

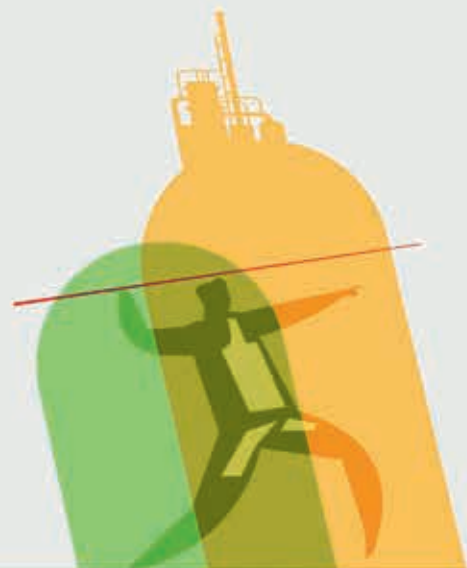
NUMALIGARH
REFINERY
LIMITED

A GOVERNMENT OF INDIA ENTERPRISE



ANNUAL REPORT

2019 - 20



VISION

To be a vibrant, growth oriented energy company of national standing and global reputation having core competencies in Refining and Marketing of petroleum products committed to attain sustained excellence in performance, safety standards, customer care and environment management and to provide a fillip to the development of the region.

ANNUAL REPORT 2019-20

MISSION

- ▶ Develop core competencies in Refining and Marketing of petroleum products with a focus on achieving international standards on safety, quality and cost.
- ▶ Maximise wealth creation for meeting expectations of stakeholders.
- ▶ Create a pool of knowledgeable and inspired employees and ensure their professional and personal growth.
- ▶ Contribute towards the development of the region.



ANNUAL REPORT 2019-20

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**NUMALIGARH
REFINERY
LIMITED**

A GOVERNMENT OF NIGRA ENTERPRISE



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CHAIRMAN'S MESSAGE

Dear Stakeholder,

Most businesses across the world are going through turbulent times in the wake of the COVID-19 pandemic and the oil industry is no exception. With plummeting demand for automotive fuels arising out of unusual circumstances entailing social distancing, lockdowns and travel restrictions; an unexpected set of challenges have sprung up. Looking at it from a positive perspective, this crisis has thrust upon us opportunities to break free from the conventional ways in which we carry out our business and explore infinite possibilities to stay relevant and productive. Rising up to the occasion in these testing times, we have yet again manifested our resilience and undying spirit of team work and perseverance and maintained performance levels. A large number of our employees today are working remotely and Company meetings including today's AGM are being held on virtual platforms- a paradigm shift that is slowly unfolding to perhaps become the new normal. The silver lining is that we have been able to adapt to the changes, leaving us well placed to face the challenges ahead.

I place before you the Annual Report of the Company for the FY 2019-20, a year that was somewhat a mixed bag. While giant steps to secure the Company's future on strategic front were the hallmark of the year, it was countered by unanticipated bottlenecks affecting bottom lines.

The refinery processed 2,383 TMT of Crude Oil in the FY 2019-20 compared to 2,900 TMT in FY 2018-19, mainly due to Refinery Turn Around (RTA) undertaken after a gap of 4 years and lower capacity utilization during March 2020 in the aftermath of COVID-19. However, improved results were recorded in terms of Specific Energy Consumption (SEC) and Energy Intensity Index (EII), a clear demonstration of our continual energy saving efforts. During the FY 2019-20, the refinery also processed maiden imported Miri Light Crude Oil from Malaysia positioned through Haldia port. Product sales during the year was 2,361 TMT against production of 2,300 TMT. Overall, in terms of production efficiency, NRL continues to be one of the best performing refineries in the country with one of the highest distillate yields, lowest specific energy consumption and high gross refining margins.

On the financial front, the Company's profitability in FY 2019-20 was adversely affected due to inventory losses in the month of March 2020 - as Crude Oil prices reached a new low impacted by the pandemic situation, coupled with the extended Refinery Turn Around. Revenue from operations recorded a dip at ₹14,073 Crore during FY 2019-20 as compared to ₹18,511 Crore in the previous year due to lower sales volume and reduction in prices of petroleum products in the international market. Profit before tax (PBT) decreased to ₹1,735 Crore during FY 2019-20, from ₹3,052 Crore in the previous year. Consequently, Profit after tax (PAT) decreased to ₹1,381 Crore during the year as

compared to ₹ 1,968 Crore in the previous year. NRL's net worth stood at ₹ 5,304 Crore as on 31st March, 2020. A near-zero debt position and favourable credit ratings, augurs well for the upcoming refinery expansion project.

While the country leapfrogged from BS-IV grade fuel to BS-VI, from April 1, 2020, NRL began supplying BS-VI auto fuels to the market from the first week of February 2020, well ahead of schedule enabling oil marketing companies to upgrade their inventory of automotive fuels – Petrol and Diesel, in their retail outlets and terminals.

The Company has made definitive progress in implementation of the ongoing projects during the FY 2019-20. Technical Management Consultant for Refinery project and EPCM for Pipeline project have been lined up for seamless execution. The integrated Refinery Expansion project from existing 3 MMTPA to 9 MMTPA is being executed at a project cost above ₹22,594 Crore. Other significant developments include allocation of 200 acres of land to set up Crude Oil Terminal in Paradip, which would facilitate transportation of imported Crude Oil from Paradip port to Numaligarh. Preliminary groundwork including necessary permissions for laying of Crude Oil and Product Pipeline are being pursued assiduously so that physical works can commence as soon as possible. On the other hand, the 130 KM Indo-Bangla Friendship Pipeline (IBFPL) for transporting products from the Siliguri Marketing Terminal to Bangladesh is progressing well. Also, physical works for the first bamboo biomass based 2G Bio Refinery plant in the country being implemented through the JV, 'Assam Bio-Refinery Pvt. Ltd' with major equity stake of 50% by NRL along with Finnish collaborators has picked up momentum. The FY 2020-21 will be critical for executing the aforesaid 3 major projects in hand. Lockdowns, travel restrictions, logistics disruptions, migrant worker availability will need to be monitored closely to ensure that we don't fall behind schedules.

We continue to pursue our CSR programs with missionary zeal and unwavering focus, reaching out to the underprivileged communities around us and making a meaningful difference in their lives. This is largely manifested in a perceptible improvement of socio-economic development indices in the vicinity of the refinery with each passing year. We are also slowly treading the path beyond to reach out the unprivileged section of people in the Aspirational District under our fold.

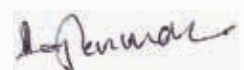
From the very beginning, NRL has been encouraging a sporting culture among its employees, resting on the tenet that a healthy body leads to a healthy mind. The Company has invested heavily on sporting infrastructure inside its Township for employees and their families to benefit from and sporting events are organized from time to time. Sports as a theme in CSR is also utilized to support sporting activities in the state / region. Supporting football academy is a case in point.

Your Company has been maintaining integrity, transparency and accountability in all its spheres of business and will continue to imbibe the best business practices and highest principles of work and ethics in its onward journey.

In the last 27 years of its existence, NRL has made a mark for itself in the oil and gas industry of the country. With its brilliant track record and drawing out of rich experience, ability of its employees to adapt and willingness to go that extra mile, it is destined to achieve its well-conceived vision. I am sure that the Company will continue to soar high and shine brightly in the eastern horizon, spreading prosperity and bringing cheer and hope in the lives of the people it touches.

As I conclude, I wish to thank all our stakeholders for their unrelenting support and goodwill that has motivated us to aspire, plan and pursue our vision with focused attention as a team. I take this opportunity to thank the Ministry of Petroleum & Natural Gas for their valuable guidance and to the Govt. of Assam for their whole hearted support in all our endeavours. My job has been made easier with my fellow Directors on NRL Board, who have infused dynamism and brought so much on the table. Thank you very much for your unrelenting support and cooperation. I also wish to express my thankfulness to Directors on BPCL Board who often lent support and direction in steering the Company ahead. Last but not the least, I wish to thank you all for the encouragement and confidence reposed in the Company's Management.

With regards,



D. Rajkumar
Chairman



D. Rajkumar
Chairman

BOARD OF DIRECTORS



S. K. Barua
Managing Director

Bankers

State Bank of India
HDFC Bank
Indusind Bank

Axis Bank
Union Bank
Canara Bank

Punjab National Bank
ICICI Bank

Auditors

M. C. Bhandari & Co.
Chartered Accountants
4, Synagogue Street
(Behind Central Bank, Braboume Road)
Kolkata – 700001 (India)

Refinery Unit

Pankagrart
Numaligarh Refinery Complex
Golaghat District, Assam
Pin – 785699

Registered Office

122A, G. S. Road
Christianbasti
Guwahati – 781005

Co-ordination Office

Tolstoy House, 6th Floor
15 - 17 Tolstoy Marg
New Delhi – 110001

Marketing & BD Office

NEDFi House, 4th Floor
G. S. Road, Dispur
Guwahati – 781006

BOARD OF DIRECTORS



B. J. Phukan
Director (Technical)



Shri Indranil Mittra
Director (Finance)



Smt. Sneha Lata Kumar
Independent Director



Dr. Sylvanus Lamare
Independent Director



Shri Jaswant Singh Saini
Independent Director
[w.e.f. 29-11-2019]



Rajkumar Sharma
Independent Director
[upto 30-01-2020]



Shri R K Kureel
Director



Dr. K. K. Dwivedi
Director
[w.e.f. 16-08-2019]



Shri Sushil Chandra Mishra
Director
[w.e.f. 04-11-2019]



Ravi Capoor
Director
[upto 01-08-2019]



Utpal Bora
Director
[upto 01-10-2019]



(L to R) Mr. B. J. Phukan, Director (Technical); Mr. S. K. Barua, Managing Director and Mr. Indranil Mittra, Director (Finance)

Management Team

Shri Sunil Jain, IRTS	Chief Vigilance Officer
Shri N. Borthakur	Sr. CGM (Corporate Affairs)
Shri A. P. Chakravorty	Sr.CGM (Projects)
Shri Gopal Sarma	CGM (Operations) I/c
Shri H. K. Nath	CGM (Maintenance)
Shri H. K. Sarmah	Company Secretary
Shri M. K. Pegu	CGM(Project – Pipeline)
Shri G. K. Borah	CGM (Project-Refinery)
Shri P. K. Talukdar	CGM (HR)
Shri B. K. Gupta	CGM (Technical Service)
Shri N. K. Buragohain	GM(Commercial) I/c
Shri Subrata Das	GM (Marketing)
Shri Pallav Kumar Das	GM (Internal Audit)

Shri Dhiren Handique	GM(IHP)
Shri Pratul Saikia	GM(Finance)
Shri Kajal Saikia	GM(HRD)
Shri Samir Kundu	GM(Electrical Maint.)
Shri Hemanta Neog	GM (Project)
Shri Monjit Kr. Borah	GM(Mech. Maintenance)
Shri Sobhan Konwar	GM(Operation)
Shri Ghanashyam Hazarika	GM (Speciality Chemical)
Shri Sanjeev Dibragede	GM(IIS)
Shri R. M. W. Khongwir	Country Head- Bangladesh
Shri Diganta Das	GM (Commercial)
Shri Pranab Jyoti Sarma	GM (Project)

Notice to the Members

Notice is hereby given that the 27th Annual General Meeting of the Members of Numaligarh Refinery Limited will be held on Monday, the 10th August, 2020 at 2.30 P.M. through Video Conferencing ('VC') or Other Audio Visual Means('OAVM') facility to transact the following Ordinary and Special Business:

A. Ordinary Business:

1. To receive, consider and adopt (a) the Audited Financial Statement of the Company for the financial year ended 31st March, 2020; (b) the Audited Consolidated Financial Statement of the Company for the financial year ended 31st March, 2020; and the Reports of the Board of Directors and the Statutory Auditors and the Comments of the Comptroller & Auditor General of India thereon.
2. To appoint a Director in place of Shri S. K. Barua, Director (DIN:06503943) who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Shri B.J.Phukan, Director (DIN:07721895) who retires by rotation and being eligible, offers himself for reappointment.

B. Special Business:

4. Appointment of Dr. K. K. Dwivedi as Director

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

"RESOLVED THAT pursuant to the provisions of Section 149, 152 and other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder as amended from time to time, Dr. K. K. Dwivedi, IAS (DIN: 07632374), who was appointed by the Board as a Director in casual vacancy pursuant to Article 98 of the Articles of Association of the Company read with Section 161(4) of the Companies Act, 2013 and who holds office up to the date of this Annual General Meeting and in respect of whom, the Company has received a Notice in writing from a Member under Section 160 of the Companies Act, 2013, be and is hereby appointed as Director of the Company, liable to retire by rotation."

5. Appointment of Shri Sushil Chandra Mishra as Director

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

"RESOLVED THAT pursuant to the provisions of Section 149, 152 and other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder as amended from time to time, Shri Sushil Chandra Mishra (DIN: 08490095), who was appointed by the Board as a Director in casual vacancy pursuant to Article 98 of the Articles of Association of the Company read with Section 161(4) of the Companies Act, 2013 and who holds office upto the date of this Annual General Meeting and in respect of whom, the Company has received a Notice in writing from a Member under Section 160 of the Companies Act, 2013, be and is hereby appointed as Director of the Company, liable to retire by rotation."

6. Appointment of Shri Jaswant Singh Saini as an Independent Director

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

“RESOLVED THAT pursuant to the provisions of Section 149, 150, 152 and other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder, read with Schedule IV of the Companies Act, 2013 as amended from time to time, Shri Jaswant Singh Saini (DIN:08596048), who was appointed by the Government as Non-Official Independent Director on the Board of the Company for a period of three years as conveyed vide MOP & NG letter dated 21st October, 2019 and thereafter appointed by the Board as an Additional Director w.e.f. 29th November, 2019 and who holds office up to the date of this Annual General Meeting in terms of section 161 of the Companies Act, 2013 and in respect of whom, the Company has received a Notice in writing from a Member under Section 160 of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation till completion of his tenure.”

7. Approval of Remuneration of the Cost Auditor for the financial year 2020-21

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

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 read with Companies (Audit & Auditors) Rules, 2014 as amended from time to time, the appointment of M/s. A. C. Dutta & Co., Cost Accountants, by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2021 at a remuneration of ₹75,000/- plus out of pocket expenses, reimbursement of travel and boarding expenses and payment of service tax at applicable rates etc., be and is hereby ratified and approved.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things and to take all such steps as may be necessary or expedient to give effect to this Resolution.”

By Order of the Board of Directors

Sd/-

H. K. Sarmah
Company Secretary

Registered Office:

122A, G. S. Road,
Christianbasti,
Guwahati- 781005

Date: 16th July, 2020

Note:

1. In view of Covid-19 pandemic situation, the Ministry of Corporate Affairs (MCA) vide its General Circular dated May 5, 2020 read with General Circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as ‘MCA Circulars’) permitted holding of the Annual General Meeting (AGM) through Video Conferencing (VC) facility or other audio visual means (OAVM), without the physical presence of the Members at a common venue. In

compliance with the provisions of the Companies Act, 2013 ('Act') and MCA Circulars, the AGM of the Company will be held through VC/OAVM . The deemed venue for the 27th AGM shall be the Registered Office of the Company.

2. Since the meeting will be held through VC or OAVM as per MCA circulars, physical attendance of the Members has been dispensed with. Accordingly, the facility for appointment of Proxies will not be available. Hence, Proxy Form, Attendance Slip are not annexed to the Notice.
3. Govt. representative / Corporate Members of the Company are to attend and vote at the AGM through VC/OAVM facility. Corporate Members intending to appoint their authorised representatives pursuant to Sections 112 and 113 of the Act, as the case may be, are requested to send the signed copy of the nomination letter in advance.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
5. VC link for the AGM will be shared separately.
6. Explanatory statements are annexed to the Notice of Annual General Meeting of the Company pursuant to Section 102 of the Companies Act, 2013 relating to the Business set out above hereto.

Explanatory Statements for the Special Business pursuant to Section 102 of the Companies Act, 2013:

Following are the explanatory statements in respect of item No.4 to 7 of the Special Businesses included in the Notice dated 16th July, 2020.

Item No. 4: Appointment of Dr. K. K. Dwivedi as Director

As per Article 82(iv) of the Articles of Association of the Company, the Government of Assam vide Notification No.MI.78/93/367-A dated 8th August, 2019 nominated Dr. K. K. Dwivedi, IAS, Commissioner & Secretary to the Govt. of Assam, Industries and Commerce Department as a Director on the Board of the Company in place of Shri Ravi Capoor. Accordingly, the Board in its meeting held on 16th August, 2019 appointed Dr. K. K. Dwivedi as Director on the Board of the Company to fill the casual vacancy caused by the resignation of Shri Ravi Capoor from the Board of the Company, pursuant to Article 98 of the Articles of Association of the Company read with Section 161(4) of the Companies Act, 2013.

Being appointed in casual vacancy, Dr. Dwivedi will hold office till the ensuing Annual General Meeting i.e. upto which Shri Ravi Capoor would have held office as Director, had he not resigned from the Board. The Company has received a Notice along with deposit of requisite amount under Section 160 of the Companies Act, 2013 from a Member proposing his name as a Director of the Company. A brief resume of Dr. K. K. Dwivedi is provided separately in the Corporate Governance Report. The Board recommends appointment of Dr. K. K. Dwivedi as Director of the Company.

Dr. K. K. Dwivedi is interested in the Resolution to the extent as it concerns his appointment. No other Directors or Key Managerial Personnel or their relatives have any concern or interest, financial or otherwise, in passing of the said Ordinary Resolution.

Item No. 5: Appointment of Shri Sushil Chandra Mishra as Director

Shri Sushil Chandra Mishra (DIN: 08490095), Chairman and Managing Director, Oil India Limited (OIL) was appointed as Director on the Board of the Company w.e.f. 4th November, 2019 to fill the casual vacancy caused due to superannuation of Shri Utpal Bora on 30.9.2019, pursuant to Article 98 of the Articles of Association of the Company read with Section 161(4) of the Companies Act, 2013 as conveyed vide OIL's letter No. OIL/SEC/40/SUBSI/NRL dated 11th October, 2019.

Being appointed in casual vacancy, Shri Mishra will hold office till the ensuing Annual General Meeting upto which Shri Utpal Bora would have held office as Director, had he not resigned from the Board. The Company has received a Notice along with deposit of requisite amount under Section 160 of the Companies Act, 2013 from a Member proposing his name as a Director of the Company. A brief resume of Shri Sushil Chandra Mishra is provided separately in the Corporate Governance Report. The Board recommends appointment of Shri Sushil Chandra Mishra as Director of the Company.

Shri Sushil Chandra Mishra is interested in the Resolution to the extent as it concerns his appointment. No other Directors or Key Managerial Personnel or their relatives have any concern or interest, financial or otherwise, in passing of the said Ordinary Resolution.

Item No.6: Appointment of Shri Jaswant Singh Saini as an Independent Director

Shri Jaswant Singh Saini, (DIN:08596048), Advocate, Saharanpur, Uttar Pradesh, who was appointed by the Government as Non-Official Independent Director on the Board of the Company for a period of three years as conveyed vide Ministry of Petroleum & Natural Gas letter No.C-31033/1/2019-CA/PNG (29974) dated 21st October, 2019, was appointed by the Board as an Additional Director w.e.f. 29th November, 2019 on allotment of his DIN, pursuant to the provisions of Article 84 of the Articles of Association of the Company read with section 149, 150, 152, 161 and other applicable provisions of the Companies Act, 2013 and Rules framed there under.

Being appointed as an Additional Director, he will hold office up to the date of the ensuing Annual General Meeting. The Company has received a Notice along with deposit of requisite amount under Section 160 of the Companies Act, 2013 from a Member proposing his name as a Director of the Company. A brief resume of Shri Jaswant Singh Saini is provided separately in the Corporate Governance Report.

Shri Jaswant Singh Saini has given a declaration to the Board that he meets the criteria of Independence as provided under Section 149(6) of the Companies Act. In compliance with the provisions of Section 149 read with Schedule IV of the Companies Act, 2013, the appointment of Shri Jaswant Singh Saini as an Independent Director is placed before the members at the AGM for approval.

The Board recommends appointment of Shri Jaswant Singh Saini as Independent Director of the Company. Shri Jaswant Singh Saini is interested in the Resolution to the extent as it concerns his appointment. No other Directors or Key Managerial Personnel or their relatives have any concern or interest, financial or otherwise, in passing of the said Ordinary Resolution.

Item No. 7: Approval of Remuneration of Cost Auditor for the financial year 2020-21

M/s. A. C. Dutta & Co., Cost Accountants, Kolkata was appointed by the Board as the Cost Auditor of the Company for the year 2020-21 on recommendation of the Audit Committee to conduct the audit of Cost Records at a remuneration of ₹75,000/-plus out of pocket expenses, reimbursement of travel and boarding expenses and payment of service tax at applicable rates.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit & Auditors) Rules, 2014, remuneration of Cost Auditor approved by the Board is required to be ratified by the Members by way of an Ordinary Resolution.

The Board accordingly recommends the passing of the proposed Ordinary Resolution for approval of the Members. None of the Directors or Key Managerial Personnel or their relatives is, in any way, concerned or interested, financially or otherwise, in passing of the said Ordinary Resolution.

By Order of the Board of Directors

Sd/-

H. K. Sarmah
Company Secretary

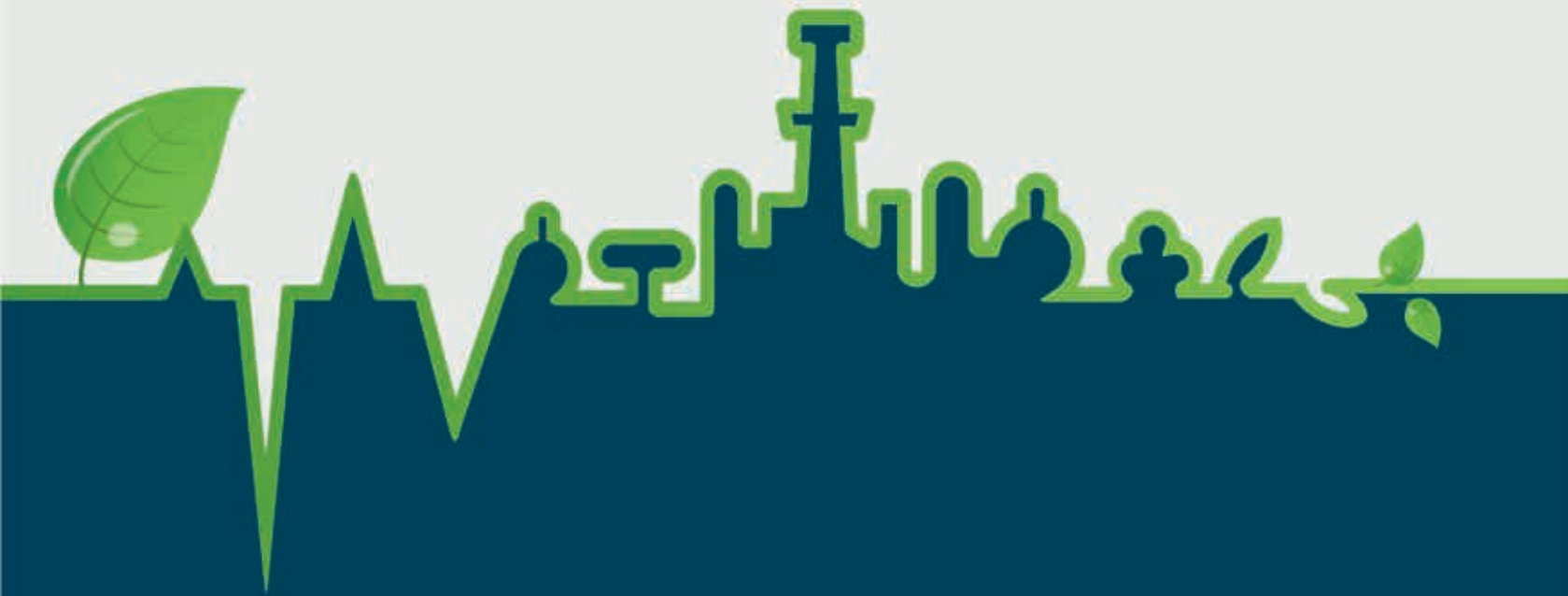
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Date: 16th July, 2020

NUMALIGARH
REFINERY
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A GOVERNMENT OF INDIA ENTERPRISE



PERFORMANCE PROFILE

Performance Profile

	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11
1 Crude Throughput (TMT) :	2383	2900	2809	2683	2520	2777	2613	2478	2825	2250
2 Capacity Utilisation (%) : [Installed capacity 3000 TMT]	79%	97%	94%	89%	84%	93%	87%	83%	94%	75%
3 Production Quantity (TMT) :	2300	2882	2824	2652	2521	2754	2558	2379	2755	2012
Light Distillates %	21.8%	20.5%	23.5%	23.0%	21.7%	20.3%	20.5%	19.1%	19.0%	13.8%
Middle Distillates %	74.4%	75.7%	73.3%	74.0%	74.5%	76.2%	76.7%	78.0%	77.3%	82.2%
Heavy Ends %	3.8%	3.8%	3.2%	3.0%	3.9%	3.5%	2.8%	2.9%	3.7%	4.0%
4 Refinery Fuel and Loss (%) :	10.28%	9.73%	10.54%	10.81%	9.64%	9.74%	10.26%	9.33%	9.72%	10.98%
5 Market Sales (TMT) :	2,361	2,978	2,912	2,679	2,619	2,695	2,550	2,410	2,728	2,137
6 Manpower (Nos.):	914	880	864	871	880	878	864	861	851	820
7 Sales and Earnings (₹ in Crore) :										
i) Revenue from Operations	14,072.66	18,511.15	15,923.19	13,946.91	11,925.44	10,827.05	9,876.76	8,757.01	14,075.58	8,972.19
ii) Profit Before Depreciation, Interest & Tax	2,215.04	3,261.50	3,341.74	3,333.62	2,109.06	1,342.37	783.42	520.90	518.15	618.30
iii) Depreciation	248.92	194.45	183.60	163.63	220.03	172.90	179.01	180.13	173.97	170.17
iv) Interest	2.05	12.62	15.80	22.42	23.32	36.34	41.91	59.40	38.58	29.16
v) Profit before Exceptional Items and Tax	1,964.07	3,054.43	3,142.34	3,147.57	1,865.71	1,133.13	562.50	281.37	305.60	418.97
vi) Exceptional Items	229.52	2.52	-	-	1.86	(1.12)	(0.15)	18.51	18.14	4.84
vii) Profit before Tax	1,734.55	3,051.91	3,142.34	3,147.57	1,863.85	1,134.25	562.65	262.86	287.46	414.13
viii) Tax Expense #	353.23	1,083.81	1,097.69	1,047.00	654.03	415.94	191.56	118.60	103.76	134.87
ix) Profit for the period	1,381.32	1,968.10	2,044.65	2,100.57	1,209.82	718.31	371.09	144.26	183.70	279.26
x) Other Comprehensive Income net of tax	(31.30)	1.52	(2.88)	(3.85)	0.96	-	-	-	-	-
xi) Total Comprehensive Income for the period (comprising Profit and Other Comprehensive income for the period.)	1,350.02	1,969.62	2,041.77	2,096.72	1,210.78	718.31	371.09	144.26	183.70	279.26
# Tax rate for the year 2019-20 has been computed in line with the reduced rates as per provision of section 115 BAA of Income Tax Act, 1961										
8 What the Company Owned (₹ in Crore):										
i) Gross Property Plant and Equipment (including Capital Work-in-Progress and Investment Property)	4,302.84	3,848.37	3,448.79	3,043.42	2,603.05	4,590.33	4,302.37	3,855.66	3,757.24	3,681.56
ii) Net Property Plant and Equipment (including Capital Work-in-Progress and Investment Property)	3,382.52	3,105.45	2,891.20	2,664.60	2,386.24	2,347.12	2,224.79	1,952.22	2,010.45	2,111.92
iii) Investment in Joint venture and Associate	267.92	234.45	187.34	186.65	171.01	170.39	170.39	170.39	170.39	90.44
iv) Net Current Assets (including investments)	1,897.46	2,069.71	2,518.75	2,975.43	2,757.16	1,877.83	1,645.13	1,332.21	1,100.22	779.80
v) Non-Current assets	119.42	489.74	61.99	63.04	55.78	54.33	75.75	81.64	76.56	82.55
Total Assets Net (ii+iii+iv+v)	5,667.32	5,899.34	5,659.28	5,889.72	5,370.19	4,449.67	4,116.06	3,536.46	3,357.62	3,064.71
9 What the Company Owed (₹ in Crore):										
i) Share Capital	735.63	735.63	735.63	735.63	735.63	735.63	735.63	735.63	735.63	735.63
ii) Other Equity	4,568.75	4,815.05	4,308.72	4,445.01	3,543.56	2,619.35	2,255.20	2,021.81	1,963.62	1,865.42
iii) Total Equity (i)+(ii)	5,304.38	5,550.68	5,044.35	5,180.64	4,279.19	3,354.98	2,990.83	2,757.44	2,699.25	2,601.05
iv) Borrowings	73.78	3.28	162.63	353.10	497.94	668.64	768.30	392.97	283.39	211.92
v) Deferred Tax Liability (net)	267.51	337.13	271.31	229.44	110.69	144.23	191.91	213.56	203.86	238.47
vi) Non-Current Liabilities	21.65	8.25	180.99	126.54	482.37	281.82	165.02	172.49	171.12	13.27
Total Funds Employed (iii+iv+v+vi)	5,667.32	5,899.34	5,659.28	5,889.72	5,370.19	4,449.67	4,116.06	3,536.46	3,357.62	3,064.71
10 Internal Generation (₹ in Crore)	1,580.54	2,233.48	2,331.87	2,439.03	1,594.93	979.81	542.50	396.72	334.79	467.26

