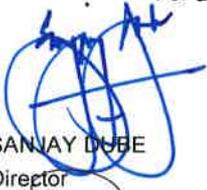
	As at 31st March, 2016	As at 31st March, 2015
	(9,28,816)	(18,35,950)
	23,89,174	22,13,397
	<b>14,60,358</b>	<b>3,77,447</b>

29 The Board of Directors of the Company at its meeting held on 13th November, 2014 has considered and approved the "Scheme of Amalgamation" ("the Scheme") under Section 391 to 394 and other applicable provisions, if any, of the Companies Act, 1956 and Companies Act, 2013 between The Tata Power Company Limited ("transferee company" holding company) and the Company, with effect from 1st April, 2014. The entire undertaking of the Company would be transferred to the transferee company as a going concern. Pending approval of Honorable High Court, no effect of the proposed scheme has been given in the Financial Statements.

30 During the year, the Company has incurred Corporate Social Responsibility expenditure of Rs. 1,357,314 (including accrual of Rs. 556,709)(Previous year - Rs. 1,012,419).

31 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

For and on behalf of the Board,

  
SANJAY DUBE  
Director

  
PARAG A. RAILKAR  
Chief Executive Officer

  
DEBABRATA GUHA  
Chairman

  
S.P. KARMARKAR  
Company Secretary