	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11
11 Ratios:										
i) Profit before Depreciation/Amortisation, Interest & Tax as % age of Net Revenue from operations & Other income	18.08%	20.04%	25.01%	28.70%	20.73%	13.51%	8.42%	6.30%	3.85%	7.80%
ii) Profit after Tax as % age of Average Net Worth.	25.45%	37.15%	39.99%	44.41%	31.69%	22.64%	12.91%	5.29%	6.93%	11.06%
iii) Profit after Tax as % age of Share Capital	187.77%	267.54%	277.95%	285.55%	164.46%	97.65%	50.45%	19.61%	24.97%	37.96%
iv) Average Net worth as % age of Share Capital	738%	720%	695%	643%	519%	431%	391%	371%	360%	343%
v) Gross Profit before Depreciation/Amortisation, Interest & Tax as % age of Average Capital Employed.	51.35%	81.72%	74.90%	73.04%	53.21%	40.52%	25.07%	17.38%	17.96%	24.21%
vi) Profit Before Tax as % age of Average Capital Employed	40.21%	76.47%	70.43%	68.97%	47.02%	34.24%	18.01%	8.77%	9.96%	16.21%
vii) Profit After Tax as % age of Average Capital Employed (ROCE)	32.02%	49.31%	45.83%	46.03%	30.52%	21.68%	11.88%	4.81%	6.37%	10.93%
viii) Long Term Debt Equity Ratio	-	-	0.03	0.06	0.12	0.16	0.18	0.02	0.03	0.04
12 Earning Per Share (₹)	18.78	26.76	27.80	28.56	16.45	9.76	5.04	1.96	2.50	3.80
13 Book Value Per Share (₹)	72.11	75.46	68.57	70.43	58.17	45.61	40.66	37.48	36.69	35.36
14 Dividend Declared										
i) per Equity share of ₹10/- each	15.00	17.00	18.50	18.60	7.00	4.00	1.60	1.00	1.00	1.50
ii) Amount (₹ in Crores)	1,103.45	1,250.57	1,360.92	1,368.27	514.94	294.25	117.70	73.56	73.56	110.34
15 SOURCES AND APPLICATION OF FUNDS (₹ In Crore)										
SOURCES OF FUNDS										
OWN :										
Profit after Tax	1,350.02	1,969.62	2,041.77	2,096.73	1,210.78	718.31	371.09	144.26	183.70	279.26
Depreciation/Amortisation	248.92	194.45	183.60	163.63	220.03	172.90	177.24	159.97	179.57	144.76
Deferred Tax provision	(59.08)	65.00	43.41	120.79	(44.01)	(47.68)	(21.64)	9.69	(34.59)	(0.92)
Investments	1,098.69				89.79		-	10.73	-	-
BORROWINGS :										
Loans (Net)	70.50						375.33	109.58	71.47	12.25
Decrease in Working Capital		719.31	606.62	-	-	-	-	-	-	-
Changes in long term liabilities & provisions	13.40		54.44		200.55	116.80		1.37	157.85	-
Changes in Long Term Loans & Advances and Non-Current assets			2.09			18.56	5.94	-	7.07	-
Adjustment on account of retirement / reclassification of assets	107.70	12.62	13.66	19.46	5.37	5.57	3.93	99.27	65.43	45.31
	2,830.15	2,961.00	2,945.59	2,400.61	1,682.51	984.46	911.89	534.87	630.50	480.66
APPLICATION OF FUNDS :										
Capital Expenditure	641.33	420.66	432.69	462.62	259.00	297.80	450.64	197.69	141.11	148.39
Adjustment for Misc. Expenditure / Intangible Assets	9.40	6.12	2.03	-	0.09	0.12	3.14	0.04	3.53	8.18
Dividend	1,324.14	1,213.79	1,809.66	993.10	551.72	294.25	117.70	73.56	73.56	110.34
Tax on distributed profits	272.18	249.50	368.40	202.16	112.33	59.91	20.00	12.50	11.93	17.90
Repayment of Loans (Net)		159.35	190.47	144.84	171.19	99.66	-	-	-	-
Investments (Net)		725.17	142.34	181.70		197.36	35.48	-	61.22	29.92
Changes in long term liabilities & provisions		172.73		355.83			7.47			
Increase in Working Capital	551.41			52.22	586.78	35.36	277.46	242.72	339.15	165.93
Changes in Non-Current assets & Provisions	31.69	13.68		8.14	1.40	-	-	8.36	-	-
	2,830.15	2,961.00	2,945.59	2,400.61	1,682.51	984.46	911.89	534.87	630.50	480.66

	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11
16 Changes in Working Capital (₹ in Crore) :										
A) Current Assets :										
Inventories	271.26	(290.96)	178.97	572.99	(542.95)	248.68	142.28	(807.97)	383.33	82.03
Trade Receivables	(517.05)	204.42	212.60	(15.80)	(417.57)	958.52	(428.34)	(93.72)	44.82	643.19
Cash & Bank Balances	273.66	(716.73)	(656.48)	(259.64)	683.20	88.59	962.52	2.51	(201.55)	79.00
Loans & Advances, Others	129.80	(10.41)	14.04	(14.73)	(89.39)	0.76	(108.60)	210.48	9.27	(4.63)
	157.67	(813.68)	(250.87)	282.82	(366.71)	1,296.55	567.86	(688.70)	235.87	799.59
Less:										
B) Current Liabilities & Provisions										
Current Liabilities	(310.54)	(258.84)	431.38	215.23	(865.20)	888.33	279.31	(915.64)	(16.93)	579.74
Provisions	(83.20)	164.47	(75.63)	15.37	(88.29)	372.86	11.09	(15.78)	(86.35)	53.92
	(393.74)	(94.37)	355.75	230.60	(953.49)	1,261.19	290.40	(931.42)	(103.28)	633.66
C) Working Capital (A - B)	551.41	(719.31)	(606.62)	52.22	586.78	35.36	277.46	242.72	339.15	165.93

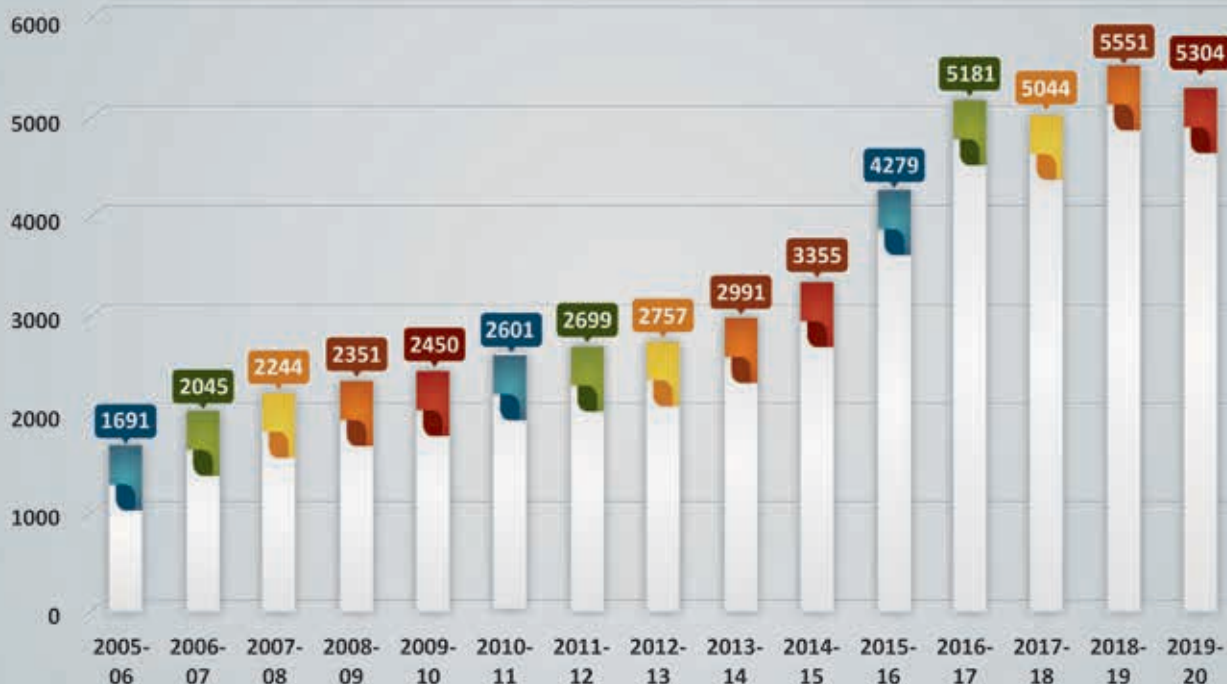
Value Added

	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11
HOW VALUE IS GENERATED (₹ in Crore) :										
Value of Production :	12,036.79	15,650.94	13,092.28	11,416.58	9,632.41	10,074.11	9,268.47	7,601.63	13,659.35	7,847.50
Less : Direct Materials Consumed :	9,205.62	11,524.73	8,834.98	7,680.06	6,764.52	7,935.63	7,933.91	6,622.87	12,503.09	7,011.66
Value Added	2,831.17	4,126.21	4,257.30	3,736.52	2,867.89	2,138.48	1,334.56	978.76	1,156.26	835.84
Add : Other Incomes	140.33	122.49	126.65	366.44	140.09	74.90	48.87	64.83	16.55	61.00
Total Value Generated	2,971.50	4,248.70	4,383.95	4,102.96	3,007.98	2,213.38	1,383.43	1,043.59	1,172.81	896.84
HOW VALUE IS DISTRIBUTED (₹ in Crore) :										
A) Operation :										
Employees' Benefits	297.84	300.19	308.08	212.99	187.81	178.60	144.53	129.92	143.28	138.01
Other Costs	721.49	688.01	737.01	560.20	712.00	691.29	455.33	411.28	529.53	144.89
	1,019.33	988.20	1,045.09	773.19	899.81	869.89	599.86	541.20	672.81	282.90
B) Providers of Capital										
Interest on Borrowings	-	12.62	15.80	22.42	23.32	36.34	41.91	59.40	38.58	29.16
Dividend	1,103.45	1,250.57	1,360.92	1,368.27	514.94	294.25	117.70	73.56	73.56	110.34
	1,103.45	1,263.19	1,376.72	1,390.69	538.26	330.59	159.61	132.96	112.14	139.50
C) Taxation:										
Corporate Tax	412.31	1,018.81	1,054.28	926.21	698.05	463.62	213.20	108.91	138.35	135.79
Tax on distributed profits	227.25	256.99	277.05	278.54	104.84	59.91	20.00	12.50	11.93	17.90
	639.56	1,275.80	1,331.33	1,204.75	802.89	523.53	233.20	121.41	150.28	153.69
D) Re-investment in Business										
Depreciation/ Amortisation	248.92	194.45	183.60	163.63	220.03	172.90	179.01	180.13	173.96	170.65
Deferred Tax	(59.08)	65.00	43.41	120.79	(44.01)	(47.68)	(21.64)	9.69	(34.59)	(0.92)
Retained Profit	19.32	462.06	403.80	449.91	591.00	364.15	233.39	58.20	98.21	151.02
	209.16	721.51	630.81	734.33	767.02	489.37	390.76	248.02	237.58	320.75
Total Value Distributed	2,971.50	4,248.70	4,383.95	4,102.96	3,007.98	2,213.38	1,383.43	1,043.59	1,172.81	896.84

Note: The figures from 2015-16 onwards are as per Indian Accounting Standards.

The figures from the year 2010-11 and onwards are prepared as per the requirements of the Revised Schedule VI/Schedule III as applicable.

Net Worth in ₹ crores (CAGR 10.18 %)



Turnover in ₹ crores (CAGR 16.20%)



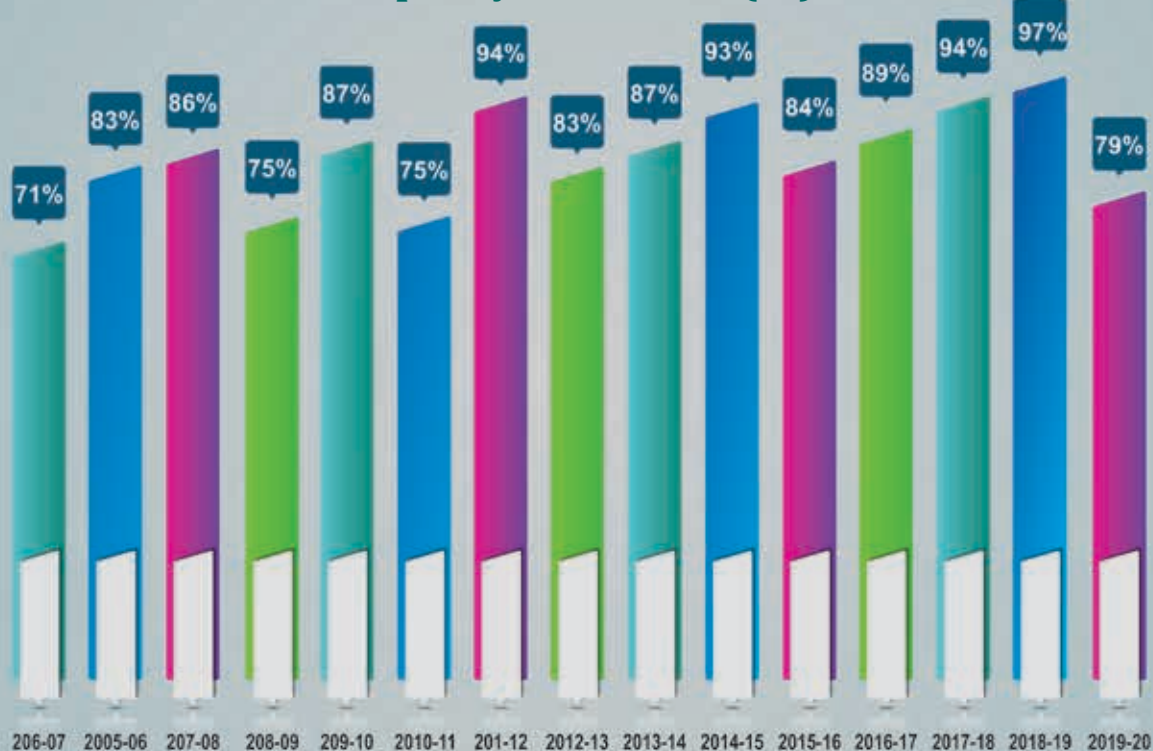
Profit After Tax in ₹ crores (CAGR 24.34%)



EPS and CEPS (per share of ₹ 10/-)



Capacity Utilisation (%)



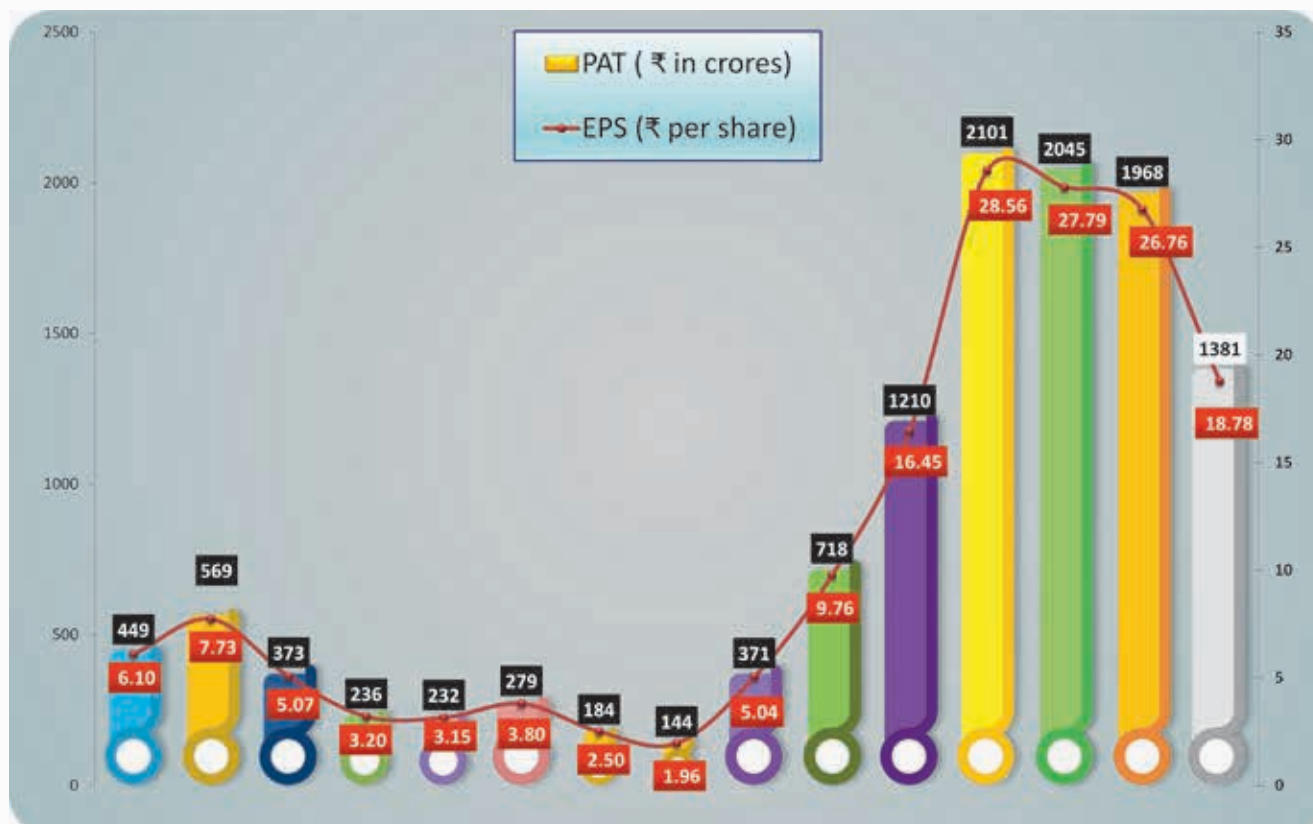
PBDIT as a % of Sales



Turnover & PAT (₹ Crore)

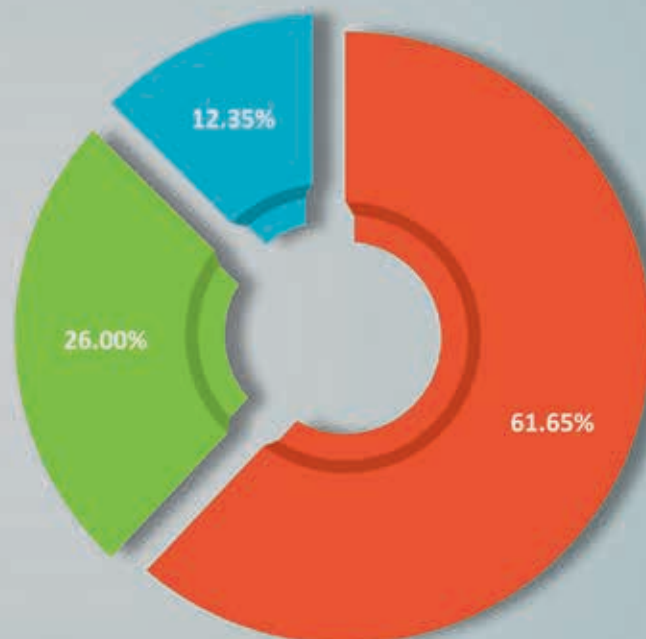


PAT & EPS

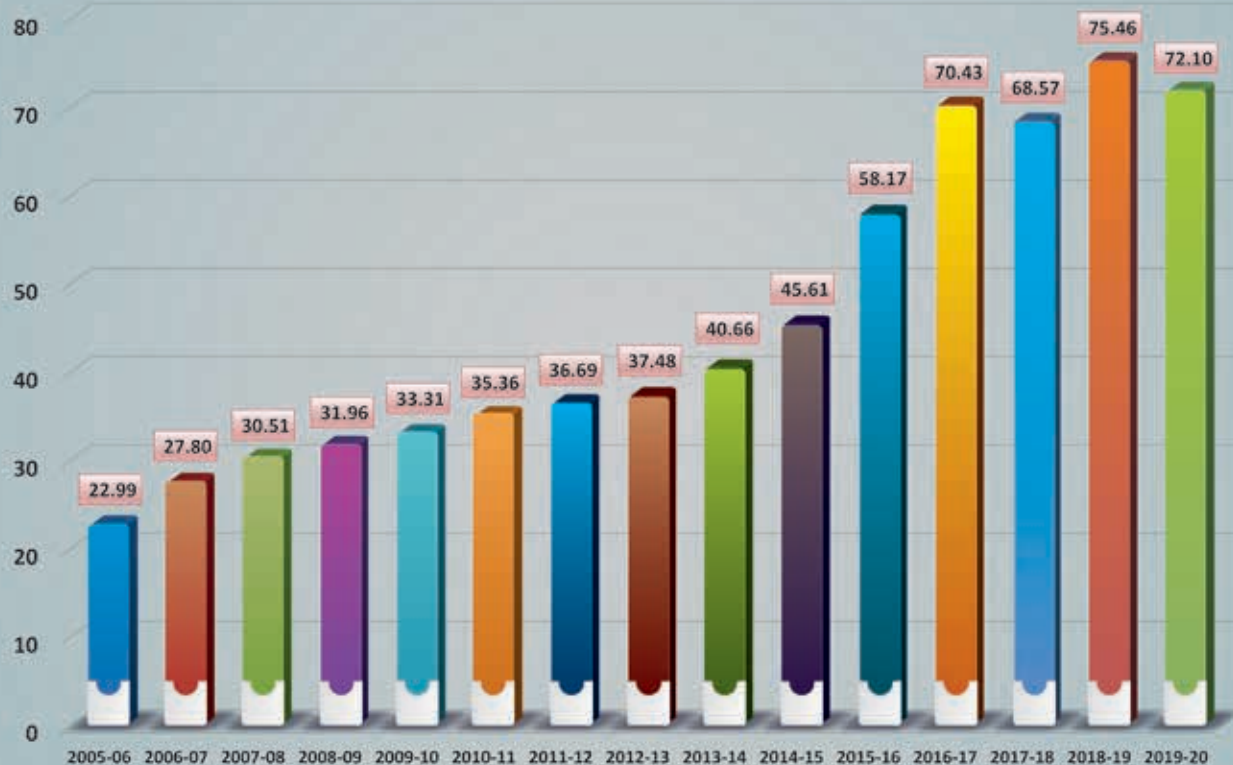


Shareholding Pattern (%)

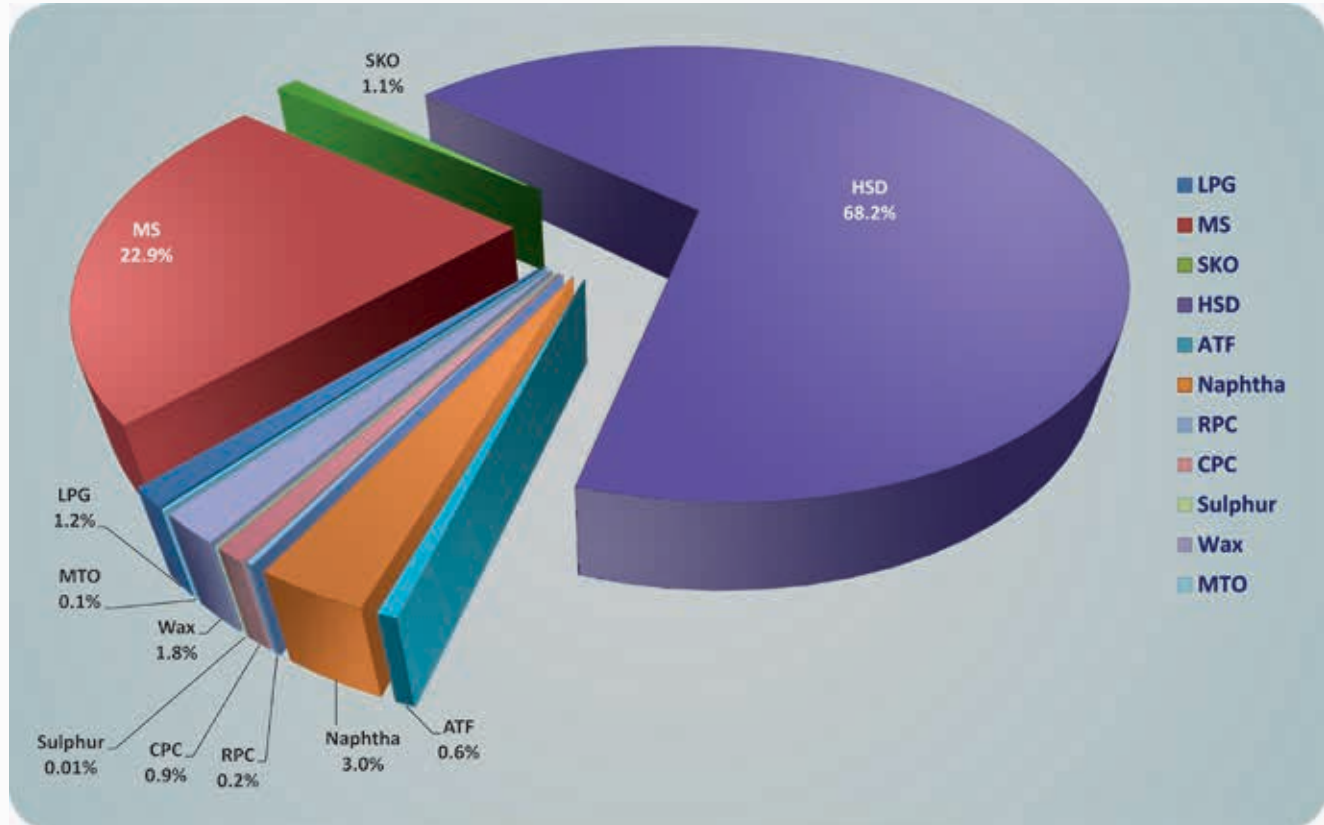
- Bharat Petroleum Corporation Ltd.
- Oil India Ltd.
- Government of Assam



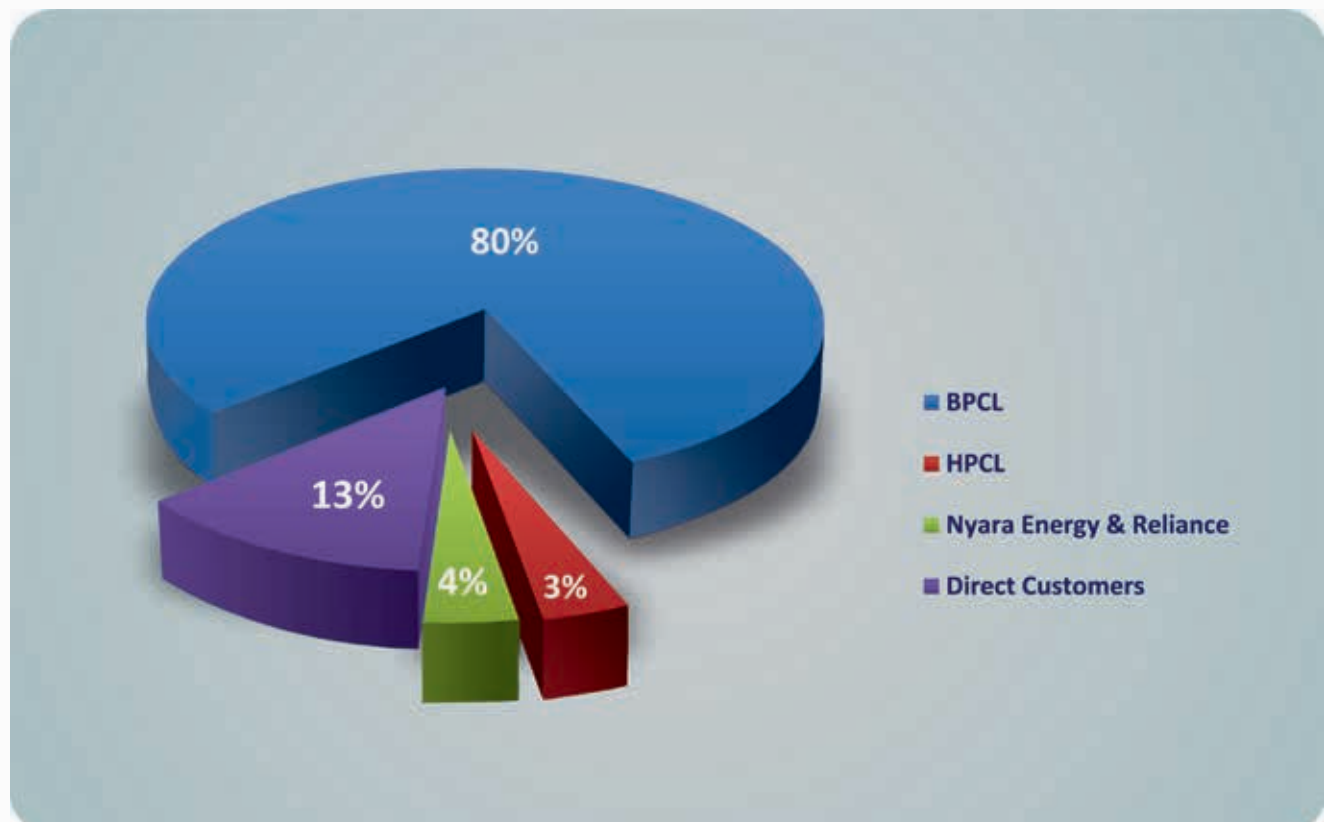
Book Value per share (face value ₹ 10 each)



Product wise Sales (%)

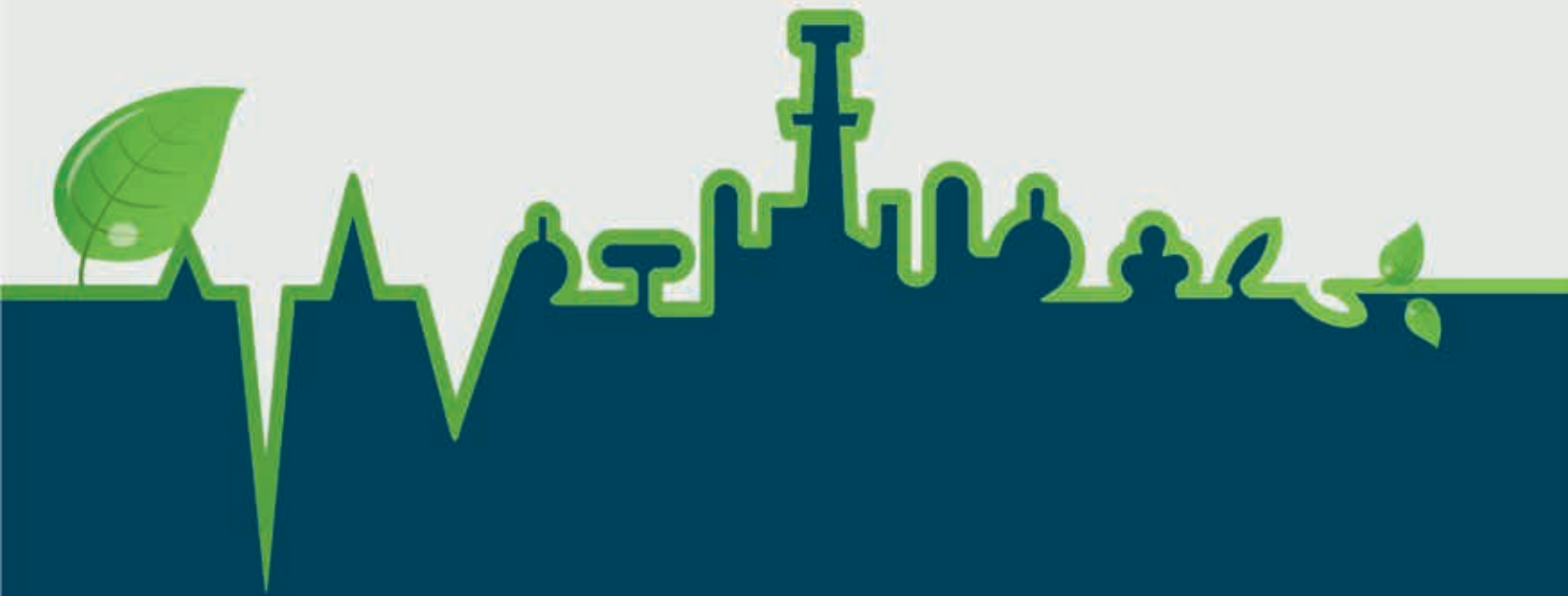


Party wise Sales (%)



NUMALIGARH
REFINERY
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DIRECTORS' REPORT

Directors' Report to Shareholders

Your Directors take pleasure in presenting the 27th Annual Report of the Company together with audited financial statement for the financial year ended 31st March, 2020.

1. Financial Performance

1.1 Consolidated Results

The Consolidated financial results of the Company and its Joint Venture Company DNP Limited, Assam Bio Refinery Private Ltd., Indradhanush Gas Grid Ltd. and Associate Company Brahmaputra Cracker and Polymer Ltd. for the year 2019-20 compared to that of the previous year are summarized below.

₹ in Crore

	2019-20	2018-19
Revenue from operations	14,072.66	18,511.15
Profit from continuing operation before share of profit of equity accounted investee and income tax	1,734.55	3,051.91
Share of profit of equity accounted investee (net of income tax)	152.13	12.18
Profit from continuing operations before income tax	1,886.68	3,064.09
Tax Expense	353.23	1,083.81
Profit for the period after tax	1,533.45	1,980.28

Other comprehensive income, net of tax	(31.30)	1.52
Total comprehensive income for the period (comprising Profit and Other Comprehensive Income for the period)	1,502.15	1,981.80
Earnings per share (₹ per share)	20.85	26.92
Net Worth	5,392.00	5,486.17

The highlights of the Company's performance are as under:

- Revenue from Operations has decreased to ₹14,072.66 crore as compared to ₹18,511.15 crore in the previous year. The decrease is attributable to lower sales volume along with reduction of prices of petroleum products in the international market.
- Profit for the period after tax was lower by 22.56% at ₹1,533.45 crore as compared to ₹1,980.28 crore in the previous year and correspondingly Earnings per share for the year decreased to ₹20.85 per share from ₹26.92 per share in the previous year.
- Net worth of the Company has decreased by 1.72% from ₹5,486.17 crore as on 31.03.2019 to ₹5,392.00 crore at the close of the year.



1.2 Standalone Results

Financial Results

During 2019-20, the Company posted Revenue from Operations at ₹14,072.66 crore which was lower by 23.98% as against ₹18,511.15 crore of the previous year primarily on account of lower sales volume due to Refinery Turn Around (done after a gap of 4 years) during the year and reduction in prices of petroleum products in the international market.

Profit after Tax (PAT) at ₹1,381.32 crore for the year 2019-20 was lower as compared to ₹1,968.10 crore

of the previous year mainly due to lower crude throughput and reduction in overall margins. Total comprehensive income for the period (comprising Profit and Other Comprehensive Income) stood at ₹1,350.02 crore as against ₹1,969.62 crore in 2018-19. The Compound Annual Growth Rate (CAGR) for PAT stood at 24.34% since commencement of commercial production.

The financial results of the company for the year 2019-20 as compared to those of the previous year are summarized below:

₹ in Crore

	2019-20	2018-19
Physical Performance		
Crude Throughput (TMT)	2,383.34	2,900.39
Sales (TMT)	2,361.40	2,977.73
Financial Performance		
Gross Revenue from Operations	14,072.66	18,511.15
Profit before Depreciation & Amortization, Interest and Tax	2,215.04	3,261.50
Interest	2.05	12.62
Depreciation & Amortization expense	248.92	194.45
Profit before exceptional items and tax	1,964.07	3,054.43
Exceptional Items	229.52	2.52
Profit before tax	1,734.55	3,051.91
Tax Expense		
(1) Current Tax	412.31	1,018.81
(2) Deferred Tax	(59.08)	65.00
Profit for the period	1,381.32	1,968.10
Other comprehensive income, net of tax	(31.30)	1.52
Total comprehensive income for the period (comprising Profit and Other Comprehensive Income for the period)	1,350.02	1,969.62
Earnings per Equity Share		
Basic (₹ per share)	18.78	26.76
Diluted (₹ per share)	18.78	26.76
Net worth	5,304.38	5,550.68
The Directors propose to appropriate profits for dividend and dividend tax payment as under :		
Interim Dividend paid	1,103.45	1,029.88
Final (proposed) Dividend	-	220.69
Corporate Dividend tax	226.82	257.06
Summarized Cash Flow Statement :		
Cash Flows :		
Inflow/(Outflow) from operations	1,246.80	2,020.93
Inflow/(Outflow) from investing activities	514.34	(388.43)
Inflow/(Outflow) from financing activities	(1,695.08)	(1,727.38)
Net Increase/(decrease) in cash & cash equivalent	66.06	(94.88)

(Previous year figures have been reclassified / regrouped to conform to current year's classification)

During 2019-20 the refinery processed 2,383TMT of crude oil with sales volume of 2,361 TMT. Besides Assam crude, a small quantity of Miri Light crude from Malaysia was imported and processed in the Refinery for the first time.

The Earning per Share (EPS) for the year 2019-20 stood at ₹18.78 compared to ₹26.76 in 2018-19.

1.3 Dividend

Interim Dividend of 150% (₹15.00 per fully paid equity share of ₹10.00 each) was paid during the year. The Interim Dividend paid has absorbed a sum of ₹1,103.45 crore and Corporate Dividend Tax of ₹226.82 crore out of the Company's PAT. After considering the current year's Profits and keeping in view the need to maintain funds for investments in the near future, no Final Dividend has been proposed this year by the Board.

Balance laying in Profit & Loss account which includes balance from previous years amounting to ₹ 1024.20 crore was transferred to General Reserve leaving a balance of ₹1.00 crore in the statement of Profit & Loss.

The Net Worth of the Company has marginally decreased from ₹5,550.68 crore as on 31st March 2019 to ₹5,304.38 crore as on 31st March 2020 mainly

on account of accounting of final dividend relating to the financial year 2018-19 in the year of payment i.e. 2019-20 in line with Ind AS requirement.

1.4 Treasury Operations

The Company continued its focused attention towards effective utilization of available surplus fund enabling it to earn an interest/dividend income of ₹95.36 crore during the year (Previous Year ₹ 98.61 crore) at an average rate of return of 6.79% (previous year 7.01%) on surplus fund. Surplus funds generated during the year were invested in line with DPE and NRL Board's guidelines.

Debt equity ratio at the close of the financial year stood at Nil.

In line with its Financial Risk Management Policy, the foreign currency exposures were hedged through derivative instruments.

CRISIL Ltd. has rated the Company at 'A1+' for Short Term Loan facilities and 'AAA/Stable' for Long-Term Loans, which has reduced the overall interest cost besides facilitating optimization of treasury activities.

During the year, the Company has achieved 99.96% in e-payment and 99.98% in e-collection mechanisms respectively.



Interim Dividend cheque presented to Government of Assam for the year 2019-20

1.5 Deposits from Public

The Company has not accepted any deposit from the public during the financial year 2019-20.

1.6 Capital Expenditure

The total amount of Capital Expenditure incurred during the year 2019-20 was ₹529.08 crore as compared to ₹418.31 crore during 2018-19.

1.7 Contribution to Exchequer

Your Company has contributed a total of ₹2,971.16 crore to the Central Exchequer and ₹389.34 crore to the State Exchequers in the form of taxes, duties and dividends as compared to ₹3,754.55 crore and ₹404.62 crore respectively in the previous year. The reduction is primarily on account of lower sales in the year and adoption of the option available under section 115BAA of Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Act, 2019.

1.8 Cost Control Initiatives

Your Company follows a system of online budgetary control through SAP ECC 6.0 ERP system whereby expenditures are monitored and controlled on a day-to-day basis vis-à-vis approved budget. Besides taking adequate measures towards austerity and rationalization of expenditures, your Company continuously monitors for reduction in fuel and loss, conservation of energy, improvement in distillate yield, optimization of product mix. A number of additional austerity measures were taken during COVID 19 lockdown period.

1.09 Global health pandemic from COVID-19

The World Health Organization declared a global pandemic of the Novel Corona virus disease (COVID-19) on February 11, 2020. In the last month of the year, the COVID-19 pandemic developed rapidly into a global crisis, forcing governments to enforce lock-downs of all economic activity. For the Company, the focus immediately shifted to ensuring the health and well-being of all its employees, and on minimizing disruption to services to all our customers.

The generation and supply of petroleum products are essential services. During the lockdown imposed by the Government to combat COVID-19, the MoPNG instructed various bodies and agencies of State Governments and Urban local administration to ensure that production of Petroleum Products continues on an uninterrupted basis.

Further, during March 2020/April 2020, there has been significant volatility in oil prices, resulting in reduction in oil prices. The write-down of inventories to net realizable value has been disclosed as Exceptional Items in the financial results. Impact of the same for the year ended 31st March 2020 is ₹229.52 crore [Refer note no 41].

In assessing the recoverability of Company's assets such as Investments, Loans, Trade Receivable, Inventories etc. the company has considered internal and external information up to the date of approval of these financial results. The company has evaluated impact of this pandemic on its business operations and based on its review and current indicators of future economic conditions, expects to recover the carrying amount of the assets.

As a responsible member of the communities that it operates in, the Company has contributed to various COVID-19 relief programs in India. Although there are uncertainties due to the pandemic, the strong balance sheet position, best-in-class profitability, the Company is fully geared to navigate the challenges ahead.

1.10 Government Audit Review

Comments of the Comptroller and Auditor General of India (C&AG) under section 143 (6)(b) of the Companies Act 2013 on accounts of the Company (both standalone as well as consolidated accounts) for the year ended 31st March 2020 will be attached with Statutory Auditors Report as Annexure.

1.11 Consolidated Financial Statement

The Consolidated Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with Companies (India Accounting Standards) Rules, 2015 and other relevant provisions of the Act and Rules thereunder.

The financial statements of Joint Venture Companies (JVCs) and the Associates used in the preparation of the Consolidated Financial Statements are drawn up to the same reporting date as date of NRL i.e. 31st March, 2020. Information relating to Associate and Joint Venture companies are duly certified by the management pursuant to section 129(3) of the Companies Act, 2013 has been provided in Annexure – E to the Directors Report as per prescribed form AOC-1 (Part-B).



Sanitization drive to combat COVID-19

1.12 Risk Management

The Company has also laid down a Risk Management Policy and procedures thereof for periodically informing the Board Members about the risk assessment and procedures for minimizing the risks. The Company monitors and reports on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives. All the risks that the organization faces such as strategic, financial, credit, liquidity, security, property, IT, legal, regulatory, reputational and other risks have been identified and assessed and there is an adequate risk management infrastructure in the form of Risk Management Charter which is capable of addressing these risks.

1.13 Particulars of investments made, loans/guarantees given by the Company

Particulars of Loan given, investments made and guarantees given by the Company are provided in the standalone financial statement (Please refer to Note 6, 7, 8 and 51 to the standalone financial statement).

1.14 Contracts and Arrangements with Related Parties

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company

has not entered into any contract / arrangement / transaction with related parties which were in conflict with the Company's interest. Relevant information on related party transactions in Form AOC -2 is provided as Annexure to the Director's Report.

Your Directors draw attention of the members to Note 48 to the standalone financial statement which sets out related party disclosures.

1.15 Post Balance Sheet Events

No material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year to which these financial statements relate and the date of this report.

2. Physical Performance

The refinery processed 2383 TMT of crude oil during the FY 2019-20. The excellent MoU target of 2800 TMT could not be achieved by the refinery due to extension of refinery turn around during December'19 for unforeseen reasons and demand destruction during March'20 as a result of COVID19 outbreak. During the year, the refinery processed the maiden imported crude oil parcel from Malaysia (Miri Light) positioned through Haldia port using a multi modal logistics.

The refinery continued to show impressive



Safety Mock drill

performance with respect to Specific Energy Consumption (SEC) and Energy Intensity Index (EII). Specific Energy Consumption (SEC) at 64.9 MBN was better than the MoU target of 65.30 MBN and has improved further from 66.6 MBN of previous year. Energy Intensity Index (EII) of the refinery was 86.3, which has improved from 87.9 of previous year. A number of schemes were implemented during the refinery turnaround to improve the performance of the refinery with respect to energy consumption.

Specific Fresh Water Consumption in the refinery was 160.24 MTN (M3 per TMT crude processed per NRGF) against an excellent MoU target of 162.8 MTN. Operational availability (OA) of the refinery during the FY was 98.1% against an excellent MoU target of 98.0%. Initiatives were taken to improve the reliability of the refinery and to maintain the operational availability of the refinery at a higher level. Distillate Yield (DY) during the year was 82.96% as compared to 87.1% in the previous year due to build-up of intermediate stock during the refinery turnaround. However, the loss of distillates during the year will be regained once intermediate stocks are processed subsequently.

NRL started production of Bharat Stage VI (BSVI) grade of MS and HSD during the year and all the tanks in the refinery and marketing terminals were upgraded to BSVI grade of fuel before February'20 for supply to OMCs as per roll over plan of industry. Total production of finished product during the year was 2300 TMT which includes 43 TMT of LPG, 468 TMT of MS, 18 TMT of ATF, 40 TMT of SKO, 1 TMT of MTO,

1612 TMT of HSD, 40 TMT of Paraffin Wax, 30 TMT of RPC, 52 TMT of CPC and 4 TMT of Sulphur. Naphtha production during the year was negative 8 TMT. Total product evacuation from the refinery was 2256 TMT which includes pipeline transfer of 1336 TMT, rail dispatch of 74 TMT and road dispatch of 846 TMT.

The refinery manufactured 497MT of high valued Food Grade Paraffin Wax, "Pristene", during the year. Packed LPG production in the bottling plant was maximized for supply to the NE market and 46TMT of packed LPG was filled during the year.

3. Safety

NRL is committed to safety and conducts its business with a strong focus on Health, Safety & Environment (HSE) performance bolstered by well planned and suitably calibrated control measures. The refinery is certified under Integrated Management System comprising of ISO 9001, 14001 and OHSAS 18001 standards for Quality, Environment & Occupational health and Safety Management Systems. NRL also has a well-defined Health, Safety and Environment (HS&E) Policy that gives direction & impetus to all the activities required to safeguard the environment and ensure the health and safety of its employees, contractors, contractors' employees & members of the local community.

All employees work together to ensure safety in their respective areas. Area Safety Committees consisting of ten members of Management and Non-Management staff representing in equal numbers have been constituted to take up safety issues in their designated areas and played a vital role in

improving the safety standards of the company. The recommendations made by these committees to enhance safety are periodically reviewed and fast tracked for compliance by the Apex Loss Control Committee chaired by Director (Technical). Details of High Potential Near Miss Incidents, Fire Incidents and Loss Time Accidents (LTA) are also discussed by the Apex Loss Control Committee in order to prevent recurrence.

NRL utilizes audit by external agencies as a tool for continuous improvement and opportunity to adopt best practices. Compliance to Safety Audit recommendations is always given priority. An External Safety Audit based on MSIHC rules and IS-14489 was conducted by a third party from 17th to 20th February 2020. Another extensive audit was carried out by officials from PESO at Refinery site from 3rd to 7th Feb' 2020 and at Siliguri Marketing Terminal from 5th to 6th March' 2020. While some of the recommendations have already been complied with, action has been taken to liquidate the remaining ones. All the OISD External Safety Audit recommendations barring one which requires major modification in an existing plant were complied with during the RTA 2019. A total of 13 nos. of OISD ESA recommendations were liquidated. Apart from External Safety Audit, Internal Safety Audit is conducted on a yearly basis and the last Internal Audit was conducted during August'2019. A total 280 nos. of Internal Safety Audit recommendations were also liquidated during RTA' 2019.

Apart from Internal Safety Audits, NRL welcomes and facilitates audit by external agencies as a tool for continuous improvement and adoption of best practices. An External Safety Audit based on MSIHC rules and IS-14489 was lined up and a third party conducted the Audit from 17th to 20th February 2020. Another extensive audit was carried out by officials from PESO at Refinery site from 3rd to 7th Feb' 2020 and at Siliguri Marketing Terminal from 5th to 6th March' 2020. While some of the recommendations have already been complied with and for balance points, action has been taken to liquidate the same. All the OISD External Safety Audit recommendations barring one which requires major modification to an existing plant were also complied with during Refinery Turn Around 2019.

In addition, NRL has taken following new safety initiatives during the year

- Online safety training and gate pass management system (Integrated Worker Clearance System) was successfully introduced. This had helped in training around 7000 workers in a systematic manner during the RTA.
- Drones were used for safety surveillance during Refinery Turn Around. With the help of this technology, NRL was able to reinforce safe behavior through on the spot correction and thereby bring down safety violations by almost 87%.
- Pre-start-up Safety Review System (PSSR) was





MD Mr S K Barua attended a meeting with H E Sheikh Hasina, Hon'ble Prime Minister of Bangladesh

introduced to ensure that a new or modified process plant meet the original design or operating intent and to identify and re-assess any potential hazard due to changes made during the detailed engineering and construction phase of a project or during major maintenance.

- Online Interlock Bypass Management System was introduced to monitor and effectively manage the bypassing of interlocks and thereby safeguarding the equipment that could result in personal safety, process safety and equipment damage impact.
- A safety awareness survey was conducted through National Safety Council. Recommendations from the survey, like tool box talk, circulation of safety leaflets, organising safety competitions have been implemented.

NRL also observes various events to spread awareness on safety. As in previous years, National Safety Week was observed at NRL from 4th March, 2020 to 10th March, 2020. Road Safety Week was observed at NRL from 11th to 17th January 2020 with large scale involvement of NRL employees as well as the general public. Mock-Drills on Minor Fire, Major Fire, Onsite Disaster and Offsite Disaster were conducted regularly in a planned manner and recommendations for improvement are documented and implemented.

4. Health

Ensuring occupational and personal health of all employees as well as contract workers has always been viewed as an important factor in the overall performance of NRL. The Occupational Health Centre (OHC) inside the refinery and the full-fledged 100 bed Vivekananda Kendra NRL (VKNRL) Hospital at Township provide all the required emergency medical services to the personnel engaged at NRL.

NRL has implemented industrial hygiene measures and medical surveillance programmes to monitor and control the occupational health of its employees and workmen as per OISD guidelines. Contract employees as well as permanent employees of NRL are required to undergo periodic health check-up at VKNRL Hospital. The findings and corrective actions required (if any) are communicated to each employee by the OHC Doctor. The yearly targets for health check-up are included in the business plan. In FY 19-20, health checkup was conducted for 76% of the employees of NRL and 87% of the contract employees.

Health education, awareness sessions and diagnostic camps were held at the work sites & in the neighboring villages during the year with the involvement of doctors and medical staff of VKNRL Hospital & OHC. The effectiveness of these programs is reviewed quarterly at the highest level during Apex Loss Control

Review Meeting. Free Eye Camps for POL Tanker Drivers of OMCs & Heavy Vehicle Drivers of NRL were also held in association with Lions Club.

Donning of Personal Protective Equipment is mandatory inside Refinery & Marketing Terminal premises. Apart from Safety Shoes and Helmet which were mandatory, NRL has also made Boiler Suits mandatory for all workers and employees with effect from 15th of July' 2019. Local NGOs have been engaged to manufacture boiler suits under CSR schemes for providing livelihood thereby building up a goodwill for NRL.

5. Environment Management And Sustainability Initiatives:

NRL continued its effort for improvement in environment management measures. The following major initiatives were taken during the year 2019-20.

• Water consumption:

- Fresh water consumption during last year was average 700 m³/hr against permissible limit of 1200 m³/hr.
- Specific Fresh Water Consumption of the refinery during the year 2019-20 was 160.24 MTN (M³ per TMT crude per NRGF) against MOU target of 162.8 MTN which is 3.06% reduction over previous year.
- Rain water harvesting system of capacity 20 KL/Day installed in LPG bottling plant of NRMT which is now used in washing & test bath section of the bottling plant instead of fresh water.

• GHG emission:

NRL is focusing on energy efficiency, use of renewable energy and building carbon sink to minimize GHG emission.

- NRL continues to monitor Green House Gas emission. The GHG footprint stands at

0.228 MTCO₂e per Ton of crude processed during the year 2019-20 as compared to 0.218 MTCO₂e per Ton of crude processed in the previous year. GHG footprint increased due to lower crude throughput and additional fuel consumption during Refinery Turn Around. However the GHG Inventory (Million MT CO₂e/Yr) has been 0.54 against 0.63 in previous year

- Significant energy efficient schemes implemented during the year are: installation of Plate type Heat exchanger in CDU-VDU APH section, complete burner replacement at HGU Reformer, internal slop processing facility in DCU. The estimated reduction in GHG emission is 0.022 MMT CO₂e/y.
- NRL is aggressively pursuing tree plantation in the refinery area with a target of planting around 15,000 saplings by 2021. Plantation of around 7000 saplings have been completed which is equivalent to 42 Ton of Carbon absorption.
- NRL has started installing solar panel to generate electricity and inject the same in the refinery grid. A 1 MW solar plant was commissioned last year. NRL will pursue the opportunity for further electricity production from solar resources and other potential renewable resources.



Dustbins donated to Guwahati Smart City Limited

- **Stack emission:**

- As a result of our best practices NRL is able to contain SO₂ emission at 77 kg/hr avg. against allowable limit of 256 kg/hr.
- NRL is implementing Tail Gas Treating Unit along with a new Sulfur Recovery Train with an objective to improve the sulphur recovery efficiency from the existing 96% to 99.9%.

- **Air quality :**

- The pollutant level in ambient air throughout the year was much below NAAQ limit. To monitor air quality, NRL has 5 ambient air quality monitoring stations including one CAAQM (Continuous ambient air quality monitoring station) inside refinery.

AMBIENT AIR QUALITY AT REFINERY PREMISES			
Sl. No.	PARAMETERS	STANDARD (µg/m ³)	AVG. (µg/m ³)
1	SO ₂	80	15.12
2	NO ₂	80	19.05
3	PM 10	100	69.95
4	PM 2.5	60	46.05

- **Fugitive emission:**

- NRL installed double seal in all floating roof tanks in the refinery & marketing terminal as a compliance to MoEF guideline.

- **Water quality:**

- NRL does not discharge any treated effluent to outside environment. The pollutant level in treated water from ETP throughout the year was below the MINAS limit.

LIQUID EFFLUENT POLLUTANT LEVELS			
Sl.No.	PARAMETERS	STANDARD : mg/lit (Except pH)	AVG (mg/ lit)
1	BOD ₃	15	11
2	COD	125	74.2
3	Oil & grease	5	3.6
4	Phenol	0.35	0.2

- NRL reuses storm water as cooling water make up and fire water make up. The quality of the storm water going out of the refinery is stringently monitored and maintained.

- **Statutory requirements:**

- All the refinery stacks are equipped with online SO_x, NO_x, CO & PM analyzers. Real time emission and effluent data is being

transmitted to CPCB server with remote alert facility.

- Connectivity of all new analyzers to CPCB server completed.

- **Waste management:**

- Hazardous waste generated during the year 19-20 is

Type of waste	Quantity Generated (MT)
Spent Catalyst	380
Chem & oily sludge from ETP	24

- Bio-remediation of oily sludge generated in the tanks.
- Disposal off spent catalyst generated during RTA to CPCB approved recyclers.

6. Marketing Performance

Overall sales volume during 2019-20 was 2361 TMT against production of 2300 TMT. MS sale was recorded at 458 TMT and HSD sale was 1541 TMT inspite of lower demand in the last fortnight due to outbreak of Covid19 pandemic. Gas Oil amounting to 36 TMT was exported to Bangladesh from the Siliguri Marketing Terminal (SMT). Paraffin Wax sales during the year reached at 38 TMT which was an increase of 6% over the previous year sales. A total of 3.3 TMT Paraffin Wax was exported during the year. NRL also launched Food Grade Wax 'Pristene' which recorded a sale of 0.5 TMT during the year.

Total packed LPG production was recorded at 43 TMT during the year. NRL commissioned bulk LPG Tanker unloading facility at Numaligarh to facilitate receipt of external LPG input to boost packed LPG production. Additional 4 lakh LPG cylinder could be bottled using the external LPG input.

Despatch from Numaligarh Refinery Marketing Terminal (NRMT) comprised of 846TMT by road and 75TMT by rail. The Numaligarh to Siliguri product pipeline recorded a throughput of 1336 TMT during 2019-20. Despatch of products from SMT was recorded at 1319 TMT comprising of 290 TMT by road and 1029 TMT by rail. Both the marketing terminals started dispatch of BS-VI grade of Petrol and Diesel in

the market in the first week of February 2020 which has helped Oil Marketing Companies to upgrade their storage locations and Retail Outlet by end of February 2020.

Category-wise sales in 2019-20 comprised of 84% to PSU OMCs, 12% to direct and export sale besides 4% to private oil companies. Sale during the year also included 121 TMT Naphtha sold to Brahmaputra Cracker and Polymer Limited from external sources.

7. Projects

A. Projects completed and commissioned:

i) MS Block Revamp Project

MS Block revamp project was completed and commissioned in January, 2020 along with scheduled RTA 2019 jobs (primarily to increase CRU capacity to 150%). The Basic Engineering Design Package (BEDP) has been provided by the Licensor M/s Axens, France. Detail Design and Consultancy (DDC) service was entrusted on M/s Engineers India Limited. The project was completed within the approved cost of ₹ 87 crore.

Capacity enhancement of MS Block before & after MS Revamp Project is tabulated below:

Unit	CAPACITY	
	Earlier	Revamp
NHTU	271.00 KTA	330.6 KTA
CRU	166.7 KTA	252.9 KTA
ISOM	55.2 KTA	110.4 KTA

ii) Additional stack for GTG and HRSG:

As per existing operating philosophy, one GTG and the one STG are running simultaneously under normal operating procedure with one GTG on standby mode to meet the total power requirement of Refinery, NRMT and Township.

However, to meet the future power requirement post Refinery Expansion, both GTGs would have to be run simultaneously. But, with present configuration of single stack for both HRSGs, running of both the GTGs simultaneously is not energy efficient to make full utilization of the waste heat generated by

the gas turbines. Due to the constraint of one stack between both HRSG#1 and HRSG#2, there will be loss of huge waste heat which has significant financial implications.

In view of above, the new additional stack was installed with separate duct provision for both GTG's and same was commissioned during RTA'19.

iii) New SRU and TGTU project:

Implementation of a new train of Sulphur Recovery Unit (SRU) was taken up for parallel execution to meet future environmental requirement and subsequently Tail Gas Treating Unit (TGTU) is added for improved sulphur recovery to 99.5%. Mechanical completion of the project was achieved in August 2019.

7.2 Ongoing Projects

i) Refinery Expansion Project:

NRL's Refinery Expansion Project has been approved for implementation by the Cabinet Committee on Economic Affairs (CCEA) on 16th January, 2019. The project has three components – a) 6 MMTPA refinery at Numaligarh; b) 1,398 km long and 9 MMTPA capacity crude pipelines from Paradip to Numaligarh with a Crude Oil Terminal at Paradip and c) 654 km long and 6 MMTPA capacity product pipeline from Numaligarh to Siliguri. The approved cost of the project was at ₹22,594 Crore and project duration is 48 months from obtaining Environment clearance. M/s McKinsey & Company was appointed as Technical & Management Consultant (TMC) for the expansion project. Further, approval has been obtained for appointment of M/s. Technip India



Ltd for Project Management Consultancy Services (M-PMC) and M/s. Thyssenkrupp Industrial Solution (India) Pvt. Ltd. as Project Management Consultancy Services (EPCM1). Other contracting strategy for implementation of the project has been finalised. Environmental Clearance for the project is under active consideration at MOEF&CC. A few pre-project activities like site grading, construction of new gate house and entrance, shifting of existing workshop and warehouses, construction of office facilities for various consultants and project officials are under progress.

ii) Paradip – Numaligarh Crude Pipeline Project

EIL was appointed as EPCM for Pipeline and Crude Oil Tankage (COT). Land allotment from Paradeep Port Trust for construction of COT is completed. Pipeline route has been finalised from Paradeep to Guwahati. Hydraulic study for the crude oil pipeline route has been completed. Competent Authority for Land Acquisition (CALA) in Assam and Odisha has been notified. For West Bengal and Jharkhand, application for appointing of CALA has been made and pursued at appropriate Government level.

iii) India Bangladesh Friendship Product Pipeline (IBFPL):

NRL is constructing 131 km long India Bangla Friendship Product pipeline (IBFPL) from NRL's Siliguri Marketing Terminal in India to Parbatipur in Bangladesh. The 10 inch diameter pipeline

will facilitate export of 1 MMT HSD annually. The estimated cost involved in laying the pipeline is ₹346 crore. The project is being implemented with Grant-in-aid support of ₹285 crore from the Govt. of India for the Bangladesh portion of the pipeline. NRL's investment in the project will be ₹61 crore. Pipe Procurement completed and 25 KM line pipe despatched to Bangladesh. Despatch terminal job is in progress. As on 31st March 2020, overall progress of the project was 27%.

8. Upstream Investment

NRL has ventured into upstream oil and gas exploration activities by acquiring participating interest in two oil blocks in North East, namely Namrup Block and West Mechaki Block. NRL has 20% participating interest in the Namrup Block along with Oil India Limited (OIL) (80%) who is also the operator. In the West Mechaki Block, NRL has 10% participating interest along with Oil India Limited (60% and operator), IOCL (20%) and BPRL (10%). Total investment earmarked by NRL in these two oil blocks are estimated at ₹ 90 crore over a period of three years. Exploration activities for both the blocks are in progress and contracts have been awarded for seismic survey activities. 3D seismic data acquisition is expected to start from December 2020 and exploratory drilling activities are expected to start from April 2021.



9. Joint Venture and Associate Companies

NRL has three joint ventures companies and one associate company within the meaning of section 2(6) of the Companies Act, 2013 as shown below:

DNP Limited:

DNP Limited is a Joint Venture Company between Assam Gas Company Limited (AGCL), Oil India Limited (OIL) and Numaligarh Refinery Limited (NRL) and was incorporated on 15th June 2007 with an authorized share capital of ₹170.00 crore. As on 31st March 2020, the paid up share capital of DNP Limited is ₹167.25 crore. The present shareholding of the Company as on 31st March 2020 stands at AGCL (51%), NRL (26%) and OIL (23%). The registered office of the Company is at Guwahati, Assam with its operational headquarters at AGCL, Duliajan.

During the year 2019-20, the Company transported 2,68,655 TSCM (Thousand Standard Cubic Meter) of natural gas as against 2,81,013 TSCM of natural gas in 2018-19.

DNP Limited's Revenue for the year 2019-20 stood at ₹85.16 crore as against ₹86.48 crore in the previous year. The Company's profit for the period stood at ₹35.42 crore as against profit of ₹45.97 crore in the previous year. Earnings per Share (EPS) for the year 2019-20 stand at ₹2.12 as against ₹2.75 in 2018-19. The Board of Directors of DNP Limited has recommended a dividend of ₹0.97 per share of ₹10.00 each for the year 2019-20 as compared to ₹1.175 (i.e. 11.75%) per share of ₹10.00 each in 2018-19.

Assam Bio Refinery Private Limited (ABRPL):

Towards fulfilment of the National objective of attaining self-sufficiency in energy and reducing the fossil fuel footprint, Numaligarh Refinery Limited (NRL) has joined hands with two Finnish companies viz M/s Fortum and M/s Chempolis to make a strategic entry into the field of producing ethanol, from cellulosic feedstock 'Bamboo' which is available in abundance in North-Eastern (NE) states of India. ABRPL is a Joint Venture Company amongst Numaligarh Refinery Limited, M/s Fortum 3 B.V, Netherland and M/s Chempolis Oy, Finland and was incorporated on 04th June 2018. As on 31st

March 2020, the paid up share capital of ABRPL was ₹135.00 crore. NRL holds 50% share in the company and the balance is held by M/s Fortum 3 B.V and M/s Chempolis Oy. The registered office of the Company is at Guwahati, Assam with its operational headquarters at Numaligarh. NRL has contributed ₹67.50 crore towards equity in this joint venture upto 31st March, 2020.

The main object of ABRPL is to develop, build, finance, own and operate integrated bio-refinery complex to produce fuel grade Ethanol and other platform chemicals viz., acetic acid and furfural alcohol. The Project envisages using 300 Kilo-Tones Per Annum (KTPA) of dry bamboo (500 KTPA of green bamboo) as raw material and shall produce Cellulosic Ethanol, Acetic Acid, Furfural/Furfural Alcohol, along with combustible residue in the form of Bio coal and Stillages. The technology being used is based on selective fractionation of biomass and co-production of multiple products. It shall produce approx. 49,000 Tonnes Per Annum (TPA) of bio-ethanol, 11,000 TPA of acetic acid and 18,000 TPA of furfural alcohol. Bamboo residue in the form of bio-coal and still ages shall be used as fuel to produce steam and electricity required in the process

During the year, ABRPL has made substantial progress in completing basic and detailed engineering, civil construction works at site, ordering of major long lead items and also securing project finance from Punjab National Bank. Despite the current challenges faced due to Covid-19 pandemic, project activities are progressing as per plan with an aim to commission the project by early 2022.

Indradhanush Gas Grid Limited (IGGL):

IGGL is a joint venture company promoted by M/s Numaligarh Refinery Limited (NRL), M/s Oil India Limited (OIL), M/s Oil and Natural Gas Corporation Limited (ONGC), M/s Indian Oil Corporation Limited (IOCL) and M/s GAIL(India) Limited (GAIL) with equity participation of 20% each and was incorporated on 10th August 2018 to implement the North East Gas Grid (NEGG) Project envisaged in the Hydrocarbon Vision 2030 for North East of Govt. of India.

As on 31st March 2020, the paid up share capital of IGGL is ₹60.00 crore out of which NRL's share of equity contribution is ₹12.00 crore. The registered office of IGGL is at Guwahati (Assam).



NRL Centre of Excellence for Sustainable Materials at IIT Guwahati

IGGL has also received approval for Viability Gap Funding (VGF) amounting to ₹ 5,559 crore (i.e. 60% of the estimated NEGG Project Cost of ₹ 9,265 crore) from the Central Government during February, 2020.

MECON Ltd. has been engaged as Project Management Consultant and all major packages are under tendering with targeted commissioning of the project by March, 2024.

Cadastral survey has been completed for Guwahati-Numaligarh-Dimapur section and for the pipeline section falling in the State of Tripura. With regard to RoU acquisition, 3(1) notification published for 616 kilometers of the pipeline covering Guwahati-Numaligarh and Guwahati-Panisagar section.

Brahmaputra Cracker and Polymer Limited (BCPL):

BCPL was incorporated on 8th January, 2007 as an associate company with an authorized share capital of ₹ 2,000 crore to implement the Assam Gas Cracker Project in the district of Dibrugarh, Assam. GAIL (India) Limited is the major promoter with 70%

of equity participation while Numaligarh Refinery Limited (NRL), Oil India Ltd (OIL) and Government of Assam are holding 10% share each. As on 31st March 2020, paid up share capital of the Company was ₹1417.67 crore of which NRL's share of contribution was ₹141.77 crore.

During the year ending on 31st March, 2020, the Company has achieved capacity utilization of 108% and earned a net profit of ₹1507.60 crore after accounting the feedstock subsidy approved by the Govt.

BCPL's Revenue for the year 2019-20 stood at ₹2,731.39 crore as against ₹2,676.93 crore in the previous year. For the year 2019-20, BCPL has registered a Profit of ₹1,506.11 crore as against Profit of ₹68.97 crore in the year 2018-19 and the increase is primarily after accounting for feedstock subsidy approved by the Govt. for the period 02.01.2016 to 31.03.2020 Earnings per Share (EPS) for the year 2019-20 accordingly increased to ₹10.62 as against ₹0.49 in 2018-19.

10. Procurement from Micro & Small Enterprises

In line with the Public Procurement Policy of the Government of India, NRL is required to procure minimum 25% of total procurement of Goods and Services from MSEs, out of which 4% is earmarked for procurement from MSEs owned by SC/ ST entrepreneurs and 3% from MSEs owned by women. The procurement from MSEs (excluding crude oil, petroleum products, natural gas and proprietary items) during 2019-20 was as under:

F.Y. 2019-20	₹/ Cr.	% of Total Procurement
Total Procurement	455.35	100.00%
Procurement from MSEs	143.75	31.57%
Procurement from SC/ ST MSEs	5.69	1.25%
Procurement from MSEs owned by Women	1.51	0.33%

The deficit under the sub-target was due to non-availability of vendors in the sub-category; however, the overall target was achieved by procurement from other micro and small enterprises in line with the policy. Several initiatives were undertaken to identify the entrepreneurs for procurement of goods and services from MSEs owned by SC/ST enterprises by way of conducting vendor development programmes.

MSE procurement plan for 2019-20 was put up in the NRL website. It can be viewed at [http://www.nrl.co.in/upload/NRL Annual Procurement Plan 2019-20.pdf](http://www.nrl.co.in/upload/NRL%20Annual%20Procurement%20Plan%202019-20.pdf). As per the mandate of MSE Purchase Preference Policy, nodal officer in NRL is already appointed since the year 2012 and the contact details and name is communicated regularly to the Ministry.

Government e-Marketplace (GeM)

Government e-market place (GeM) is a online platform for purchase of goods and services by Govt. departments and PSUs which enables paperless, cashless and contactless mode of purchase in a faster and transparent manner. NRL has adopted policy of procurement from GeM as mandatory mode of purchase of common use goods and services available in GeM, in line with Govt. directives to maximize purchases from Government e-market place. During the financial year 2019-20, NRL has procured goods

of worth ₹13.92 Cr against 200 no of orders through GeM portal which is 3.06% w.r.t total procurement. NRL's total procurement from GeM in the FY 2018-19 was ₹0.34 Cr. against which total procurement from GeM for the FY 2019-20 was approx. 40 times higher. Progress of GeM procurement was regularly reported to Ministry meetings and directives as circulated were adhered to.

MSME Support and Outreach Campaign:

Weekly report uploaded in DPE portal (www.dpe.gov.in) regarding MSME support and Outreach campaign with the information of total targeted procurement, procurement made from MSEs and payment pending to MSEs etc.

'MSME Sambandh': Public Procurement Portal launched by "The Ministry of Micro, Small and Medium Enterprises (MSME)":

In the beginning of the year the total procurement target was uploaded in the 'MSME Sambandh', a Public Procurement Portal launched by "The Ministry of Micro, Small and Medium Enterprises (MSME)" for MSMEs. The website address/link for Annual Procurement Plan for purchases from MSEs and items procured in the previous year was also uploaded in the portal in the beginning of the year. Every month end, data related to procurement from MSE, SC/ST MSEs, MSEs owned by women, vendor development programme, No. of MSEs benefited, MSEs owned by Women Entrepreneurs benefited and vendor development programme for SC/ST are also uploaded progressively.

MSME SAMADHAAN

NRL is onboard in the MSME "Samadhaan"portal, a Payment Monitoring System against Delayed Payments to Micro and Small Enterprises under Micro, Small and Medium Enterprise Development (MSMED) Act, 2006. During the financial year 2019-20 there was no complaint lodged against NRL, for delayed payment by any MSE entrepreneur.

11. Implementation Of Official Language

NRL continued its focused attention towards promoting and implementing 'Hindi' as official language as per the directives of Official Language



Chal Vaijayanti Shield for Effective Implementation of Official Language

Department, Govt. of India, Ministry of Home Affairs, New Delhi. To achieve the annual target set by Official Language Dept., New Delhi, Hindi Workshop, OLIC meetings are being organized periodically. Hindi learning through “Aajka Shabd” & “Aajka Suvichar” for employees are being displayed on Display Boards daily. Under the incentive scheme, a sum of ₹5,52,100/- was paid as a cash incentive to 325 employees for using Hindi in official work during the year 2019-20. “Hindi Divas” was celebrated on 14th September 2019 and various competitions were organized during the entire week till 20th September, 2019 involving employees, their family members, School Children & CISF personnel. To increase Hindi Correspondence through email, competition in every quarter has been organized amongst employees during the year. To encourage acquiring working knowledge in Hindi Correspondence Courses under Central Hindi Teaching Institute, Ministry of Home Affairs were conducted for 16 employees on Prabodh, Praveen and Pragya and classes for those employees are being instituted regularly. A Hindi Essay competition has been conducted by NRL at TOLIC level under the auspices of Town Official Language Implementation Committee (PSUs), Guwahati on the Topics “*भारत में जल संकट, कारण, प्रभाव और समाधान*” and prizes to the winners were given away during TOLIC (PSUs) meeting held at Guwahati on 27.12.19. Numaligarh Refinery achieved First Prize for its annual Hindi Magazine “Prayas” (9th edition) published during the year 2018-19 for the best Hindi publication for forth consecutive years. Besides NRL has also achieved Rajbhasha Chal Vaijayanti Shield Purasker (Third

Prize) and Commendation Certificate for the best implementation of official language for the year 2019-20 by the TOLIC (PSUs), Guwahati on 27.12.2019

12. Right To Information Act

A seamless and robust system is in place to ensure timely, judicious and factual replies to petitions received by the Company from citizens of India in accordance with the Right to Information Act 2005. Applications are received both online and offline and

information flow from respective functions is collated through internal systems in place. Your Company has nominated Nodal Officer/ CPIO/Appellate Authority for dealing with the provisions of RTI Act. As a proactive measure in order to ensure transparency and accountability, all relevant information about the Company is regularly updated in RTI link of the company’s official website www.nrl.co.in along with mandatory disclosures ; thus ensuring information availability in public domain. RTI replies are uploaded in the official website on a monthly basis, thereby maintaining a repository of all such replies. In addition, Monthly Progress Reports are submitted to the Ministry of Petroleum and Natural Gas while online quarterly returns are uploaded in RTI Annual Return Information System.

13. Vigilance

NRL Vigilance function is operating under the able leadership and guidance of Shri Sunil Jain, IRTS, who is the Chief Vigilance Officer of BPCL as well as NRL. Chief Vigilance Officer (CVO) acts as a link between the Company and the Central Vigilance Commission (CVC) as well as the Central Bureau of Investigation (CBI). The objective of NRL Vigilance department is to ensure good governance practices in all official proceedings. Vigilance function takes preventive, punitive and participative steps at NRL with more emphasis on preventive and participative aspects and helps in enhancing transparency and fairness in business transactions which will ensure accountability, promote a culture of honesty and integrity, enhance

ethical standards and good corporate governance that the Company strives to achieve, through effective preventive vigilance measures.

In order to comply with various government guidelines on e-governance, NRL Vigilance ensured that system-driven mechanism for business processes like e-tendering, e-auction, e-payments, e-receipts, e-marketplace (GeM) etc. are in place. In this regard, during 2019-20, NRL achieved almost 100% use of technology-based application for ease of monitoring activities and data integrity.

With an objective to keep a check on the implementation of prescribed procedures and practices, technical inspections (13 nos.) were carried out during this year at a few of the operative locations of Refinery. Further, the department undertook investigations on complaints with the purpose of safeguarding the interests of stakeholders and recommended suitable actions including systemic improvements to the management.

A summary of complaints handled by Vigilance during 2019-20 is tabled below:

Opening (01.04.2019)	Received during the year	Total	Disposed during the year	Closing (31.03.2020)
3	13	16	9	7

It is also to be mentioned that as per directives of Central Vigilance Commission, the Vigilance Awareness Week-2019 was observed from 28th October to 2nd November, 2019. With great zeal and enthusiasm, various prize-winning activities were organized mostly for young generation. Students of about 37 schools/colleges along with other NRL stakeholders and internal members had participated in the programme making it a great success. During the year, the vigilance journal 'Chaitanya' (2019 edition) was published and circulated. Various kinds of vigilance initiatives undertaken during 2019-20, considerably enhanced mass participation and mass awareness.

14. Integrated Information System (IIS)

As quoted by Albert Einstein, "In the midst of every crisis, lies great opportunity", your Company has been able to implement the digital transformation of work

place, during the lockdown situation for COVID-19 Pandemic. Due to social and physical distancing protocols for lockdown situation, the work from home or office was implemented by providing the communication and collaborative platform to carry out the day to day operation of the company using tools like VPN (virtual private network) for secure access to on-premise ERP/IT systems, Office 365 & Teams on cloud, to conduct video conferencing meetings and interaction with employees / vendors / suppliers / consultants / auditors etc. To name a significant few that has become a practice in the company are:

1. Daily review meeting of lock down situation by Managing Director along with other Directors, Functional Heads and Head of Departments (HOD) has become the norm.
2. Conducting Functional Co-ordination Meeting (FCM) with functional heads and head of departments.
3. Conducting ISO-IMS audit with external auditors.
4. Live event Webinar with MSE vendors
5. Live event Webinar on Company performance presentation to all employees.
6. Conducting negotiation with vendors;
7. Convening Board as well as Sub-Committee meetings of the Board.

The adoption of digital platform for communication and collaboration early on, enabled its employees and the Company the much-needed resilience to business operations.

Continuing with the road map for digital transformation for operation excellence and safety, the digital initiatives are at various stages of implementations. In the area of safety, a suite of application is under development to integrate all the functions of fire & safety. The e-permit system which is at the core of the digital transformation is enabled for mobility first approach. The safety trainings will be imparted through AR/VR applications, which is under adoption stage for immersive training experience. Smart fleet management was introduced in the refinery to track fire tenders and cranes providing real-time visibility and monitoring in the battery area of the refinery. The DCS based terminal automation upgradation at NRMT has been integrated with SAP with automated billing.

Another digital initiative which is under implementation is the automation of business processes, Business Process Management (BPM) across the Company with the implementation of workflow business process like procure to pay, benefits administrations, capital budgeting approval process. The objective is to transform all the approval process to workflow thereby doing away with the paper and enabling employees to work anytime anywhere.

15. e-Governance

With the objective to achieve reduction of cost and minimize lead time in procurement, most of the existing vendors has been on boarded in Government e-Marketplace (GeM).

Along with the on boarding of vendors, SAP ERP was integrated with GeM portal for seamless and error free exchange of information like order, billing and payment information. Approximately ₹ 7.5 crore value of IT hardware and software procurement was done successfully through GeM.

Information Security Management System (ISMS-ISO : 27001) was re-certified for another three years, validating the new controls. This will ensure that the globally accepted best practices are constantly complied to secure information assets

With the employees being encouraged to work remotely, on move and at home, the gamut of security challenges has emerged due to usage of various type of connectivity and devices. The same was addressed by implementing enterprise mobility and security solution which secures users identity, information, data and devices.

The performance management system of the Company has been upgraded to cover officers in the top management grade, the non-management employees of the Company, the interim evaluation of the officers and the capturing of the training needs of the employees from the training basket formulated by T&D in consultation will all the department of the Company. This completes the total digital transformation of the performance management system of the Company.

The process of separation of employee from the Company require clearance from various departments,

has been developed to make the experience of the employee, human resource, and associated department easy and paperless. National Pension Scheme (NPS) was introduced by the Company for employees and the on boarding has been made digital.

16. Social Media Presence

Social Media has now become intrinsic in your Company's internal as well as external communication strategy – enabling a dialogue between your Company and its internal and external audience by leveraging on its widespread reach and impact. The Company's official Facebook Page, Twitter handle and You Tube account serve as a digital platform, keeping the loop of communication open 24x7 for a dedicated follower base who follow developments in the Company and offer their feedback, concerns, ideas and suggestions which are aptly addressed. Social Media also helps the Company to feel the pulse of the external stakeholders and reorient its public discourse, if needed. Your Company has witnessed the benefit of reaching out to its audience through social media that has earned rich dividends and perceptibly enhanced its brand image. Social Media has proved to be an excellent tool to generate shareholder dialogue and engagement; also presenting great benefits of online archiving and 24x7 collaboration with its external audience. Innovative and important campaigns carried out on social media with relevant hash tags such as #NRLCares #KnowAboutOil #SafeSaturday and #TuesdayTrivia have been a reflection of the Company's ethos and sensitivity towards key issues engaging a large section of people across different spectrums.

17. Management Discussion and Analysis

The Management Discussion and Analysis Report for the year under review is presented in a separate section forming part of the Annual Report.

The forward looking statements made in the management Discussion and Analysis Report are based on certain assumptions and expectations of future events. The Directors cannot guarantee that these assumptions are accurate or these expectations will materialize.

18. Conservation of Energy, Technology Absorption

The details regarding energy conservation and technology absorption as required to be furnished pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 and amendment thereon are placed at Annexure-A as part of this report.

19. Foreign Exchange Earnings and Outgo

The Company earned foreign exchange of ₹192.37 crore on export of Diesel to Bangladesh and Paraffin Wax to various countries during 2019-20. Foreign exchange outgo during the year was ₹295.68 crore mainly on account of purchase of materials, know-how, professional consultancy fees, travelling, etc.

20. Particulars Of Employees And Related Disclosures

As per MCA Notification No. GSR 463(E) dated 5th June, 2015, provisions of Section 134(3)(e) are not applicable to a Government Company and hence, details on Company's policy on Directors' appointment and other matters are not provided under Section 178(3).

Further, Govt. companies are also exempted from the applicability of the provisions of section 197 of the Companies Act, 2013. Therefore, the requirement of disclosure of the ratio of the remuneration of each Director to the median employee's remuneration and other such details as may be prescribed, including the statement showing the name of every employee of the Company, who if employed throughout/part of the financial year, was in receipt of remuneration not less than ₹ 60 lakh/₹ 5 lakh per month etc. are not provided in the Directors' report in terms of section 197(12) read with Rule 5(1)/(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

During the year, no remuneration/commission has been received by the Managing Director and other Whole-time Directors of the Company from any of its Associate/ JV Company.

NRL being a Government Company, its Directors are appointed/ nominated by the Government of India as per the Government/DPE Guidelines which specify fixation of pay, criteria for determining qualifications and other matters as the case may be

21. Board Evaluation

As per MCA Notification dated 5th June, 2015, provisions of section 134(3)(p) shall not apply, in case the Directors are evaluated by the Ministry, which is administratively in charge of the Company as per its own evaluation methodology. As NRL is a Government Company, the above provision is not applicable.

22. Corporate Governance

Corporate Governance is about maintaining a trusted relationship with all stakeholders and is an integral part of value creation in the Company. Your Company has been maintaining integrity, transparency and accountability in all its spheres of business.

The Report on Corporate Governance, together with the Secretarial Auditors' Certificate on compliance of Corporate Governance is annexed as Annexure-B to the Directors' Report as required under the Guidelines of the Department of Public Enterprises (DPE) for Central Public Sector Enterprises.

23. Audit Committee

The details of the composition of the Audit Committee are provided in the Corporate Governance Report which forms part of this Report.

24. Number Of Board Meetings Held During the Year

Nine nos. of Board meetings were held during the year 2019-20, the details of which are provided in the Corporate Governance Report that forms part of this Report.

25 Extract of Annual Return

The extracts of Annual Return pursuant to the provisions of Section 92(3) read with Rule 12 of the Companies (Management and Administration) Rules, 2014 in the prescribed Form MGT -9 is annexed as Annexure-F to this Report.

26 Statutory Auditors

M/s. M. C. Bhandari & Co., Chartered Accountants, 4, Synagogue Street, Kolkata-700001 was appointed as Statutory Auditors of the Company for the year 2019-20 by the Comptroller & Auditor General of India under the provisions of Section 139 of the Companies Act, 2013. They will hold office till the conclusion of the ensuing Annual General Meeting. The Auditors' Report does not contain any qualification, reservation or adverse remark.

27 Cost Auditors

M/s. M/s. A. C. Dutta & Co., Cost Accountants, Kolkata was appointed as the Cost Auditor of the Company for the financial year 2018-19 in accordance with the provisions of Section 148(3) of the Companies Act, 2013. Cost Audit Report for the year 2018-19 was filed with the Ministry of Corporate Affairs on 20th December, 2019 in Form CRA-4 as specified by MCA as per requirements of the Companies (Cost Records and Audit) Rules, 2014.

For the financial year 2019-20, M/s. A. C. Dutta & Co., Cost Accountants, Kolkata was appointed as Cost Auditor to conduct the Cost Audit of the Company. The Cost Auditor, shall within a period of 180 days from the closure of the financial year are required to forward the Cost Audit Report to the Company. Accordingly, necessary action will be initiated to file the Cost Audit Report for the FY 2019-20 within stipulated time i.e. within 30 days of receipt of the same.

28 Secretarial Auditor

In accordance with the provisions of Section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, M/s Amit Pareek & Associates, Practicing Company Secretaries, Guwahati were appointed by the Board as Secretarial Auditor to conduct the Secretarial Audit of the Company for the year 2019-20.

The Secretarial Audit Report for the financial year ended 31st March, 2020 is annexed herewith as part of Annexure-B i.e. Corporate Governance Report. The said report does not contain any qualification, reservation or adverse remark.

29 Declaration by Independent Directors

The Independent Directors have given declarations that they meet the criteria of independence as laid down under section 149 of the Companies Act, 2013.

As per the declaration given and noted by the Board of Directors, the Independent Directors were not disqualified to be appointed as Independent Director of the Company as on 31st March, 2020.

30 Directors' Responsibility Statement

In accordance with the provisions of Section 134(3)(c)/(5) of the Companies Act, 2013, the Directors of the Company confirm that :

- (a) In the preparation of the Annual Accounts for the year ended 31st March, 2020, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31st March, 2020 and the profit and loss of the company for the year ended on that date;
- (c) The Directors had taken proper and sufficient care for the 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 fraud and other irregularities;
- (d) The Directors had prepared the annual accounts on a 'going concern' basis;
- (f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

31 Directors and Key Managerial Personnel

Managing Director, other whole-time Directors and Company Secretary are the Key Managerial Personnel

for the purpose of the Companies Act, 2013 ('the Act') and the Board had designated Director (Finance) as CFO for the purpose of the Act.

32. Directors Resigned and Appointed after the last Annual General Meeting

Shri Utpal Bora, erstwhile C&MD, Oil India Limited (OIL) ceased to be Director on the Board of the Company with effect from 1st October, 2019 on attaining his superannuation in OIL.

Shri Rajkumar Sharma, independent Director ceased to be Director on the Board of the Company and Chairman of the Audit Committee, CSR and Sustainability Committee, Nomination and Remuneration Committees and Risk Management Committee of the Board with effect from 30th January, 2020 on completion of his three years tenure.

The Board placed on record their sincere appreciation of the valuable contributions made, guidance and support provided by Shri Utpal Bora and Shri Rajkumar Sharma for the development and progress of the Company's business during their tenure as Director.

Dr. K. K. Dwivedi, IAS, Commissioner & Secretary to the Govt. of Assam, Industries and Commerce Department was appointed as Director on the Board of the Company w.e.f. 16th August, 2019 in place of Shri Ravi Capoor, pursuant to Article 98 of the Articles of Association of the Company read with Section 161(4)

of the Companies Act, 2013. Being appointed in casual vacancy, he will hold office till the ensuing Annual General Meeting upto which Shri Ravi Capoor would have held office as Director, had he not resigned from the Board.

Shri Sushil Chandra Mishra, Chairman and Managing Director, Oil India Limited was appointed as Director on the Board of the Company w.e.f. 4th November, 2019 in place of Shri Utpal Bora, pursuant to Article 98 of the Articles of Association of the Company read with Section 161(4) of the Companies Act, 2013. Being appointed in casual vacancy, he will hold office till the ensuing Annual General Meeting upto which Shri Utpal Bora would have held office as Director, had he not resigned from the Board.

Shri Jaswant Singh Saini, Advocate, Saharanpur, Uttar Pradesh, who has been appointed by the Government as Independent Director on the Board of the Company for a period of three years was appointed by the Board as an Additional Director w.e.f. 29th November, 2019. Being appointed as Additional Director, he will hold office till the date of ensuing Annual General Meeting. Notice under Section 160 of the Companies Act, 2013 has been received proposing his name for appointment as Director at the ensuing Annual General Meeting.

In accordance with provisions of section 152 of the Companies Act, 2013, Shri S.K. Barua, Managing Director and Shri B.J. Phukan, Director (Technical)



Meetings held respecting social distancing

will retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment as Director in the AGM.

As required under Corporate Governance clause, brief bio-data of the Directors who are proposed to be appointed/re-appointed at the Annual General Meeting are provided in the Corporate Governance Report.

33. Acknowledgment

Your Directors take this opportunity to express their gratitude to all employees for their collective hard work, commitment and ability to work as a Team and deliver desired results and look forward to their best contribution in future.

Your Directors acknowledge the support and guidance received from -various Ministries of the Government of India, particularly from Prime Minister's Office, Ministry of Petroleum & Natural Gas, Ministry of External Affairs, Ministry of Heavy Industries and Public Enterprises, NITI Aayog, Petroleum Planning and Analysis Cell, Railways, Income Tax, Customs

and Central Excise as well as from the Government of Assam and other Government Departments.

Directors also wish to place on record the contribution made by our associates, namely, VK NRL Hospital, DPS –Numaligarh, CISE, VK NRL Nursing School, Contractor workmen, without whose rock solid support, it would not have been possible to come so far.

Directors express their sincere thanks to NRL's valued customers and dealers for their continued support and patronage and to all share owners of the Company, viz. M/s. Bharat Petroleum Corporation Limited, M/s. Oil India Limited and Government of Assam for reposing their confidence and continued support to the management.

For and on behalf of Board of Directors

Sd/-

D. Rajkumar
Chairman

Mumbai

Dated: 16th July, 2020



Indoor Sports Hall

Management Discussion and Analysis

Industry Structure and Developments

The COVID-19 pandemic has impacted economies around the world in a way that no other event has done so in recent history. While this outbreak is, first and foremost, a societal crisis threatening lives and wellbeing of human kind; it has cascading and long lasting effect on global economy across industries. Containment efforts deployed by means of lockdowns, isolation and travel restrictions are inflicting a high cost on economic activities. The hardest hit sectors are aviation, retailing, realty, automobiles and financials. The global economy is inevitably headed into a recession and is projected to contract sharply in 2020.

There is extreme uncertainty as to how and when global economy will begin to recover from this crisis. A lot of factors, including intensity and efficacy of containment efforts, developing the vaccine or finding a cure, recurrence of the outbreak coupled with monetary and fiscal policy decisions would determine the path of recovery. As per International Monetary Fund (IMF), with the assumption that the pandemic fades in the second half of 2020, economic activities will normalize and the global economy is expected to rebound in 2021.

Energy trends

Global energy consumption has seen a sharp decline due to the corona virus pandemic. In first quarter of 2020, global energy demand declined by 3.8%, or 150 Mtoe (Million Tonnes of oil equivalent), relative to first quarter of 2019 mainly due to the restrictions in economic activities due to the pandemic. Energy demand for remainder of 2020 will depend on duration, stringency and geographical spread of lockdowns and pace of revival. The energy demand is expected to decline significantly during the year 2020, much worse than that witnessed during the financial crisis of 2008. Oil demand is estimated to drop from the level of around 100 mb/d achieved in 2019. Demand for coal, gas and nuclear energy are also projected to fall due to reduced demand in power and industrial applications.

In Indian oil and gas scenario, domestic crude oil production during 2019-20 was 32 million metric tons (MMT) whereas crude oil processed by refineries was 254 MMT. Crude oil import during the year was 227 MMT amounting to around USD 101 billion. Consumption of petroleum products was 214 MMT against production of 262 MMT. Net export of petroleum products during the year was 22 MMT amounting to around USD 18 billion.

Natural gas consumption during 2019-20 was recorded at 63,937 MMSCM against domestic production of



In discussion with BPCL team on LPG import

31,184 MMSCM. During the year, 33,680 MMSCM of LNG (valued at USD 9.5 billion) was imported to meet the demand-supply gap.

On a year-on-year basis, consumption of petroleum products grew marginally by 0.2%. HSD demand registered de-growth of 1.1% during the year, whereas, MS demand grew by 6%.

The average FOB price for Indian crude basket reduced to USD 61 per barrel in 2019-20 from \$70 per bbl in the previous year. Average FOB price of major products like petrol and diesel were \$67 per bbl and \$72 per bbl respectively.

The COVID-19 pandemic has disrupted the oil market like no other. Massive, unprecedented negative swings were experienced as WTI futures plummeted to negative USD 38 dollars per barrel in April 2020. With restrictions and lockdowns defining the pandemic, shocks were felt in both supply side as well as demand side, resulting in a compounding effect.

Strengths

Strong regional presence in North East India continues to be a key strength of the organisation.

The Company has a healthy balance sheet. The net worth has progressively risen to the level of ₹5,304 crore as on 31st March, 2020. Along with near-zero debt position and favorable credit ratings, this augurs well for the upcoming expansion project.

In terms of production efficiency, NRL continues to be one of the best performing refineries in the country with highest distillate yield, lowest specific energy consumption and high gross refining margins.

NRL has the largest wax producing unit in the country since commencing commercial production of Paraffin Wax in 2015-16. Paraffin wax, being a high value product, adds value to refining margin. Further, NRL is also producing high quality food grade wax, which has high demand in domestic as well as export markets.

The Company enjoys unstinted support from stakeholders particularly from its holding company, BPCL and the administrative Ministry, MoP&NG, thus providing the needed inspiration to forge ahead towards achieving challenging objectives.

Weaknesses

NRL operates a 3 MMTPA refinery, which is sub-economic in size in the parlance of a modern oil refinery. As a result, NRL's operating cost in terms of per barrel of crude processed is higher compared to bigger refineries where cost optimization opportunities are more. Being situated in North East, NRL is in a product surplus zone and therefore has to send majority of its products outside of North East incurring additional freight cost. However, in recent years, MS and HSD demand in North East is growing at a higher rate compared to national average allowing the Company to explore opportunities to increase local sale.

Opportunities

NRL has the biggest refinery in North East and is a major supplier for BPCL in North East, Bihar, West Bengal and Eastern UP. With growth projected in these markets in next 5 to 10 year horizon, there is



an opportunity for growth for NRL as well. Leveraging this, NRL has already taken up a project to expand its refinery to 9 MMTPA, for which, Government of India has already accorded approval for investment of ₹22,594 Crore. In the present global economic scenario and with favorable commodity prices, NRL has an opportunity to implement this project at a lesser cost and improve return on investment.

Petrochemical and specialty chemicals are emerging as a key opportunity area for NRL with the new train of 6 MMTPA refinery. Integration into petrochemicals will yield high margins for the organization. Besides, the JV company Assam Bio-Refinery Pvt. Limited (ABRPL) is implementing the 2G ethanol plant and will give added advantage to NRL to venture into specialty chemicals.

Threats

In the immediate term, impact of COVID-19 is the biggest threat. Capacity utilization of the refinery had to be reduced to around 60-70% during lockdowns in April and May 2020 as demand of automotive fuels declined by 30% in the country. If the situation persists, productivity will reduce in 2020-21. Further, social distancing protocols and new norms at the work place would pose challenges in smooth operation of the plant from time to time.

Inadequate availability of crude oil and natural gas in North East continues to be a primary threat for the Company. In the long term scenario and in a broad industry perspective, several disruptive technologies like electric vehicles, renewable energy, driver-less cars; and social trends like shared mobility and more stringent environment norms pose a threat to traditional Internal Combustion (IC) engine vehicles and thereby to demand of automotive fuels. However, in the near term, such external factors are not expected to impact the oil and gas industry significantly. Various reports indicate a robust demand of petroleum products for quite some time in future even with the rise of these technologies.

Product-wise Performance

NRL's total production during 2019-20 was 2,300 TMT compared to previous year's 2,881 TMT. Lower production was mainly due to scheduled Refinery Turn Around (RTA) in 2019-20 which was done after

a gap of four years. Production included 1,612 TMT of HSD, 468 TMT of MS, 43 TMT of LPG, 18 TMT of ATF, 40 TMT of SKO, 40 TMT of Paraffin Wax, 30 TMT of RPC, 52 TMT of CPC and 4 TMT of Sulfur. Naphtha production was negative 8 TMT due to internal consumption and conversion to other value added products.

Outlook

The outlook for 2020-21 is of an impending global recession triggered by the COVID-19 pandemic. In most countries across the globe, focus remains on containment of the virus through social distancing measures, for which, lockdowns and restrictions are put in place. Early development of a vaccine and finding a cure will be key to resumption of economic activities.

As per various reports and analysis, energy demand is estimated to shrink substantially in the backdrop of adverse impacts of COVID 19 induced lockdowns and changes in consumer behavior. The extent of revival in demand and economic activity will depend upon the pathway of pandemic.

With above scenario in consideration, NRL needs to build resilience in addition to maintaining business continuity. There is need to set new priorities within the organization for this new reality with pandemic. Necessity for social distancing has meant that remote working and digital capabilities are to be promoted within the organization, yet a balance should be kept between on-site and remote working.

The challenge for the company continues to be achieving 100% capacity utilisation within the constraints of limited availability of domestic crude. Now, with shrinking demand due to the restrictions surrounding the pandemic, the added challenge will be to operate the refinery at a higher on-stream day during the year. On the brighter side, demand numbers have improved since last week of May'20 as graded relaxation were introduced across the country.

The year 2020-21 will be challenging in terms of executing projects at hand. There are three major projects, namely, refinery expansion, Indo-Bangla pipeline and the bio-refinery which will be in active implementation stage. Lockdowns, travel restrictions, supply chain disruptions, migrant worker woes will need to be monitored closely.



SAKSHAM Walkathon organized in Silchar

Risks and Concerns

Major risks and associated concerns for 2020-21 will be the sharp decline in demand of petroleum product in the country in the event that pandemic related adversity increases and lockdowns are reinstituted. This may force refineries to curtail production and may even resort to temporary shut-downs. Since three projects are expected to be in active implementation stage, progressing and completing the projects without time and cost overrun will be of concern and major thrust area for the company. If lockdowns are reinstituted and/or continued for a longer period, there is a high risk of delay in completion of these projects.

Financial Performance with respect to operational performance

During 2019-20, the refinery processed 2,383 TMT of crude oil compared to 2,900 TMT in 2018-19. Lower crude throughput during the year was mainly due to Refinery Turn Around (RTA). Distillate yield was 82.96% compared to 87.10% of previous year. Energy Intensity Index (EII) during 2019-20 improved to 86.3 from previous years 87.9. Similarly, Specific Energy Consumption (SEC) during the year was recorded at 64.9 MBN compared to 66.6 MBN in the previous year.

Product sale during the year was 2,361 TMT against production of 2,300 TMT. Gross Refinery Margin (GRM) during the year was recorded at \$7.99 per bbl as compared to \$11.80 per bbl in 2018-19. Lower GRM during the year is mainly due to sudden fall in

crude oil prices in March 2020 resulting in inventory losses.

The gross revenue from operations was ₹14,073 crore as compared to ₹18,511 crore in the previous year, registering a de-growth of 24%. Profit before tax (PBT) recorded in 2019-20 was ₹1,735 crore from ₹3,052 crore in the previous year. Consequently, Profit after tax (PAT) also decreased to ₹1,381 crore during 2019-20 as compared to ₹1,968 crore in the previous year.

The Earning per Share (EPS) for the year 2019-20 stood at ₹18.78 as compared to ₹26.76 in 2018-19.

Internal Control Systems and their adequacy

The Company maintains an adequate system of Internal Control including suitable monitoring Policies & Procedures to ensure the orderly and efficient conduct of its business, safeguarding its assets, the prevention and detection of frauds and errors, accurate and timely completion of the Accounting records and preparation of reliable Financial Information, which is commensurate with the size of the Company and the nature of its business.

The Company continues its efforts to align all its processes and controls with the best global practices. The state-of-the-art ERP solutions (SAP) in the Company has inbuilt controls including the authorization controls. This further enhances controls and seamless exchange of information with access controls. The SAP systems also provide an audit trail



Lending a helping hand to cultural icons of the State

of the transactions. The Company also has a whistle blower policy and fraud prevention policy to address fraud risk.

The Company's independent Audit function, consisting of professionally qualified persons from accounting, engineering and IT domains, review the business processes and controls to assess the adequacy of internal control system through risk focused audits. The Internal Audit Department plans the annual audit plan to cover each and every aspect of the business.

The Company's independent Audit function, consisting of professionally qualified persons from finance and technical functions, review the business processes and controls to assess the adequacy of internal control system through risk focused audits. The Internal Audit function reports to the Chairman of the Audit Committee. The annual audit plan prepared by internal audit is approved by the Audit Committee, which also reviews compliance to the plan. The Audit Committee of the Board regularly reviews significant findings of the Internal Audit Department covering operational, financial and other areas and provides guidance on internal controls. The audit reports published by the Internal Audit Department are shared with the Statutory/Government Auditors, who also review the efficacy of internal financial controls.

The statutory auditors are also required to issue the Independent Auditor's Report on the Internal Financial Controls of the Company under Clause (i) of Sub-Section 3 of Section 143 of the Companies Act 2013. The report issued thereupon is placed as an Annexure to the Statutory Auditors Report in the printed Annual Accounts of the Company.

Award and Accolades

During 2019-20, your Company was honoured with the following awards in recognition of its accomplishments in various spheres of activities:

- i) FAME Environment Excellence Platinum Award 2018-19 in Petroleum Refinery Corporate category (Presented on 2nd June 2019)
- ii) Refinery of the Year Award for excellence in Refinery operations at Downstream India Excellence Awards 2019 (Presented on 17th July 2019)
- iii) CII National Award 2019 for excellence in Water Management in 'Within the fence' category (Presented on 19th September 2019)
- iv) PRSI National Award 2019 (1st Prize) for best House Journal- English to NRL House Journal Rodali (Presented on 15th December 2019)
- v) Chal Vaijayanti Shield 2019 (3rd Prize) for effective implementation of the Official Language Policy of Govt. of India by Town Official Language Implementation Committee (TOLIC) of PSUs (Presented on 27th December 2019).
- vi) Best Hindi Magazine (1st Prize) for PRAYAS by Town Official Language Implementation Committee (TOLIC) of PSUs. (Presented on 27th December 2019)
- vii) PSU Leadership Award 2019 to MD NRL at the 7th PSU Awards organized by Governance Now (Presented on 19th Feb 2020).
- viii) PSU Environment and Sustainability, Investment in Start-ups Award 2019 at the 7th PSU Awards organised by Governance Now (Presented on 19th Feb 2020).



MD Mr. S K Barua wins PSU Leadership award

Human Resources

HR department plays an instrumental role in securing future success of the organization. Your Company has always considered that its core strength lies in quality of its human asset. The function is guided by its vision of creating a workplace culture and environment where employees can thrive and are enabled to deliver sustainable organizational performance. The department deals with matters related to recruitment, compensation, performance management, organisational development, safety, wellness, benefits, employee motivation, training and development. Your Company is concerned of employees of all categories and provides all the opportunities for involvement, performance and growth.

The Manpower strength of NRL as on 31st March, 2020 was as detailed below :

Group	Total	SC	ST	OBC	Female	Minority	PH
A	480	60	34	119	38	19	5
B	NIL	NIL	NIL	NIL	NIL	NIL	NIL
C	434	42	61	146	10	27	15
D	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Total	914	102	95	265	48	46	20

Learning and Development

The Learning and Development department at NRL plays a vital role in providing opportunities to upgrade knowledge of the employees both in functional and developmental areas through in house and external training programs.

During the year, 2,434 man days of training were imparted to employees comprising 904 Management staff and 415 Non-Management staff. Numbers of internal and external training programmes conducted were 43 and 81 respectively. As a part of these training programmes, 50 officers were nominated for training in centre of excellence institute like IIMs/XLRI/IIT/IIP/ISB & 13 officers for training programs abroad.

18 Nos. officers were continuing sponsored contact courses on Post Graduate Executive Management

Program at SPJMR & 11 Nos. officers completed their course as per schedule and 10 Nos. officers were continuing M. Tech. at Kaziranga University during FY2019-20

30 Nos. GETs, 3MT joined in FY 2019-20 & newly joined Trainees were also exposed to various functional and developmental areas through a well-structured module.

Special thrust has been given for providing functional training for Non - Management staffs during the year & 23 nos. of non-management employees were sent to UPES, Dehradun for functional training.

86 apprentice trainees have completed one year training period during the year. 46 employees have registered at various web learning courses this year & Online virtual mode training programs has been started for FY 2020-21 for employees.

SC/ST Employees

The Information of SC/ST employees of the Company is furnished in the prescribed format as **Annexure- D**

Reservation and other welfare measures for SC/ST

Your Company follows the Presidential directives and guidelines issued from time to time in respect of implementation of reservation, concessions, relaxations to the candidates belonging to Scheduled Castes (SCs), Scheduled Tribes (STs), Other Backward Classes (OBCs), Economically Weaker Section (EWS) and Persons with Benchmark Disabilities (PwD) in the matter of recruitments. The reservation percentages are ensured through maintenance of Post Based Roster system as prescribed by the Govt. of India. The Rosters are being followed/ consulted before issue of recruitment advertisement/ notification.

Candidates belonging to SC/ST category who are called for written test are reimbursed travelling expenses. In addition to providing reservation in Employment, your Company is also adopting relaxed criteria in promotions for SC/ST employees.

Your Company has one SC/ST Cell and an OBC cell under direct control of Head of HR who is appointed as Chief Liaison Officer. The current SC/ST Cell and OBC cell comprises of representatives from SC/ST & OBC community and officials of HR Department to ensure compliance of various guidelines pertaining to the

SC/ST/OBC employees. The SC/ST Cell and OBC Cell takes care of grievances, if any with the Management.

During the year 2019-20, various developmental activities focused on Socio-Economic development of SCs, STs and Other Backward Classes have been carried out under Corporate Social Responsibility (CSR) schemes.

Persons with Disabilities

Your Company is providing reservations and concessions in appointment to the Persons with Disabilities since inception, based on Government guidelines. As per RPwD Act, 4% of the vacancies are reserved for PwD candidates.

Gender Friendly Work Place

NRL has provided a gender friendly work place with equal opportunity for men and women. A committee is in place to look into representatives from both men and women employees. The Committee, among other tasks, looks into complaints on sexual harassment, if any, and recommends appropriate course of action. During the year, one complaint of sexual harassment was received by the committee and the committee recommended action has been duly implemented.

Communication to Employees

Your Company's Communication Strategy is slowly experiencing a paradigm shift to adapt itself to the new world order in the wake of the Covid-19 pandemic, which reared its ugly head towards the last quarter of the financial year 2019-20. Lockdown and the need



Best House Journal Award

to remain socially distanced have necessitated urgent measures such as implementation of Work from Home policy in the Company, welcomed world over as the new normal. The challenge of most employees remotely working from home while staying connected and on board at all times has been addressed by a tectonic shift supported by utilisation of digital technology. Tools such as Microsoft Office teams and VPN connections have been provided to most employees in administrative and service functions, so that work is not hampered in anyway. One to one virtual communication have increased in the current scenario of uncertainty with Video Conferencing facilitating important meetings including daily HOD Review by Directors, Departmental meetings, Cross functional meetings etc.



Encouraging sports

Your Company has been continuously striving to promote a culture of clear, direct and effective communication with its employees by adopting and imbibing the best communication strategies and latest channels of communication. Management provides clear, relevant, easy to access, accurate, timely, and appropriate information and content about policy, performance and operational issues to maintain an environment of trust so that each employee feels valued and is empowered.

Proactive communication strategies and initiatives have been able to create an environment of transparency, credibility and coherence, thereby promoting a sense of team spirit and solidarity amongst all employees.

Under the arena of Corporate Communication, important developments related to the Company are shared with all employees across locations by means of direct e-mails. The Company's quarterly in-house journal 'Rodali' serves to keep all employees abreast on developments and going on within the Company and its various entities and associates; while the Annual Report reflects and apprises of major developments, performance highlights of the Company, supplemented by hard figures. Other publications such as 'Chaitanya'- the Vigilance newsletter, Safety Newsletter, 'Prayas'- the Hindi magazine are efforts to connect employees at all levels on important matters espoused by the Company.

Managing Director directly addresses employees, extending his greetings on special occasions, inspiring them in difficult times and also keeping them abreast of significant activities, sharing his future visions and road map for the Company. The Intranet portal 'Eureka' is an important internal communication tool which acts as a storehouse of information and data, facilitating a gamut of internal business processes which is easily accessible by employees.

The Company's website www.nrl.co.in is updated regularly, with Company highlights, news, views, mandatory disclosures, links to important Government website services, and a sea of information on different facets of the Company, effectively addressing internal as well as external audience.

Every month Functional Coordination Meeting (FCM) is held, simplifying Cross Functional Communication where major developments are taken up, regular processes reviewed and bottlenecks and concerns discussed and deliberated for informed decision making. Weekly Communication Meeting (WCM) is held in Numaligarh where day to day operational issues are communicated within various departments and aims at resolving them with the able guidance of Department Heads. Besides this Departmental Review Meetings and Meetings with collectives are regularly held promoting team coordination, knowledge sharing, timely planning of activities and participative management functioning.



Crude Oil Sales Agreement (COSA) with OIL

Industrial Relations

Industrial relations were cordial and harmonious throughout 2019-20. Issues with various groups and agencies were amicably resolved facilitating smooth conduct of business during the year.

Corporate Social Responsibility and Sustainability

NRL is committed to focus on social and environmental aspects of the region. With this vision, NRL is continuously working for up-liftment of the region since its inception through its community development schemes. The CSR initiatives focus on improving quality of lives of the under privileged people in and around the refinery. Social impact assessment of projects is done and it has emerged that developmental activities have been instrumental in promoting goodwill and ensuring sustainable development.

In accordance with the DPE guidelines, NRL had achieved the expenditure target of 60% of Annual CSR budget in the thematic programme covering School Education, Health and Nutrition of which more than 50% was spent in Aspirational District. In addition, an amount of ₹14.85 crore was spent on Swachhta Action Plan covering sanitation, safe drinking water and waste management.

Apart from above, lot of other projects were also taken up in the other heads outlined in the CSR policy, namely, Skill Development & Livelihood, infrastructure development, promotion of Arts, Sports, Literatures and Culture.

During the year, your Company has spent an amount of ₹62.61 crore towards CSR & Sustainability activities against the budget allocation of ₹62.25 crore and there is no carry forward amount for the next financial year.

Additionally, in response to the appeal made by the Government, NRL as a responsible CPSE had contributed an amount of ₹25 crore to Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) to fight the COVID-19 pandemic on 31st March, 2020 which would be set off against the CSR budget of 2020-21 in line with the clarification provided by the Ministry of Corporate Affairs.

Some of the key CSR and sustainable initiatives undertaken by your Company during the year 2019-20 including the focus areas of the policy are:

i) School Education, Health and Nutrition:

Under this thematic programme advised by DPE, emphasis has been given to create a good academic environment through infrastructure development, providing educational tools and amenity development, educational assistance for pursuing education and confidence building of the students by providing external support through special coaching etc. Few of the noteworthy projects are as below:

- Scholarship schemes for meritorious students namely, Gyandeep (students passing class X & XII), Prerona (Girl students of class VII to IX) and Dronacharyya award (for teachers) are being continued with.



Delivery Vans donated to Akshaya Patra Foundation



Signing of MoM with Paradip Port Trust

- VKNRL School of Nursing has started its third batch. The combined strength of the school is 117 and the 1st batch has passed out in 2020.
 - Coaching classes for students appearing in IIT/JEE entrance examination is also continued through “Centre for Social Responsibility and Leadership”.
 - Completion of renovation of 48 number of schools during the year and renovation of another 55 schools under progress.
 - Mobile medical health camps organized through VKNRL Hospital and Eye camps are continued, in addition to providing subsidised treatment to people belonging to weaker section of the society through VKNRL hospital.
 - NRL has associated with Assam Cancer Care Foundation (ACCF) to equip the upcoming radiotherapy block of cancer care facility at Barpeta Medical College Hospital.
 - Assistance is also provided to Akshay Patra Foundation to procure distribution vehicle to its upcoming kitchen in Jorhat.
 - Construction of a charitable dispensary at Ramakrishna Mission Ashrama, Guwahati, that is under progress.
 - Installation of a centralised oxygen generator at Jorhat Christian Medical Centre for uninterrupted oxygen supply.
- ii) **Swachhta Action Plan:** Under this programme mandated by MoPNG, an amount of ₹14.85 crore was spent under different heads of expenditure.
- Few of the major projects are as below:
- Waste Handling Equipment have been provided to different municipalities / Town committees.
 - Toilets and drinking water facility in schools are provided including individual household toilets to economically weaker people through DBT mode.
- iii) **Skill Development and Livelihood Generation**
- Skill development initiatives undertaken in Welding, Fitter and Hospitality sector are being continued through Golaghat ITI and Food Craft Training Institute.
 - The 6 Custom Hiring Centres set up by NRL, with technical assistance from Krishi Vigyan Kendra, are helping farmers in reduction of input cost and improving productivity along with multi cropping,

- Fruit bearing plants are provided for sustainable livelihood and care for environment.

iv) Infrastructure Development

- Several developmental works were undertaken during the year which included repairing and construction of roads and culverts and installation of solar street lights at village roads.

v) Promotion of Arts, Sports, Literature and Culture

- Activities of NRL Football academy continued with highest rating in the Northeast.
- Providing financial assistance to various cultural organisations to preserve and promote traditional art and culture.

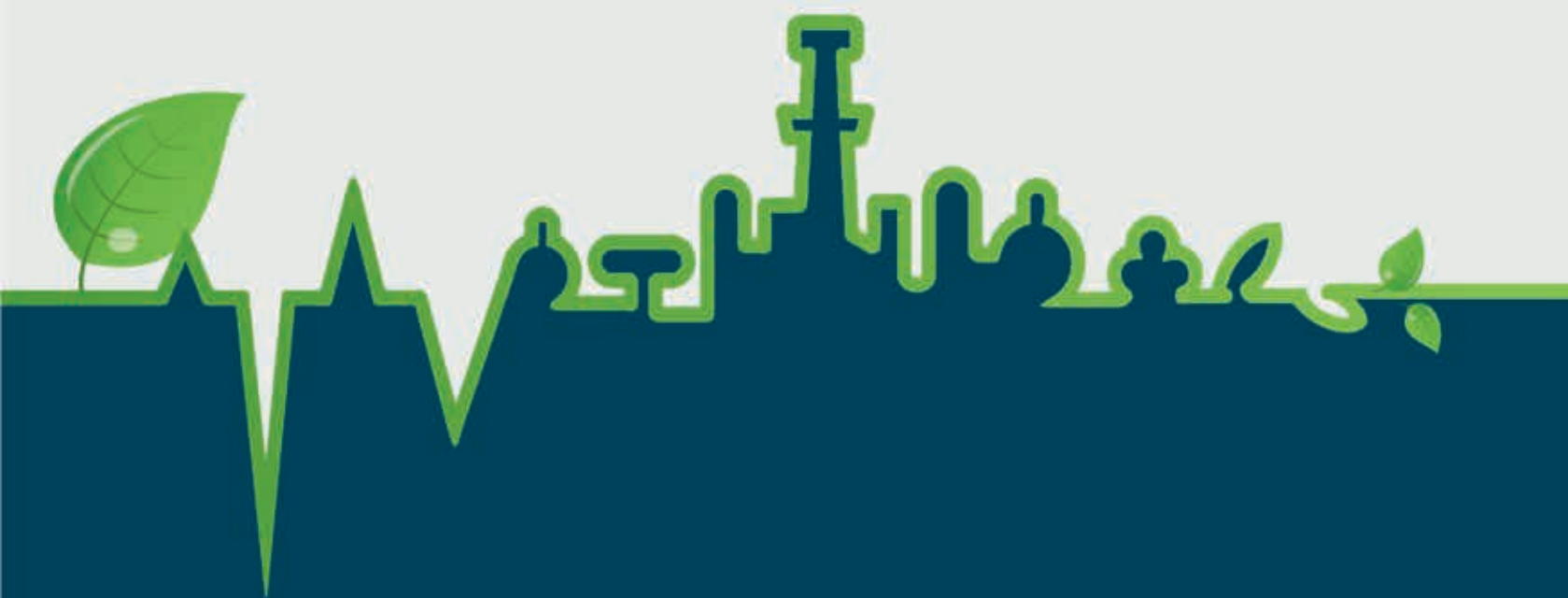
Details of CSR activities are uploaded and continuously updated in NRL's website www.nrl.co.in. A detailed Report on NRL's CSR and Sustainability activities is enclosed as **Annexure - G**.



Sports infrastructure within NRL Township

NUMALIGARH
REFINERY
LIMITED

A GOVERNMENT OF INDIA ENTERPRISE



ANNEXURES TO DIRECTORS' REPORT

Annexure –A

Efforts made by NRL with respect to conservation of energy, technology absorption which are required to be furnished under section 134(3)(m) of the Companies Act. 2013 read with rule 8(3) of the Companies (Accounts) Rules, 2014

A. Conservation of energy

NRL is committed towards sustainable development and consistent in reduction of energy consumption and greenhouse gas emission. In the FY 2019-20, achievement against the Key Performance Indicators for energy consumption, Specific Energy Consumption (SEC) at 64.97 and Energy Intensity Index (EII) at 86.3, continued to be impressive.

I. Following ENCON measures/schemes taken up/ implemented during the year 2019-20:

1. Burners (216 Nos.) in the reformer of Hydrogen Unit were replaced by FPMR-5 burners to increase reformer outlet temperature and reduce methane slippage. Steam generation has increased by two fold and equivalent annualized saving is 4000 SRFT (Standard Refinery Fuel Tonne).
2. A new plate and glass enamelled carbon steel tube Air-Preheater (APH) installed in CDU/VDU replacing the old cast / glass APH. Equivalent annualized saving is 1060 SRFT.
3. Booster pumps (2 Nos.) in CDU/VDU have been replaced from API 6th edition to API 10th edition. Equivalent annualized saving is 350 SRFT.
4. Capacity of MS Plant has been augmented by 50% with modifications in NHT Pre Heat Train, new convection coil in CRU inter heater and waste heat utilization for generation of superheated steam in CRU. Equivalent annualized saving is 1300 SRFT.

II. Schemes planned for 2020-21:

1. Installation of Plate Type Heat Exchangers in SWS and ATU
2. Reuse of stripped water from SWS as wash water make-up for De-salter instead of DM Water
3. Recovery of Condensate and flash steam from process units & CPP to reduce make-up DM Water
4. Recovery of Boiler Blow-down in HCU and HGU and reuse as Cooling Tower make up to reduce treated raw water use
5. Installation of electrical tracing in offsite piping and tank farm in Wax Plant replacing the steam tracing

III. Energy conservation measures planned beyond 2020-21:

In continual efforts for energy conservation, NRL has identified following new schemes for implementation in the near future:

1. Condensate recovery scheme in balance units of CDU/VDU and OMS
2. Installation of energy efficient motors and pumps in process units
3. Vapour Absorption Machine for low heat recovery /reduce waste steam energy
4. Pressure energy recovery from PRDS with turbo Generator
5. PRT arrangement to run motor in sync and reduce waste energy

B. Technology Absorption

i) Efforts, in brief, made towards technology absorption, adaptation & Innovation

- a. NRL implemented "Tail Gas Treating Unit" (TGTU), along with the 2nd train of Sulphur Recovery Unit (SRU). The technology for TGTU is indigenously developed and provided by M/s Engineers India Ltd (EIL).
- d. NRL augmented capacity of its Motor Spirit Plant (MSP) with technology provided by M/s. Axens, France. Project was implemented during Refinery Turn Around during Nov-Dec'19.

- c. NRL is setting up a 50 TMTPA Bio Refinery project in joint venture with M/S Chempolis and M/S Fortum, Finland to produce 2G Ethanol from bamboo. The process for production of bio-ethanol from bamboo biomass is based on the Formicobio™ Technology from M/S Chempolis. BEDP and P&ID for the Bio Refinery are finalized and 80% long lead items ordered.

ii) Benefits derived as a result of the above efforts, e.g. product quality improvement, cost reduction, product development, import substitution etc.

- a. Implementation of “Tail Gas Treating Unit” (TGTU) will enhance overall sulphur recovery of the refinery from present level of 96% to 99.9 wt%. This will further reduce SO₂ emission from the incinerator of SRU.
- c. Capacity augmentation of Motor Spirit Plant (MSP) increased MS production from 187 TMTPA to 325 TMTPA, which will improve refinery profit.
- d. Ethanol produced from the Bio-Refinery shall be used mainly as blend component of gasoline by North East refineries. Bio Refinery project will help in meeting the blending target of ethanol (10%) in gasoline set by GOI to make energy road map sustainable.

iii) Information regarding imported technology (imported during last five years reckoned from the beginning of the financial year):

Technology imported	Year
Diesel Hydrotreater Unit	2015-16
Motor Spirit Plant (MSP) capacity revamp	2017-18
Bio Refinery	2017-18

Technology absorbed	Year
Diesel Hydrotreater Unit:	2017-18
Flare Gas Recovery System (FGRS):	2017-18
Motor Spirit Plant (MSP) capacity revamp	2019-20

Bio Refinery project is under progress.

C. Research and Development:

During the year, NRL has taken up following R&D project:

1. NRL Centre of Excellence (CoE) for Sustainable Materials at IIT Guwahati:

NRL tied up with Indian Institute of Technology Guwahati (IITG) to set up ‘NRL Centre of Excellence (CoE) for Sustainable Materials’ in the IITG campus with an objective to develop Sustainable / Bio-degradable materials from the refinery and bio refinery streams.

Presently centre is engaged in development of Bio-degradable Plastic in the form of Polycaprolactone (PCL) from Furfural, which can replace conventional non-degradable polyethylene based packaging.

2. Projects taken up in collaboration with CRDC:

- Production of Furfural Alcohol (FA) and Tetra Hydro Furan (THF) from Furfural: Furfural will be one of the by-products from bio-refinery. CRDC is currently developing technology for production of Furfural Alcohol and Tetra Hydro Furan from Furfural.
- Measuring efficacy of Enzymes of various suppliers for conversion of bamboo pulp into glucose by hydrolysis process.

3. **Value added products from Foots Oil:** In order to improve value chain NRL is exploring feasibility of production of industrial solvents from foots oil with the help of Indian Institute of Petroleum (IIP).

Benefits derived/expected as a result of above R&D activities

1. **Production of Bio-degradable Plastic:** Development of indigenous technology for production of Bio-degradable Plastic will help in replacing non-biodegradable polyethylene based packaging and contribute towards reduction of pollution from solid waste. Bio-degradable plastic will be a value added stream for the Bio Refinery.
2. **Study on technology development for Production of Furfural Alcohol (FA) and Tetra hydro furan (THF) from Furfural with Corporate R&D Centre (CRDC), BPCL:** This will help in developing indigenous technology to produce Furfural Alcohol (FA) and Tetrahydrofuran (THF) from Furfural. As FA and THF will have more market demand than Furfural, it will be more beneficial for Bio refinery to produce FA and THF.

Report on Corporate Governance

1. Company's philosophy on Code of Corporate Governance

Good Corporate Governance results in Corporate excellence by ensuring that the powers vested in the Executive Management are used with care and responsibility to deliver sustained and long term value to its stakeholders. At Numaligarh Refinery Limited (NRL), our endeavor is to adopt best governance practices, which is in our view critical to ensure optimization of returns and satisfaction levels accruing to all the stakeholders. The interest of all stakeholders including shareholders, employees, customers and the Government exchequer are given paramount importance while taking commercial decisions. The Company has been sharing various information with the stakeholders from time to time through Press release, Annual Report, NRL Web site and through Social media etc. Being a non-listed entity, disclosures required to be made under SEBI (Listing Obligations and Disclosure Requirements) Regulations pertaining to Corporate Governance is not applicable to the Company. However, as a good corporate governance practice and as per Guidelines on Corporate Governance for Central Public Sector Enterprises issued by Department of Public Enterprises (DPE) in May, 2010 and amendment thereon, the Company has been complying with the stipulations contained therein to the extent applicable. Relevant information on areas covered under Corporate Governance disclosures during the financial year 2019-20 are furnished below:

2. Board of Directors

NRL is a Government Company under Section 2(45) of the Companies Act, 2013 by virtue of being a subsidiary of Bharat Petroleum Corporation Limited (BPCL), a Government Company. In terms of Articles of Association of the Company, the number of Directors shall not be less than three and more than fifteen.

As on 31st March, 2020, the Board of NRL comprised of three Whole Time Directors including the Managing Director, three Independent Directors which includes one women director, one part-time (Ex-Officio) Director from Govt. of India, one part-time (Ex-Officio) Director from Oil India Limited and two Part-time (Ex-Officio) Directors from Promoters, namely, BPCL (one) and Govt. of Assam (one).

The Chairman and Managing Director, BPCL is the Chairman of the Company. During the year, all the meetings of the Board and the Annual General Meeting were chaired by the Chairman. None of the Non-Executive Directors of NRL had any pecuniary relationship/ transaction with the Company during the year.

The Directors are neither members of more than 10 Board Committees nor hold Chairmanship of more than 5 Committees across all the companies in which they were Directors (as specified in the Guidelines on Corporate Governance for CPSEs issued by DPE). Further, as per Section 165 of the Companies Act 2013, Director should not hold Directorship in more than 20 Companies at the same time and directorship in Public Companies should not exceed 10 Nos. During the year, there was no violation of Section 165 pertaining to number of Directorship.

The Board's actions and decisions are aligned with the Company's best interests. The Management has put effective system in place for compliance of various applicable laws which are reviewed by the Board. The Board critically evaluates the strategic direction of the Company, management policy, annual plan and budget, revenue budget, review of financial reports etc.

Details regarding Board Meetings, Annual General Meeting, Directors' attendance thereat, Directorship held by the Directors are as follows:

Board Meetings :

Nine nos. of Board Meetings were held during the financial year 2019-20 on the following dates:

11 th April, 2019	9 th May, 2019	11 th June, 2019	24 th July, 2019
16 th August, 2019	4 th November, 2019	7 th January, 2020	5 th February, 2020
20 th February, 2020			

Particulars of Directors including their attendance at Board/ Shareholders' Meeting during the financial year 2019-20:

Sl. No.	Name of the Directors	Academic Qualifications	Date of joining as Director of the Company	Attendance out of 9 Board Meetings held during the year and percentage thereof		Attendance at the last Annual General Meeting	Details of Directorship held in other Companies (as on 31.03.20)
				No. of Meetings Attended	%		
(a)	Whole Time Directors :						
1.	Shri S. K. Barua Managing Director	ACMA and LLB from Dibrugarh University	01.05.2013	9	100	Attended	Director: 1. BCPL
2.	Shri B. J. Phukan Director (Technical)	BE (Mechanical Engineering) from Assam Engineering College	01.02.2017	9	100	Attended	Chairman 1. ABRPL Director: 1. DNP Ltd.
3.	Shri Indranil Mittra Director (Finance)	CA & ACMA and PG Diploma from S P Jain Institute of Mgt. & Research, Mumbai	12.10.2018	9	100	Attended	Director: 1. ABRPL
(b)	Part-time (Ex-Officio)						
1.	Shri D. Rajkumar Chairman & Managing Director Bharat Petroleum Corpn. Ltd. Mumbai-400001	B. Tech (Elect) from IIT, Madras and PGDM from IIM, Bangalore	07.10.2016	9	100	Attended	C&MD: 1. BPCL Chairman: 1. BORL Director: 1. BPRL 2. PLL 3. BGRL
2.	Shri Ravi Capoor, IAS Additional Chief Secy. to the Govt. of Assam, Industries & Commerce Department (upto 01.08.2019)	B.Com and Post Graduate in Business Administration	14.09.2016	1	25	--	--
3.	Shri Rajendra Kumar Kureel Director (Exploration-II) MOP&NG, Govt. of India New Delhi -110001	Graduate in Science	26.03.2019	9	100	Attended	Nil
4.	Shri Utpal Bora Chairman & Managing Director Oil India Limited Noida, Uttar Pradesh (upto 01.10.2019)	B.Tech (Petroleum Engineering) from ISM, Dhanbad and Advanced Mgt. Certificate from IIM, Lucknow	19.08.2016	2	40	Absent	-
5.	Dr. Krishna Kumar Dwivedi, IAS Commissioner & Secretary to the Govt. of Assam, Industries & Commerce Department	MA and Ph. D. in Modern Indian History	16.08.2019	3	60	NA	Director: 1. AIDC 2. BCPL 3. ATPO
6.	Shri Sushil Chandra Mishra Chairman & Managing Director Oil India Limited Noida, Uttar Pradesh	BE (Electronics) and MBA (Finance)	04.11.2019	1	33	NA	C&MD, Oil India Limited
C.	Part-Time (Non-Official)/ Independent Directors						
1.	Shri Rajkumar Sharma Company Secretary in Practice Guwahati (upto 30.01.2020)	Fellow Member of ICSI and LLB	31.01.2017	5	71	Attended	--

Sl. No.	Name of the Directors	Academic Qualifications	Date of joining as Director of the Company	Attendance out of 9 Board Meetings held during the year and percentage thereof		Attendance at the last Annual General Meeting	Details of Directorship held in other Companies (as on 31.03.20)
				No. of Meetings Attended	%		
2.	Smt. Sneha Lata Kumar, IAS (Retd) Former Secretary to the Govt. of India, Dept. of Border Management. Ministry of Home Affairs, New Delhi - 110001	B.A. in English (Hons) from Chandigarh College for Women and M.A. (Economics) from Punjab University	08.09.2017	9	100	Attended	Nil
3.	Dr. Sylvanus Lamare Principal, St. Edmund's College, Shillong, Meghalaya - 793003	M.A. in Khasi and Ph.D in Socio-linguistics	16.07.2019	5	83	Absent	Nil
4.	Shri Jaswant Singh Saini Advocate Saharanpur, Uttar Pradesh - 247451	M.A and LLB from Meerut University	29.11.2019	2	67	NA	Nil

BCPL: Brahmaputra Cracker and Polymer Limited; **ABRPL:** Assam Bio Refinery Pvt. Limited; **BPCL:** Bharat Petroleum Corporation Ltd; **BORL:** Bharat Oman Refineries Ltd; **BPRL:** Bharat Petro Resources Limited; **PLL:** Petronet LNG Limited; **BGRL:** Bharat Gas Resources Limited; **AIDC:** Assam Industrial Development Corporation Limited; **ATPO:** Assam Trade Promotion Organisation.

- Percentage computed by considering the meetings attended with the total meetings held during his tenure.

3. Board Sub-Committees:

A) Audit Committee

The Audit Committee of the Board is constituted in accordance with the provisions of section 177 of the Companies Act, 2013 read with the guidelines on Corporate Governance for CPSEs issued by DPE. The Committee assists the Board in its responsibility for overseeing the quality and integrity of accounting, remuneration of Statutory Auditors, appointment and remuneration of Cost Auditors, performance of Internal Auditor and its compliance with legal and regulatory requirements etc. The quorum for the meetings of the Committee is two members or 1/3rd of the members of the Audit Committee whichever is higher.

The three member Audit Committee of the Board was last reconstituted on 5.2.2020 on expiry of tenure of Shri Rajkumar Sharma, Independent Director as Chairman w.e.f. 31.1.2020 and in his place, appointed Smt. Sneha Lata Kumar, Independent Director as Chairman and Dr. Sylvanus Lamare, Independent Director and Shri B.J. Phukan, Director(Technical) as Members.

All the members possess requisite knowledge of Finance and Accounting for effective functioning of the Audit Committee. The Company Secretary acts as Secretary of the Committee. Director (Finance), BPCL and Executive Director (Audit), BPCL along with other two Functional Directors of the Company including Managing Director are invited to attend the meetings of the Audit Committee as Special Invitees. The Head of Internal Audit, Statutory Auditors and Cost Auditor also attend and participate in the meetings, on invitation.

The role and responsibilities of the Audit Committee as approved by the Board includes the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.

2. Recommending to the Board, appointment, re-appointment and if, required, replacement or removal of the statutory auditor, fixation of audit fee and also approval for payment for any other services rendered by the statutory auditors.
3. Reviewing with management, the annual financial statements and auditor's report thereon before submission to the Board, focusing primarily on:
 - Matters required to be included in the Director's Responsibility Statement is to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.
 - Any change in accounting policies and practices and reasons for the same.
 - Qualifications in draft audit report.
 - Significant adjustments made in financial statements arising out of audit findings.
 - Compliance with stock exchange and legal requirements concerning financial statement,
 - Disclosure of any related party transactions of the Company of material nature, with promoters or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of Company at large.
4. Reviewing with the management, quarterly financial statements before submission to the Board for approval.
5. Reviewing with management, performance of statutory and internal auditors, the adequacy of internal control systems.
6. Reviewing the adequacy of internal audit function, including structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
7. Discussion with internal auditors any significant findings and follow up thereon.
8. Reviewing findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
9. Discussion with statutory auditors before the audit commences, nature and scope of audit as well as post audit discussion to ascertain any area of concern.
10. Approval or any subsequent modification of transactions of the Company with related parties;
11. Scrutiny of inter-corporate loans and investments;
12. Valuation of undertakings or assets of the company wherever it is necessary;
13. Reviewing of quarterly reports of complaints under Whistle Blower Policy;
14. Reviewing follow-up action on audit observations of the C&AG audit.
15. Reviewing the company's financial and risk management policies.
16. To look into reasons for substantial defaults in payment to the depositors, debenture holders, shareholder (in case of non- payment of declared dividends) and creditors.
17. Defining the significant related party transactions.
18. Any other matter as may be referred by Board from time to time

During the financial year 2019-20, seven nos. of meeting of the Audit Committee were held on the following dates:

9 th May, 2019	11 th June, 2019	24 th July, 2019	8 th August, 2019	10 th September, 2019
4 th November, 2019	28 th January, 2020			

Attendance at the Audit Committee Meetings during the financial year 2019-20:

Name of the members	No of Meetings attended	% age thereof [out of 7 nos. meeting held]	Attendance at the last Annual General Meeting
Shri Rajkumar Sharma [upto 30 th January, 2020]	7	100	Attended
Smt. Sneha Lata Kumar	7	100	Attended
Shri B. J. Phukan	7	100	Attended
Dr. Sylvanus Lamare (w.e.f. 5.2.2020)	-	-	-

* Percentage computed by considering the meetings attended with the total meetings held during his tenure.

B) Nomination and Remuneration Committee

NRL has a 'Nomination and Remuneration Committee' to examine, review and recommend proposals to the Board relating to perquisites and benefits payable to the employees of the Company within the parameters of Guidelines issued by the Government of India.

The Nomination and Remuneration Committee of the Board was last reconstituted on 5.2.2020 with Shri R. K. Kureel, Director as Chairman, Smt. Sneha Lata Kumar and Shri Jaswant Singh Saini, Independent Directors as Member.

Director (HR), BPCL and all three functional Directors including Managing Director of the Company are invited to attend the meetings of the Nomination and Remuneration Committee as permanent invitee. The head of HR function acts as coordinator and the Company Secretary acts as Secretary for convening such meetings. The quorum for the meetings of Nomination and Remuneration Committee is 1/3rd of total members or two members whichever is higher.

During the financial year 2019-20, no meeting of 'Nomination and Remuneration Committee' was held.

C) Stakeholders' Relationship Committee:

NRL being a non listed entity with only ten shareholders, no such Committee has been formed.

D) CSR and Sustainability Committee:

In accordance with the provisions of section 135 of the Companies Act, 2013 read with revised DPE Guidelines on CSR & Sustainability for CPSEs issued on 21.10.2014, NRL had constituted a CSR & Sustainability Committee of the Board. Consequent upon expiry of tenure of Shri Rajkumar Sharma, Independent Director and Chairman of the Committee w.e.f. 31.1.2020, the CSR and Sustainability Committee of the Board was reconstituted on 5.2.2020 with Dr. Sylvanus Lamare, Independent Director as Chairman, Shri B. J. Phukan, Director (Technical) and Shri Indranil Mittra, Director (Finance) as Members.

Managing Director attends the meeting as Special Invitee and Head of HR attends the meeting as Nodal Officer for CSR Steering Committee. The quorum for the CSR & Sustainability Committee meeting is 1/3rd or 2 members whichever is higher. Company Secretary act as the Secretary to the CSR and Sustainability Committee.

During the financial year 2019-20, five nos. of meeting of the CSR and Sustainability Committee were held on the following dates:

31 st May, 2019	21 st August, 2019	21 st November, 2019	28 th January, 2020	21 st March, 2020
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Attendance at the CSR and Sustainability Committee Meetings during the financial year 2019-20:

Name of the members	No of Meetings attended	% age thereof [out of 5 nos. meeting held]	Attendance at the last Annual General Meeting
Shri Rajkumar Sharma (Upto 30 th January, 2020)	4	100	Attended
Shri B. J. Phukan	5	100	Attended
Shri Indranil Mittra	4	80	Attended
Dr. Sylvanus Lamare (w.e.f. 5 th February, 2020)	1	100	-

* Percentage computed by considering the meetings attended with the total meetings held during his tenure.

Remuneration to Directors

NRL being a Govt. Company, appointment and remuneration of Whole Time Directors are determined by the Government through the Ministry of Petroleum & Natural Gas. However, certain perquisites and facilities not specifically spelt out in their appointment letters are governed in accordance with the rules and regulations of the Company. The Part-time (Ex-officio) Directors do not receive any remuneration from the Company. The Part-time (Non-Official) Directors i.e. Independent Directors received sitting fees of ₹40,000 for attending each meeting of the Board/Audit Committee and ₹20,000 each for other Board sub-Committee meetings attended by them during the FY 2019-20.

Details of remuneration paid to the Whole-time Directors during the financial year 2019-20 are given below:

Name of Directors	All elements of remuneration package of the Directors i.e. salary, benefits, bonuses, pension etc. (In ₹)	Details of fixed component, Performance Related Pay (PRP) (In ₹)	Other benefits (In ₹)	Service Contracts, notice period, severance pay.
Shri S. K. Barua Managing Director	77,84,873.29	Fixed Com : 44,14,056.11 PRP : 25,33,860.00	8,36,957.18	Appointed till date of his superannuation i.e. 31.01.2022 or until further orders whichever is earliest.
Shri B. J. Phukan Director (Technical)	72,44,861.22	Fixed Com : 44,63,185.03 PRP : 21,18,033.00	6,63,643.19	Appointed for a period of five years w.e.f. 01-02-2017 or till the date his superannuation or until further orders whichever is earliest.
Shri Indranil Mittra Director(Finance)	55,10,053.68	Fixed Com : 42,61,385.69 PRP : 7,12,876.00	5,35,791.99	Appointed for a period of five years w.e.f. the date of his assumption of charge of the post (w.e.f. 12-10-2018) or till the date his superannuation or until further orders whichever is earlier.

During the year, the part-time (Independent) Directors received sitting fees for attending the meetings of the Board/Committees as follows :

Name of Director	Sitting Fees(₹)
Shri Rajkumar Sharma	7,20,000/-
Smt. Sneha Lata Kumar	8,00,000/-
Dr. Sylvanus Lamare	2,40,000/-
Shri Jaswant Singh Saini	80,000/-
Total=	18,40,000/-

7. Annual/Extra Ordinary General Meetings:

a) Details of location, time and date of last three AGMs/ EGM are given below:

	Date and Time of the Meetings	Venue
24 th Annual General Meeting	8 th September, 2017 at 3.00 P.M.	Numaligarh Refinery Limited, 122A, G. S. Road, Christianbasti, Guwahati – 781005
Extra- Ordinary General Meeting	25 th May, 2018 at 11.30 A.M.	Board Room of Bharat Petroleum Corporation Limited, Bharat Bhavan, Ballard Estate, Mumbai-400001
25 th Annual General Meeting	24 th August, 2018 at 3.00 P.M.	Numaligarh Refinery Limited, 122A, G. S. Road, Christianbasti, Guwahati – 781005
26 th Annual General Meeting	16 th August, 2019 at 3.00 P.M.	Numaligarh Refinery Limited, 122A, G. S. Road, Christianbasti, Guwahati – 781005

b) Details of Special Resolution passed during the last three years

	Date, Time & Venue of the Meeting	Purpose
Extra- Ordinary General Meeting	25 th May, 2018 at 11.30 A.M. at the Board Room of Bharat Petroleum Corporation Limited, Bharat Bhavan, Ballard Estate, Mumbai-400001	Amendment of Articles of Association of the Company.
26 th Annual General Meeting	16 th August, 2019 at 3.00 P.M. at the Registered Office of the Company, 122A, G. S. Road, Christianbasti, Guwahati-781005	Increase of Authorised Share Capital of the Company from ₹1000 Crore to ₹5000 Crore.
26 th Annual General Meeting	16 th August, 2019 at 3.00 P.M. at the Registered Office of the Company, 122A, G. S. Road, Christianbasti, Guwahati-781005	Amendment of Clause V of the Memorandum of Association of the Company

c) Voting through Electronic means/ Postal Ballot

Being the number of Member is below 200, the Company is not required to transact any business by way of Voting through Electronic means pursuant to Section 108 of the Companies Act, 2013 and through Postal Ballot pursuant to Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (management and Administration) Rules, 2014.

8. Brief Resumes of Directors seeking re-appointment/appointment:

The information to be provided in case of re-appointment/ appointment of Directors are as follows:

i) Shri S. K. Barua

Shri S. K. Barua is a member of the Institute of Cost Accountants of India and a graduate in Law and Commerce from Dibrugarh University. Shri Barua started his career in Indian Oil Corporation (Assam Oil Division) in 1985 and thereafter joined NRL in the year 1993 as its first permanent employee.

He has more than 34 years of rich and varied experience in Finance & Business Development disciplines in Oil & Gas Industry. Prior to his appointment as Managing Director w.e.f. 31.01.2018, he was holding the position of Director (Finance) of the Company w.e.f. 1.5.2013.

Shri S. K. Barua was last re-appointed as Director by the shareholders in the 24th Annual General Meeting held on 8th September, 2017. He is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

(ii) Shri B. J. Phukan

Shri B.J. Phukan is a Mechanical Engineer from Assam Engineering College, Guwahati with more than 29 years of experience in the Oil Industry including Logistics, Marketing, Technical Services and Operations. Shri Phukan started his career in Indian Oil Corporation Limited (Assam Oil Division) in the year 1990 and thereafter joined NRL in the year 1999. Prior to his assuming the office of post of Director(Technical), NRL w.e.f. 1.2.2017, he was working as General Manager(Operation) in NRL.

Shri B.J.Phukan was last appointed as Director by the shareholders in the 26th Annual General Meeting held on 16th August,2019. He is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

(iii) Dr. K. K. Dwivedi

Dr. K. K. Dwivedi, IAS (DIN: 07632374), Commissioner & Secretary to the Govt. of Assam, Industries and Commerce Department was appointed as Director on the Board of the Company w.e.f. 16th August, 2019 in place of Shri Ravi Capoor, pursuant to Article 98 of the Articles of Association of the Company read with Section 161(4) of the Companies Act, 2013. Being appointed in casual vacancy, he will hold office till the ensuing Annual General Meeting upto which Shri Ravi Capoor would have held office as Director, had he not resigned from the Board.

Dr. K. K. Dwivedi is a senior IAS Officer belonging to 1996 Batch of Assam-Meghalaya Cadre. He did his masters in History and Ph. D. in Modern Indian History. He has worked in various capacities under the Govt. of Assam.

The Company has received a Notice along with deposit of requisite amount under Section 160 of the Companies Act,2013 from a Member proposing his name as a Director of the Company.

(iv) Shri Sushil Chandra Mishra

Shri Sushil Chandra Mishra (DIN: 08490095), Chairman and Managing Director, Oil India Limited was appointed as Director on the Board of the Company w.e.f. 4th November, 2019 in place of Shri Utpal Bora, pursuant to Article 98 of the Articles of Association of the Company read with Section 161(4) of the Companies Act,2013. Being appointed in casual vacancy, he will hold office till the ensuing Annual General Meeting upto which Shri Utpal Bora would have held office as Director, had he not resigned from the Board.

Shri Mishra did his engineering in Electronics and MBA in Finance. He has more than 36 years of experience in Oil Industries. He is an accomplished professional with cross-functional domestic and international experience. Prior to his taking over the charge as Chairman & Managing Director of OIL, he was holding the position of Executive Director (Rajasthan Project) of OIL, Jodhpur and was responsible for successfully implementing India's first and deepest Cyclic Steam Stimulation (CSS) process - a technology to produce heavy crude oil.

The Company has received a Notice along with deposit of requisite amount under Section 160 of the Companies Act,2013 from a Member proposing his name as a Director of the Company.

(V) Shri Jaswant Singh Saini

Shri Jaswant Singh Saini (DIN:08596048), by profession is an Advocate in Saharanpur Court, Uttar Pradesh. He did his post-graduation in Arts and LLB from Meerut University. He is associated with various socio-cultural activities in Saharanpur, UP.

Shri Jaswant Singh Saini, appointed by the Government as Non-Official Independent Director on the Board of the Company for a period of three years was appointed by the Board as an Additional Director w.e.f. 29th November, 2019 pursuant to the provisions of Article 84 of the Articles of Association of the Company read with section 149, 150, 152, 161 and other applicable provisions of the Companies Act, 2013 and Rules framed there under as amended from time to time.

Being an additional Director, he will hold office upto the date of the ensuing Annual General Meeting. The Company has received a Notice along with deposit of requisite amount under Section 160 of the Companies Act, 2013 from a Member proposing his name as a Director of the Company.

9. Disclosures and compliance

- a. Except where the Company has incurred expenses on behalf of JV Company as co-promoter which are recoverable from the respective JV Company, there were no transaction of material nature that may have potential conflict with the interest of the Company at large.
- b. There were no instances of non-compliance of any provisions of Law, guidelines issued by any regulatory authorities as well as no penalties were imposed on the Company during the last three years.
- c. An expenditure amounting to ₹87.60 crore was spent on CSR & Sustainability activities during the year of which an amount of ₹25 crore contributed to PM CARES Fund to fight COVID 19 pandemic shall be set off in the year 2020-21.
- d. During the year, no expenses were incurred which are personal in nature and incurred for the Board of Directors and Top Management.
- e. Administrative and office expenses as a percentage of total expenses were 6.48% during the year.
- f. The Company has a Whistle Blower Mechanism as per which the Public Interest Disclosure and protection of informer (PIDPI) Resolution No. 89 of Government of India is being followed.
- g. A mechanism for Risk Management is in place to identify and mitigate construction phase, financial, operational and other risks.
- h. There are no qualifications in the Auditors' Report on the financial statements to the shareholders of the Company.
- i. During the year under review, there was no case of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

10. Code of conduct, Procedure and Disclosures for prevention of Insider Trading and Code of Corporate Disclosure Practice

The Company has a Code of Business Conduct and Ethics for the Board members and the Senior Management Personnel and all the members of the Board and Senior Management personnel have affirmed compliance of the Code of Conduct for the financial ended on 31st March, 2020.

Further, NRL being a non-listed company, Procedure and Disclosures for prevention of Insider Trading and Code of Corporate Disclosure Practice is not applicable.

11. Means of communication of Financial Performance

NRL, being a non listed company, publishing of quarterly/half yearly and annual financial statements are not mandatory. However, as a good corporate practice, the Company has been sharing relevant information with its shareholders as well as other stakeholders from time to time through its web site (www.nrl.co.in), press releases, House Journal, Annual Reports etc.

12. Management Discussion & Analysis Report:

A detailed chapter on Management Discussion & Analysis is incorporated in the Directors' Report.

13. General information to shareholders:

a.

Number of AGM	27 th Annual General Meeting
Date and Time	10 th August, 2020 at 2:30 PM
Venue	Via Video conference or OAVM facility
Dividend payment	The Company has paid Interim Dividend of 150% (₹15.00 per fully paid equity share of ₹10.00 each) during the year which has absorbed a sum of ₹1,330.27 crore including Corporate Dividend Tax out of the Company's PAT. After considering the current year's Profits and keeping in view the need to maintain funds for investments, no final dividend has been recommended by the Board for the year.

b. Financial year – NRL follows the financial year from April to March.

c. Since the Company's shares are not listed, market price of share is not available.

d. Registrars & Share Transfer Agents:

M/s. Data Software Research Co. Pvt. Limited
19, Pycrofts Garden Road
Off. Haddows Road, Nungambakkam
Chennai - 600006
Ph: +91-44-28213738/ 28214487
Fax: +91-44-28214636
Email: dsrmd@vsnl.com

e. Share Transfer System:

A Committee comprising of all the three Functional Directors, namely, Managing Director, Director (Finance) and Director (Technical) considers the request for transfer/ transmission of shares, dematerialization of shares etc. Transfers in physical form are registered after ascertaining objections, if any, from the transferors. Request for dematerialization of shares are processed and confirmation is given to the depository i.e. NSDL within the stipulated time.

f. Shareholding Pattern as on 31-03-2020.

Sl. No.	Name of share holder	Capital contribution (In ₹)	Nos. of shares held	Percentage of holding (%)
1.	Bharat Petroleum Corporation Limited	453,54,59,640/-	45,35,45,964	61.65
2.	Oil India Limited	191,26,42,020/-	19,12,64,202	26.00
3.	Governor of Assam	90,82,13,370/-	9,08,21,337	12.35
5.	Nominees of Promoters i.e. BPCL & Govt. of Assam	410/-	41	Negligible
	Total	735,63,15,440/-	73,56,31,544	100.00

g. Plant location:

Numaligarh Refinery Limited
Pankagrang,
P.O. Numaligarh Refinery Complex
Dist. Golaghat, Assam
Pin- 785699

h. Address for correspondence:

Numaligarh Refinery Limited
122A, G. S. Road,
Christianbasti,
Guwahati, Assam
Pin- 781005

CORPORATE GOVERNANCE CERTIFICATE

To,

The Members,

NUMALIGARH REFINERY LTD

(CIN: U11202AS1993GOI003893)

122A, G. S. Road, Christianbasti,

Guwahati-781005, Assam

We have examined the Compliance of Conditions of Corporate Governance by **M/s. NUMALIGARH REFINERY LTD** (A Non-Listed Central PSU) for the year ended on 31st March 2020 as stipulated in the guidelines on Corporate Governance for Central Public Sector Enterprises issued by Department of Public Enterprises (DPE) of Ministry of Heavy Industries and Public Enterprises, Government of India in May, 2010 and amendment thereon.

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

In our opinion and to the best of our information and according to the explanation given to us, we certify that the Company has complied with the Conditions of Corporate Governance as stipulated in the above mentioned guidelines which is within the control of the Company except non-compliance of clause 3.1.4 related to at least one-third of Board Members should be Independent Directors. As per the explanation submitted by the management, the Company being a Central PSU, the Independent Directors are appointed by the Govt. of India. Hence, the Company does not have any authority for the appointment of such Board Members.

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

For **Amit Pareek & Associates**
Company Secretaries

Sd/-
Amit Pareek
Proprietor
FCS: 5714
COP: 4289

Date: 10.06.2020

Place: GUWAHATI

UDIN: F005714B000330711

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2020

*[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]*

To,
The Members,
M/s NUMALIGARH REFINERY LIMITED,
(CIN: U11202AS1993GOI003893)
122A, G. S. Road, Christianbasti,
Guwahati-781005, Assam

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. NUMALIGARH REFINERY LIMITED** (A Non-Listed Central PSU). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

We report that:

- Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our Audit.
- We have followed the Audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- We have not verified the correctness and appropriateness of the financial statement of the Company.
- The compliance of the provisions of the Corporate and other applicable Laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verifications of procedures on test basis.
- The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on **31st day of March, 2020 ("audit period")**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s. NUMALIGARH REFINERY LIMITED** ("The Company") for the financial year ended on **31st March, 2020** according to the provisions of:

- The Companies Act, 2013 (the Act) and the rules made there under;
- Other Laws specifically applicable to the Company such as – (a) The Petroleum Act, 1934 and Petroleum Rules, 2002; (b) Factories Acts and Rules; (c) The Environment (Protection) Act, 1986 and Noise Pollution (Regulation & Control) Rules; (d) Contract Labour (Regulation & Abolition) Act, 1970 & Rules; (e) Explosive Act, 1984 & The Static at Mobile Pressure Vessels Rules, 2016; (f) Hazardous and other Waste Management Rules, 2016; (g) Income Tax Act, 1961 & Rules etc.

We have also examined compliance with the applicable clauses of the following:

- Secretarial Standards issued by The Institute of Company Secretaries of India.
- Guidelines on Corporate Governance for Central Public Sector Enterprises issued by the Department of Public Enterprises of Ministry of Heavy Industries and Public Enterprises, Government of India in May, 2010 and amendment thereon by the Govt.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above which is within the control of the Company.

We further report that:

The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice were given to all the Directors to schedule the Board Meetings, agenda and relevant Agenda Folder were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Board decisions are carried out with unanimous consent and therefore, no dissenting views were required to be captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the company had no specific events / actions which is having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.).

We further report that during the audit period there were no instances of:

- (i) Public/Right/Preferential issue of shares / debentures/sweat equity, etc.
- (ii) Redemption / buy-back of securities.
- (iii) Merger/ amalgamation / reconstruction, etc.

For **Amit Pareek & Associates**
Company Secretaries

Sd/-
Amit Pareek
Proprietor
FCS: 5714
COP: 4289

Date: 10.06.2020
Place: GUWAHATI
UDIN: F005714B000330709

FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis : NIL

2. Details of contracts or arrangements or transactions at Arm's length basis :

Name (s) of the related party & nature of relationship	Nature of contracts /arrangements / transaction	Duration of the contracts / arrangements / transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Date of approval by the Board	Amount paid as advances, if any
BHARAT PETROLEUM CORPORATION LIMITED (Holding Company)	Sale of product	Ongoing transaction	Sale of products by NRL to BPCL at Refinery Transfer price – ₹11,892.28 crores during the year	Not applicable	Nil
OIL INDIA LIMITED (Substantial Holding)	Crude purchase & transportation charges	Ongoing transaction	Purchase of crude by NRL from OIL at market price – ₹5,490.52 crores during the year	Not applicable	Nil
OIL INDIA LIMITED (Substantial Holding)	Natural Gas Purchase	Ongoing transaction	Purchase of natural gas by NRL from OIL at market price – ₹279.85 crores during the year	Not applicable	Nil
OIL INDIA LIMITED (Substantial Holding)	Pipe Line Freight for transport of products	Ongoing transaction	Pipeline Transportation charges paid by NRL to OIL for finished goods transportation – ₹141.23 crores during the year	Not applicable	Nil
BHARAT OMAN REFINERIES LIMITED (Joint Venture of Holding Company, BPCL)	Purchase of Naphtha	Ongoing transaction	Purchase of Naphtha by NRL from BORL at market price – ₹67.74 crores during the year	Not applicable	Nil
BHARAT OMAN REFINERIES LIMITED (Joint Venture of Holding Company BPCL)	Purchase HSD & SKO	Ongoing transaction	Purchase of HSD & SKO by NRL from BORL at market price – ₹47.31 crores during the year	Not applicable	Nil
DNP Limited (Joint Venture)	Natural Gas Transportation	Ongoing transaction	Pipeline Transportation charges paid by NRL to DNP Limited for natural gas transportation – ₹93.08 crores during the year	Not applicable	Nil
BRAHMAPUTRA CRACKER AND POLYMER KIMITED (Associate Company)	Sale of product	Ongoing transaction	Sale of naphtha by NRL to BCPL at lower of crude equivalent price and Net Realisable price - ₹504.91 crores during the year	Not applicable	Nil
BHARAT PETROLEUM CORPORATION LIMITED (Holding Company)	Availing of services	Ongoing transaction	Charges for various services provided by BPCL to NRL – ₹1.75 crores during the year	Not applicable	Nil

Name (s) of the related party & nature of relationship	Nature of contracts /arrangements / transaction	Duration of the contracts / arrangements / transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Date of approval by the Board	Amount paid as advances, if any
BHARAT PETROLEUM CORPORATION LIMITED (Holding Company)	Purchase of Crude Oil	Ongoing transaction	Purchase of crude oil by NRL from BPCL at Market Price - ₹78.46 crores during the year	Not applicable	Nil
BHARAT PETROLEUM CORPORATION LIMITED (Holding Company)	Rendering of Services	Ongoing transaction	Charges for various services rendered by NRL to BPCL – ₹1.15 crores during the year	Not applicable	Nil
BHARAT PETROLEUM CORPORATION LIMITED (Holding Company)	Rendering of Services	Ongoing transaction	Salary and Allowances of employees on deputation - ₹0.53 crores during the year	Not applicable	Nil
BHARAT PETROLEUM CORPORATION LIMITED (Holding Company)	Lube Oil Purchase	Ongoing transaction	Purchase of Lube oil by NRL from BPCL at market rate - ₹1.48 crores during the year	Not applicable	Nil
OIL INDIA LIMITED (Substantial Holding)	Charges for Facilities availed by OIL at NRL	Ongoing transaction	Charges received by NRL from OIL for various facilities provided by NRL to OIL - ₹5.10 crores during the year	Not applicable	Nil
Assam Bio Refinery Private Limited (Joint Venture)	Rendering of Services	Ongoing transaction	Charges for various services rendered by NRL to ABRPL including rental for lease of land – ₹4.08 crores during the year	Not applicable	Nil
Assam Bio Refinery Private Limited (Joint Venture)	Rendering of Services	Ongoing transaction	Salary and Allowances of employees on deputation – ₹4.28 crores during the year	Not applicable	Nil
Indradhanush Gas Grid Limited (Joint Venture)	Rendering of Services	Ongoing transaction	Salary and Allowances of employees on deputation – ₹2.18 crores during the year	Not applicable	Nil

Annexure-D

Statement showing the total number of employees and the number of Scheduled Castes & Scheduled Tribes amongst them as on 01.01.2020

Group/Class	Permanent/ Temporary	Total No. of employees	Scheduled Castes	% of total employees	Scheduled Tribes	% of total employees	OBC	% of total employees
Group – A Other than lowest rung of Group - A	Permanent	404	56	13.86	28	6.93	106	26.24
Lowest rung of Group-A (02)	Permanent	76	4	5.26	6	7.89	13	17.11
Total		480	60	12.5	34	7.08	119	24.79
Group - B	Permanent	-	-	-	-	-	-	-
Group - C	Permanent	434	42	9.68	61	14.06	146	33.64
Group - D (Excluding Sweepers)	Permanent	-	-	-	-	-	-	-
Group - D (Sweepers)	Nil	-	-	-	-	-	-	-
Total		914	102	11.16	95	10.39	265	28.99

Statement showing representation of Scheduled Castes & Scheduled Tribes in each Service Controlled by the Ministry

(a) Position as on 1.1.2020

Grades of the Service including Scale of Pay		Groups	Total no. of Posts	Total No. of Employees	Employees belong to		
Grades	Scale of Pay (Under revision)				Other Community	SC	ST
1	(2)	(3)	(4)	(5)	(6)	(7)	(8)
NON-SUPERVISORY EMPLOYEES							
I	₹ 9000-15300	D	0	0	0	0	0
II	₹ 9700-16800	C	6	6	2	2	2
III	₹ 10350-31200	C	10	10	3	2	5
IV	₹ 10900-31500	C	12	12	10	0	2
V	₹ 11400-32500	C	24	24	22	0	2
VI	₹ 12200-33500	C	72	72	61	5	6
VII	₹ 12450-35500	C	57	57	47	10	10
VIII	₹ 13150-45000	C	102	102	78	7	18
IX	₹ 20000-48000	C	153	153	122	13	18
SUPERVISORY EMPLOYEES							
02	₹ 50000 - 160000	A	18	18	16	0	2
A	₹ 60000 - 180000	A	87	87	72	12	3
B	₹ 70000 - 200000	A	54	54	42	8	4
C	₹ 80000 - 220000	A	113	113	96	10	7
D	₹ 90000 - 240000	A	64	64	34	19	11
E	₹ 100000 - 260000	A	77	77	67	7	3
F	₹ 120000 - 280000	A	37	37	32	2	3
G	₹ 120000 - 280000	A	14	14	12	2	0
H	₹ 120000 - 280000	A	10	10	9	0	1

Statement showing the Number of Reserved vacancies filled by Members of Scheduled Castes & Scheduled Tribes (During the year 2019-20)

Class of Posts	Total No. of Vacancies		Scheduled Castes						Scheduled Tribes						Remarks
	Notified	Filled	No. of Vacancies reserved		No. of SC	No. of SCs	No. of SCs candidates	No. of reservation lapsed	No. of Vacancies reserved		No. of STs	No. of STs vacancies	No. of STs	No.of reservations lapsed	
			Out of Col.2	Out of Col. 3	Candidates appointed	Vacancies carried forward	Appointed against vacancies reserved for SCs in the 3 rd year of carry forward	After carrying forward for three years	Out of Col 2	Out of Col 3	candidates appointed	carried forward from the previous year.	candidates appointed against vacancies reserved for STs in the 3 rd year of carry forward	After carrying forward for three years.	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Posts filled by Direct Recruitment															
Group A	37	37	4	4	4	NIL	NIL	NIL	2	2	2	NIL	NIL	NIL	
Other than lowest rung of Group-A	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	
Lowest rung of Group-A	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	
Group B	NIL	NIL	NRL do not have Group B posts.												
Group C	26	26	4	4	4	NIL	NIL	NIL	3	3	3	NIL	NIL	NIL	
Group D (Excluding Sweepers)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	
Group D (Sweepers)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	
Posts filled by Promotion *	No promotions have taken place which attracts reservation.														
Group A															
Other than lowest rung of Group-A															
Lowest rung of Group-A															
Group- B	No promotions have taken place which attracts reservation.														
Group C	No promotions have taken place which attracts reservation.														
Group-D (Excluding Sweepers)	No promotions have taken place which attracts reservation.														

* Reservation is not applicable for promotion in Group 'A', 'C' & 'D' posts.

Annexure-E

FORM AOC-1

[Pursuant to first proviso to sub-section (3) of section 129 of the Companies Act, 2013 read with rule 5 of Companies (Accounts) Rules, 2014].

Statement containing salient features of the financial statement of Subsidiaries/Associate Companies / Joint ventures for the financial year ended 31st March 2020

PART "A": Subsidiaries : NIL

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Venture Companies.

Name of associates/Joint Ventures	DNP Limited	Brahmaputra Cracker and Polymer Limited	Assam Bio Refinery Pvt. Ltd.	Indradhanush Gas Grid Ltd.
1. Latest audited Balance Sheet Date	31 st March 2019	31 st March 2019	31 st March 2019	31 st March 2019
2. Shares of Associate/Joint Ventures held by the company on the year end				
• No. of Equity Shares	4,34,90,000	14,17,67,000	6,75,00,000	1,20,00,000
• Amount of Investment in Associates/ Joint Venture	₹43.49 crore	₹141.77 crore	₹67.50 crore	₹12.00 crore
• Extend of Holding %	26.00	10.00	50.00	20.00
3. Description of how there is significant influence	By virtue of shareholding / Joint Venture Agreement.	By representation in the Board of Directors	By virtue of shareholding / Joint Venture Agreement.	By virtue of shareholding / Joint Venture Agreement.
4. Reason why the associate/joint venture is not consolidated	Not Applicable	Not Applicable	Not Applicable	Not Applicable
5. Net worth attributable to shareholding as per latest audited Balance Sheet	₹66.58 crore	₹56.59 crore	₹21.03 crore	₹2.58 crore
6. Profit/Loss for the year				
i. Considered in Consolidation	₹9.21 crore	₹150.61 crore	₹(0.26) crore	₹(1.44) crore
ii. Not Considered in Consolidation	Not Applicable	Not Applicable	Not Applicable	Not Applicable

- Names of associates or joint ventures which are yet to commence operations – Nil
- Names of associates or joint ventures which have been liquidated or sold during the year – Nil

As per our report of even date

For M C Bhandari & Co
Chartered Accountants
ICAI FRN: 303002E

Sd/-
CA. Neeraj Jain
Partner
Membership No. 064393
UDIN: 20064393AAAAIQ4889

Place: Kolkata
Date : 22nd May 2020

For and on behalf of the Board of Directors

Sd/-
S.K. Barua
Managing Director
DIN: 06503943

Sd/-
H. K. Sarmah
Company Secretary

Place: Guwahati
Date : 22nd May 2020

Sd/-
Indranil Mitra
Director (Finance)
DIN: 06883068

FORM NO. MGT 9**EXTRACT OF ANNUAL RETURN****For the financial year ended on 31st March, 2020****Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.****I REGISTRATION & OTHER DETAILS:**

i	CIN	U11202AS1993GOI003893
ii	Registration Date	22/04/1993
iii	Name of the Company	NUMALIGARH REFINERY LTD
iv	Category / Sub-Category of the Company	Public Company Limited by Shares
v	Address of the Registered office & contact details	122A, G. S. Road, Christianbasti, Guwahati – 781005, Assam, India Telephone: 0361- 2203147 Fax: 0361- 2203152 Email ID: z_compsec@nrl.co.in Web Site: www.nrl.co.in
vi	Whether listed company	No
vii	Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s. Data Software Research Co. Pvt. Limited 19, Pycrofts Garden Road Off. Haddows Road, Nungambakkam, Chennai-600 006, India Phone: 044-28213738/28214487 Fax:044-28214636 Email ID: dsrcomd@vsnl.com Web site: www.dsrc.com

II. PRINCIPAL BUSINESS ACTIVITY OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1	Motor Spirit (MS)	Group 192; sub-class: 19201	22.93%
2	High Speed Diesel (HSD)	Group 192; sub-class: 19201	68.18%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name And Address of The Company	CIN/GLN	Holding/ Subsidiary /Associate	% of shares held	Applicable Section
1	Bharat Petroleum Corporation Limited, Bharat Bhavan, Currimbhoy Road, Ballard Estate, Mumbai-400001	L23220MH1952GOI008931	Holding	61.65%	2(46)
2	DNP Limited, Flat No.4, H.No.2, Dinesh Mansion, 2 nd Floor, Dr. R.P. Road, Dispur, Guwahati-781006	U51410AS2007SGC008410	Associate	26%	2(6)
3	Brahmaputra Cracker and Polymer Ltd., H.No. 6, 1 st Floor, Bhuban Road, Uzan Bazar, Guwahati-781001	U11101AS2007GOI008290	JV	10%	2(6)
4	Assam Bio Refinery Private Limited, 122A, G. S. Road, Christianbasti, Guwahati-781005	U74999AS2018PTC018547	Associate	50%	2(6)
5	Indradhanush Gas Grid Limited, 5th Floor, Central Mall, Christian Basti, Guwahati – 781005, Assam	U40300AS2018GOI018660	Associate	20%	2(6)

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

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2019)				No. of Shares held at the end of the year (31.03.2020)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter s									
(1) Indian									
a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.-Govt. of Assam	-	90821337	90821337	12.35	-	90821337	90821337	12.35	Nil
d) Bodies Corp.-BPCL	-	453545964	453545964	61.65	-	453545964	453545964	61.65	Nil
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other: Nominee of Promoters									
1. S. K. Agrawal jointly with BPCL	-	8	8	-	-	Nil	Nil	-	-
2. Ravi Kapoor (Nominee of GOA)	-	7	7	-	-	Nil	Nil	-	-
3. Sukhmal Jain jointly with BPCL	-	8	8	-	-	8	8	-	-
4. Sanjay Khanna jointly with BPCL	-	8	8	-	-	8	8	-	-
5. N. Vijayagopal jointly with BPCL	-	8	8	-	-	8	8	-	-
6. Pankaj Das jointly with BPCL	-	1	1	-	-	1	1	-	-
7. Sunil Kumar Agrawal jointly with BPCL	-	1	1	-	-	1	1	-	-
8. Dr. K. K. Dwivedi (Nominee of GOA)	-	-	-	-	-	7	7	-	-
9. Ms. Sujata Chogle jointly with BPCL	-	-	-	-	-	8	8	-	-
Sub-total(A)(1):		544367342	544367342			544367342	544367342	74%	No change
(2) Foreign									
g) NRIs-Individuals	-	-	-	-	-	-	-	-	-
h) Other - Individual/	-	-	-	-	-	-	-	-	-
i) Bodies Corp.	-	-	-	-	-	-	-	-	-
j) Banks / FI	-	-	-	-	-	-	-	-	-
k) Any Others	-	-	-	-	-	-	-	-	-
Sub-total(A)(2):-		-	-			-	-		
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2019)				No. of Shares held at the end of the year (31.03.2020)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
h) Foreign Venture Capital Funds		-	-	-	-	-	-	-	-
i) Others - Oil India Limited	191264202	-	191264202	26%	191264202	-	191264202	26%	No change
Sub-total (B)(1):	191264202	-	191264202	26%	191264202	-	191264202	26%	
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	191264202	-	191264202	26%	191264202		191264202	26%	
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	191264202	544367342	735631544	100%	191264202	544367342	735631544	100%	

NB: BPCL means Bharat Petroleum Corporation Limited

ii Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year 2019-20			Shareholding at the end of the year 2019-20			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Bharat Petroleum Corporation Limited (BPCL)	453545964	61.65	-	453545964	61.65	-	No change
2	Governor of Assam	90821337	12.35	-	90821337	12.35	-	No change
4	Nominees of Promoters i.e. BPCL & Govt. of Assam	41	-	-	41	-	-	
	TOTAL	544367347	74%	-	544367347	74%	-	

iii Change in Promoters' Shareholding (please specify, if there is any change)- No changes during the Financial year 2019-20

V INDEBTEDNESS

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

(In ₹)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year 2019-20				
i) Principal Amount	37,77,53,282.51	9,21,772.58	Nil	37,86,75,055.09
ii) Interest due but not paid	-	-	Nil	-
iii) Interest accrued but not due	14,00,734.20	-	Nil	14,00,734.20
Total (i+ii+iii)	37,91,54,016.71	9,21,772.58	-	38,00,75,789.29
Change in Indebtedness during the financial year 2019-20				
- Addition	69,09,30,205.89	5,08,42,131.74	Nil	74,17,72,337.63
- Reduction	(38,40,71,134.60)	-	Nil	(38,40,71,134.60)
Net Change	30,68,59,071.29	5,08,42,131.74	Nil	35,77,01,203.03
Indebtedness at the end of the financial year 2019-20				
i) Principal Amount	68,60,13,088.00	5,17,63,904.32	Nil	73,77,76,992.32
ii) Interest due but not paid	-	-	Nil	-
iii) Interest accrued but not due	-	-	Nil	-
Total (i+ii+iii)	68,60,13,088.00	5,17,63,904.32	Nil	73,77,76,992.32

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

Sl. No.	Particulars of Remuneration	Name of MD/WTD			Total Amount (₹)
		S. K. Barua, Managing Director	B J Phukan, Director (Technical)	Indranil Mittra, Director (Finance) & CFO	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	69,47,916.11	65,81,218.03	49,74,261.69	1,85,03,395.83
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	8,36,957.18	6,63,643.19	5,35,791.99	20,36,392.36
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	Total (A)	77,84,873.29	72,44,861.22	55,10,053.68	2,05,39,788.19
	Ceiling as per the Act	Managerial Remuneration amounting to ₹2.05 Crore (approx) of the Net Profit is within 11% of the Net Profit as per Section 197 & 198 of the Companies Act, 2013			

B. Remuneration to other Directors:

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount (₹)
1	Independent Directors	Rajkumar Sharma	Ms. Sneha Lata Kumar	Dr. Sylvanus Lamare	Jaswant Singh Saini	
	Fee for attending board committee meetings	7,20,000.00	8,00,000.00	2,40,000.00	80,000.00	18,40,000.00
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)	7,20,000.00	8,00,000.00	2,40,000.00	80,000.00	18,40,000.00
2	Other Non-Executive Directors					
	Fee for attending board committee meetings	Nil	Nil	Nil	Nil	Nil
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (2)	Nil	Nil	Nil	Nil	Nil
	Total (B)=(1+2)	7,20,000.00	8,00,000.00	2,40,000.00	80,000.00	18,40,000.00
	Total Managerial Remuneration	NA	NA	NA	NA	NA
	Overall Ceiling as per the Act	NA	NA	NA	NA	NA

C. Remuneration to Key Managerial Personnel Other than MD/Manager/WTD

Sl. No.	Particulars of Remuneration	H K Sarmah, Company Secretary	Total
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	56,10,582.14	56,10,582.14
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	2,30,405.05	2,30,405.05
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit	-	-
	- others, specify...	-	-
5	Others, please specify	-	-
	Total	58,40,987.19	58,40,987.19

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES DURING THE FY 2019-20: NONE

Corporate Social Responsibility (CSR) and Sustainability

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

Mission

To pursue CSR and Sustainability activities with a difference for ushering in inclusive development of the community.

Vision

To identify and implement welfare schemes based on genuine needs of the people through baseline survey and in-house assessment, in consultation with village development committee, district authorities, stakeholders, and to access effectiveness of implemented schemes through periodic evaluation

NRL is the only industry of this stature in this part of the World and the company has been trying to contribute towards the society by engaging with the community since inception even before commissioning of the refinery through its community development schemes. After the introduction of CSR under schedule VII of the Companies Act, 2013, NRL has put special emphasis on a) Livelihood Generation, (b) Promotion of Education and Skill Development, (c) Infrastructure Development, (d) Promotion of Health Care (e) Promotion of Arts, Sports, Literature and Culture in line with its CSR policy.

NRL has been an integral part in implementing several government schemes and adheres to the guidelines of Department of Public Enterprises, Ministry of Petroleum and Natural Gas and of Ministry of Corporate Affairs. Further, NRL has involved itself closely with the district administration of Darrang district which is allotted as an Aspirational District to the Company. Numaligarh and Siliguri are the two locations declared as local area in the CSR policy.

As per Companies Act, 2013, NRL has its CSR policy and guidelines in place, the highlights of the same being:

- In every financial year, at least 2% of average net profits of the Company made during the three immediately preceding financial years is earmarked for undertaking CSR activities.
- NRL has a CSR Committee of the Board headed by an Independent Director, which regularly reviews and monitors all CSR projects.
- A robust governance structure with a dedicated team of CSR professionals strives towards identifying and implementing impactful social projects which are in alignment with the areas specified under schedule VII of the Companies Act, 2013.

The details of the CSR policy, projects and programmes are available on the website of the Company www.nrl.co.in.

2) The Composition of CSR Committee:

The CSR Committee of Directors comprise

- a) Shri Rajkumar Sharma, Chairman of the Committee – Independent Director (upto 30-01-2020)
- b) Dr. Sylvanus Lamare, Chairman of the Committee – Independent Director (w.e.f. 05-02-2020)

c) Sri Bhaskar Phukan, Director (Technical)

d) Sri Indranil Mittra, Director (Finance)

3) Average net profit of the company for the last three financial years ₹3112.69 Crore

4) Prescribed CSR Expenditure for 2019-20 ₹62.25 Crore

5) Details of CSR Spend during the Financial year 2019-20

- a. Total Amount to be spent : ₹62.25 Crore (There was no carry forward from previous year)
- b. Amount Spent : ₹87.61 Crore (Rupees 25 crore contributed to PM CARES Fund to fight Covid-19 Pandemic)
- c. Details of the manner in which the Amount was spent : Enclosed in Attachment

6) Responsibility Statement of the CSR Committee that the implementation and monitoring of CSR policy is in compliance with CSR objectives and Policy of the Company.

We hereby affirm that the CSR policy, as approved by the Board, has been implemented and the CSR Committee monitors the implementation of the CSR projects and activities in compliance with the CSR objectives.

Sd/-
(S Lamare)
Chairman

Sd/-
(B. J. Phukan)
Director (Technical)

Sd/-
(I. Mittra)
Director (Finance)

Appendix to Annexure-G

Details of CSR & Sustainability activities executed during the year 2019-20 (as per provision of Section 135 of the Companies Act, 2013)

(Amount In Lakh)

Sl. No.	CSR Project/ Activity identified	Sectoer in which project covered	Project or Program 1. Local area or others 2. State/Dist where project or program was undertaken	Amount outley Project or Program wise	Amount Spent on Project or Program (Sub head:1. Direct expenditure on Project or Program 2. Overhead	Cummulative Exp. Upto reporting period	Amount spent Direct or through implementing Agency
1	Assisting Assam Cancer Care Foundation for procurement of equipment for Radiation Block in Barpeta Centre annexed to Barpeta Medical College Hospital.	Health Care (Item No. (i) of Schedule-VII)	Barpeta, Assam	1,683.00	1,302.04	1,302.04	Directly by CPSE
2	Construction of a charitable dispensary cum diagnostic centre at Ramakrishna Mission Ashrama, Guwahati	Health Care (Item No. (i) of Schedule-VII)	Kamrup Metro, Assam	195.68	117.41	117.41	Directly by CPSE
3	Niramoy - a Project to conduct routine free mobile medical camps in nearby villages of Refinery	Health Care (Item No. (i) of Schedule-VII)	Golaghat, Assam	204.43	171.27	171.27	VKNRL Hospital
4	Installation of Drinking water ATM at nearby villages	Drinking Water Supply (Item No. (i) of Schedule-VII)	Golaghat, Assam	65.33	56.76	56.76	Directly by CPSE
5	Conducting Remedial & Mentoring coaching program, Career Development Programme, Coaching classes for the students of nearby School & Colleges	Education (Item No. (ii) of Schedule-VII)	Golaghat, Assam	53.31	41.75	41.75	Directly by CPSE
6	Nirmal Chahar - A project to provide waste handling equipments to various Municipalities, Town Committes, Market committees to promote Swacch Bharat Mission	Ensuring environmental sustainability etc. (Item No. (iv) of Schedule-VII)	Within Assam	258.69	246.96	246.96	Directly by CPSE
7	Setting up a Paediatric Oncology Ward at Dr. B. Borooah Cancer Institute, Guwahati for treatment of children suffering from Cancer.	Health Care (Item No. (i) of Schedule-VII)	Kamrup Metro, Assam	200.00	80.00	80.00	Directly by CPSE
8	Adoption of ITI Golaghat by NRL as ITI Golaghat- NRL Centre of Excellance under Project 'Uttoron'	Skill Development, Livelihood enhancement (Item No. (ii) of Schedule-VII)	Golaghat, Assam	212.27	40.85	40.85	Directly by CPSE
9	Assistance for eradicating poverty faced by socially and economically backward groups	Health Care (Item No. (i) of Schedule-VII)	Golaghat, Assam	9.80	7.30	7.30	Directly by CPSE

Sl. No.	CSR Project/ Activity identified	Sectoer in which project covered	Project or Program 1. Local area or others 2. State/Dist where project or program was undertaken	Amount outley Project or Program wise	Amount Spent on Project or Program (Sub head:1. Direct expenditure on Project or Program 2. Overhead	Cummulative Exp. Upto reporting period	Amount spent Direct or through implementing Agency
10	Assistance for treatment of critical ailment & Diseases to the patients who are from economically weaker section of the society.	Health Care (Item No. (i) of Schedule-VII)	Golaghat, Assam	72.90	60.00	60.00	Directly by CPSE
			Kamrup Metro, Assam	6.00	6.00	6.00	Directly by CPSE
11	Conduct free health camps, Eye camp among school students, elderly people	Health Care (Item No. (i) of Schedule-VII)	New Delhi	2.00	2.00	2.00	Directly by CPSE
			Darjeeling, West Bengal	0.20	0.20	0.20	Directly by CPSE
12	Conducting vocational training on various trades among youth/Women/ School Students.	Skill Development, Livelihood enhancement (Item No. (ii) of Schedule-VII)	Golaghat, Assam	9.56	7.39	7.39	Directly by CPSE
			Kamrup Rural, Assam	1.50	1.50	1.50	Directly by CPSE
13	Construction & renovation of Toilets facility in public places for maintaining clean and hygienic environment	Sanitation (Item No. (i) of Schedule-VII of the Companies Act, 2013)	Golaghat, Assam	113.46	55.98	55.98	Directly by CPSE
			Golaghat, Assam	11.23	7.61	7.61	State Govt
			Jorhat, Assam	0.78	0.78	0.78	Directly by CPSE
			Sivsagar, Assam	6.01	4.00	4.00	Directly by CPSE
14	Construction / Renovation of School Building, Class Room, Laboratory, boundary wall, auditorium, playground, information centre etc. and providing various amenities for better educational environment.	Education (Item No. (ii) of Schedule-VII)	Darrang, Assam	547.14	437.71	437.71	State Govt
			Golaghat, Assam	803.90	442.21	442.21	Directly by CPSE
			Jorhat, Assam	96.34	27.49	27.49	Directly by CPSE
			Kamrup Metro, Assam	11.21	6.56	6.56	Directly by CPSE
			Karbi Anglong, Assam	14.26	14.26	14.26	Directly by CPSE
			Nagaon, Assam	23.56	22.39	22.39	Directly by CPSE
			Sivsagar, Assam	35.66	13.00	13.00	Directly by CPSE
			Darjeeling, West Bengal	2.70	2.70	2.70	Directly by CPSE
15	Construction of Skill Development Centre at Dongkamukam, West Karbianglong for development of various skills of women & children from underprivileged society.	Skill Development, Livelihood enhancement (Item No. (ii) of Schedule-VII)	Karbi Anglong, Assam	8.31	7.50	7.50	Directly by CPSE
16	Construction of Tongi Ghar (Watch tower) in different villages adjacent to Refinery for protection of crops from wild elephant	Ensuring environmental sustainability, Animal Welfare etc. (Item No. (iv) of Schedule-VII)	Golaghat, Assam	16.83	9.69	9.69	Directly by CPSE

Sl. No.	CSR Project/ Activity identified	Sectoer in which project covered	Project or Program 1. Local area or others 2. State/Dist where project or program was undertaken	Amount outley Project or Program wise	Amount Spent on Project or Program (Sub head:1. Direct expenditure on Project or Program 2. Overhead	Cummulative Exp. Upto reporting period	Amount spent Direct or through implementing Agency
17	Construction/ Development of village road, culvert, road side drain system, retaining wall, waiting shed, cremation groud, installation of street light etc. for ensuring Swachhta in Rural Areas.	Rural Development (Item No. (x) of Schedule-VII)	Golaghat, Assam	570.12	270.35	270.35	Directly by CPSE
			Golaghat, Assam	172.94	86.47	86.47	State Govt
18	Construction/ Renovation of Anganbari Kendra for maintaining clean and hygienic environment for children	Health Care (Item No. (i) of Schedule-VII)	Darrang, Assam	197.96	79.18	79.18	State Govt
			Golaghat, Assam	27.01	11.09	11.09	Directly by CPSE
19	Contribution towards greening initiative in public places to prmore better heath for elderly citizen and children	Sanitation (Item No. (i) of Schedule-VII of the Companies Act, 2013)	Golaghat, Assam	6.04	5.50	5.50	Directly by CPSE
			Golaghat, Assam	15.00	7.00	7.00	State Govt
20	Contribution towards Physical & Mental development of children/youth/Sr citizen etc	Health Care (Item No. (i) of Schedule-VII)	Golaghat, Assam	6.05	2.64	2.64	Directly by CPSE
			Golaghat, Assam	5.23	5.23	5.23	State Govt
			Majuli, Assam	2.00	2.00	2.00	Directly by CPSE
21	Develop Pisciculture in nearby villages to generate livelihood of the villagers in collaboration with District Fishery Department	Skill Development, Livelihood enhancement (Item No. (ii) of Schedule-VII)	Golaghat, Assam	10.35	6.28	6.28	Directly by CPSE
22	Developing Mazdoor gaon, Napathar Natun Gaon, Lakhipur, Gandhigaon and Chawrabasti as Model Village giving emphasis on development of road infrastructure, sanitation, water supply, electrification, health & hyegine	Rural Development (Item No. (x) of Schedule-VII)	Golaghat, Assam	122.25	70.99	70.99	Directly by CPSE
23	Plantation on Green Corridor and at various key locations as a project under Swachh Bharat Mission	Ensuring environmental sustainability, Animal Welfare etc. (Item No. (iv) of Schedule-VII)	Jorhat, Assam	1.75	1.75	1.75	Directly by CPSE
			Kamrup Metro, Assam	18.88	18.88	18.88	Directly by CPSE
			Nagaon, Assam	17.30	17.30	17.30	Directly by CPSE
24	Development / Renovation of market places at Golagaht & Bokakhat for maintaining clean and hygienic environment under Swachh Bharat Mission.	Sanitation (Item No. (i) of Schedule-VII of the Companies Act, 2013)	Golaghat, Assam	2.60	2.55	2.55	Directly by CPSE

Sl. No.	CSR Project/ Activity identified	Sectoer in which project covered	Project or Program 1. Local area or others 2. State/Dist where project or program was undertaken	Amount outley Project or Program wise	Amount Spent on Project or Program (Sub head:1. Direct expenditure on Project or Program 2. Overhead	Cummulative Exp. Upto reporting period	Amount spent Direct or through implementing Agency
25	Development of Custom Hiring Centre in nearby villages to promote farm mechanization. Also providing assistance to farmers of nearby localities for traditional and alternate farming by way of providing improve seed, fertilizer, pump set etc.	Skill Development, Livelihood enhancement (Item No. (ii) of Schedule-VII)	Golaghat, Assam	61.06	19.43	19.43	Directly by CPSE
			Golaghat, Assam	12.58	5.86	5.86	State Govt
26	Development of Infrastructure facility at various historical places and world heritage sites under Swachh Bharat Mission.	Protection of national heritage, Art and culture, setting up public libraries etc. (Item No. (v) of Schedule-VII)	Golaghat, Assam	27.11	14.68	14.68	Directly by CPSE
27	Dishtri -A free Eye Screening cum Cataract detection and operation for under privilege section of society and Eye screening of school children in and around Golaghat District	Health Care (Item No. (i) of Schedule-VII)	Golaghat, Assam	24.77	22.24	22.24	Directly by CPSE
28	Distribution of test papers among the HSLC appearing students of nearby schools	Education (Item No. (ii) of Schedule-VII)	Golaghat, Assam	8.60	8.56	8.56	Directly by CPSE
29	Distribution of uniform/winter clothes, Play equipments, Kitchen Utensils, Health & Hygiene products etc. among children, poor & needy people from underprivileged background	Health Care (Item No. (i) of Schedule-VII)	Darrang, Assam	3.32	3.02	3.02	Directly by CPSE
			Golaghat, Assam	2.69	2.63	2.63	State Govt
			Kamrup Metro, Assam	2.00	2.00	2.00	Directly by CPSE
30	Distribution of search light in villages in and around refinery for protection against elephant infringement	Ensuring environmental sustainability, Animal Welfare etc. (Item No. (iv) of Schedule-VII)	Golaghat, Assam	1.03	1.03	1.03	State Govt
31	Educate and train boys and girls of low income household as Geriatric Caregivers.	Education (Item No. (ii) of Schedule-VII)	Golaghat, Assam	52.65	14.16	14.16	Directly by CPSE
32	Financial Assistance to Vivekananda Kendra Rock Memorial, Kanyakumari for setting up of new school, hostel facility, Library, Staff room etc. at Vivekananda Kendra Vidyalaya	Education (Item No. (ii) of Schedule-VII)	Dhemaji, Assam	1.00	1.00	1.00	Directly by CPSE
			Karbi Anglong, Assam	99.39	29.39	29.39	Directly by CPSE

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33	Impart and Promote need based education among students of Government and provincialized high and higher secondary schools of the district.	Education (Item No. (ii) of Schedule-VII)	Golaghat, Assam	35.34	11.09	11.09	State Govt
34	Improvement of infrastructure facilities at public premises for the benefit of general public.	Rural Development (Item No. (x) of Schedule-VII)	Golaghat, Assam	3.92	3.92	3.92	Directly by CPSE
			Golaghat, Assam	19.91	14.23	14.23	State Govt
35	Infrastructure and logistic improvement in Mangaldai Civil Hospital, Operationalisation of Prasuti Mangal Kendra under aspirational district programme	Health Care (Item No. (i) of Schedule-VII)	Darrang, Assam	54.78	29.69	29.69	State Govt
36	Infrastructure development of Public Health centre including supply of furniture in nearby areas	Health Care (Item No. (i) of Schedule-VII)	Golaghat, Assam	2.85	2.85	2.85	State Govt
37	Installation of safe & clean drinking water facility in various educational institutes, Public places, installation of hand pump, Ring well, water purifier system, revival of existing defunct piped water sypply scheme in nearby villages and providing water tankers for supply of water in urban areas.	Drinking Water Supply (Item No. (i) of Schedule-VII)	Golaghat, Assam	149.58	66.99	66.99	Directly by CPSE
			Golaghat, Assam	9.11	9.11	9.11	State Govt
			Jorhat, Assam	0.82	0.66	0.66	Directly by CPSE
			Sivsagar, Assam	4.07	4.07	4.07	Directly by CPSE
38	Installation of SWATCH [®] Waste Destruction System for mixed solid waste decomposition in the neighborhood of the Refinery	Ensuring environmental sustainability, Animal Welfare etc. (Item No. (iv) of Schedule-VII)	Golaghat, Assam	0.88	0.88	0.88	Directly by CPSE
39	NRL Helping Hand, A Scheme that support differently abled people by way of providing aids and appliances; assistance for rehabilitation, to provide free fooding , Community based rehabilitation program etc.	Supporting Differently abled & their livelihood Item No.(ii) of Schedule-VII)	Golaghat, Assam	20.35	19.95	19.95	Directly by CPSE
			Kamrup Metro, Assam	4.80	1.63	1.63	Directly by CPSE
			Darjeeling, West Bengal	0.25	0.25	0.25	Directly by CPSE
40	Offering pediatric therapy for children with delayed development milestones and disability in Golaghat District	Health Care (Item No. (i) of Schedule-VII)	Golaghat, Assam	22.83	7.00	7.00	Directly by CPSE
41	Operation & Maintenance of VK NRL School of Nursing at Numaligarh	Education (Item No. (ii) of Schedule-VII)	Golaghat, Assam	270.71	156.86	156.86	VKNRLSoN Trust

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42	Operation and maintenance of NRL Football Academy and its feeder centre under project "Khel Prashikhan"	Sports (Item No. (vii) of Schedule-VII)	Golaghat, Assam	163.25	144.05	144.05	Directly by CPSE
43	Operation of Badminton & Boxing coaching centres at Golaghat under project "Khel Prashikshan"	Sports (Item No. (vii) of Schedule-VII)	Golaghat, Assam	4.92	3.69	3.69	Directly by CPSE
44	Operation of Digital Literacy centre at Lattekujan Tea Estate in association with IRDIS, Guwahati to promote computer education among school childrens	Education (Item No. (ii) of Schedule-VII)	Golaghat, Assam	10.29	5.93	5.93	Directly by CPSE
45	Organize various activities to promote Swachh Bharat Mission_ such as awareness campaigns, cleanliness drive, competition, street play, plantation drive, Installation of Road side waste bin, whitewashing of market places etc. as part of Swachhta Pakhwada and Swachhta Hi Sewa campaign	Sanitation (Item No. (i) of Schedule-VII of the Companies Act, 2013)	Within Assam	135.37	83.49	83.49	Directly by CPSE
			West Bengal	0.91	0.91	0.91	Directly by CPSE
46	Organizing Anti tobacco campaign programme at schools, nearby villages	Health Care (Item No. (i) of Schedule-VII)	Golaghat, Assam	3.67	1.52	1.52	Directly by CPSE
47	Organizing training program through ARDSI, Guwahati Chapter for care of persons suffering from Alzheimer's Disorder	Health Care (Item No. (i) of Schedule-VII)	Kamrup Metro, Assam	24.40	12.00	12.00	Directly by CPSE
48	Paricchannata - a scheme to provide Low Cost Sanitary toilet to BPL household through DBT mode to ensure better health and Hygine including elimination of open defecation.	Sanitation (Item No. (i) of Schedule-VII of the Companies Act, 2013)	Golaghat, Assam	216.94	97.37	97.37	Directly by CPSE
49	Plantation of Fruit bearing trees in nearby villages through DBT mode to generate livelihood of the villagers	Ensuring environmental sustainability, Animal Welfare etc. (Item No. (iv) of Schedule-VII)	Golaghat, Assam	38.87	12.89	12.89	Directly by CPSE
50	Preparation of survey report and pre-project activity for the proposed Nursing School in Ri-Bhoi district, Meghalaya	Education (Item No. (ii) of Schedule-VII)	Ri-Bhoi, Meghalaya	5.00	3.00	3.00	Directly by CPSE

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51	Preservation and promotion of Art, Literature and culture of Assam by providing financial assistance for promoting culture, Repairing & renovation of Community hall, Club etc. in the neighborhood of Refinery	Protection of national heritage, Art and culture, setting up public libraries etc. (Item No. (v) of Schedule-VII)	Within Assam	131.32	78.52	78.52	Directly by CPSE
52	Prevention and Protection of human life by providing wooden boats to the flood prone area of Golaghat District.	Health Care (Item No. (i) of Schedule-VII)	Golaghat, Assam	8.75	8.00	8.00	Directly by CPSE
53	Project -"Swa Nirbhar" Promoting local entrepreneur, SHG & JLG for setting up various livelihood projects	Skill Development, Livelihood enhancement (Item No. (ii) of Schedule-VII)	Darrang, Assam	9.41	9.41	9.41	Directly by CPSE
			Golaghat, Assam	82.57	55.31	55.31	Directly by CPSE
			Karbi Anglong, Assam	32.00	8.90	8.90	Directly by CPSE
54	Project -Uttoron: Providing external skill upgradation Training on various trades i.e. Geriatric Home Health Aids, Hospitality & Tourism sector, Nursing, Welding, Fitter, Machine operator, paramedical science etc.	Skill Development, Livelihood enhancement (Item No. (ii) of Schedule-VII)	Golaghat, Assam	120.90	76.18	76.18	Directly by CPSE
			Majuli, Assam	26.82	5.00	5.00	State Govt
55	Promotion of Education by providing Scholarship under various schemes to meritorious students from economically weaker section of society to pursue higher education in various educational institute including Sainik School and DPS Numaligarh.	Education (Item No. (ii) of Schedule-VII)	Golaghat, Assam Darjeeling, West Bengal	132.49	82.44	82.44	Directly by CPSE
56	Promotion of sports including rural sports by developing sports infrastructure facilities & providing sports equipment, providing sports gear to renowned sports persons, promoting sports events etc.	Sports (Item No. (vii) of Schedule-VII)	Golaghat, Assam	70.90	27.03	27.03	Directly by CPSE
			Jorhat, Assam	8.28	4.58	4.58	Directly by CPSE
			Kamrup Metro, Assam	2.50	2.50	2.50	Directly by CPSE
			Nalbari, Assam	2.00	2.00	2.00	Directly by CPSE
			Sivsagar, Assam	4.20	4.20	4.20	Directly by CPSE
			Sonitpur, Assam	1.00	1.00	1.00	Directly by CPSE

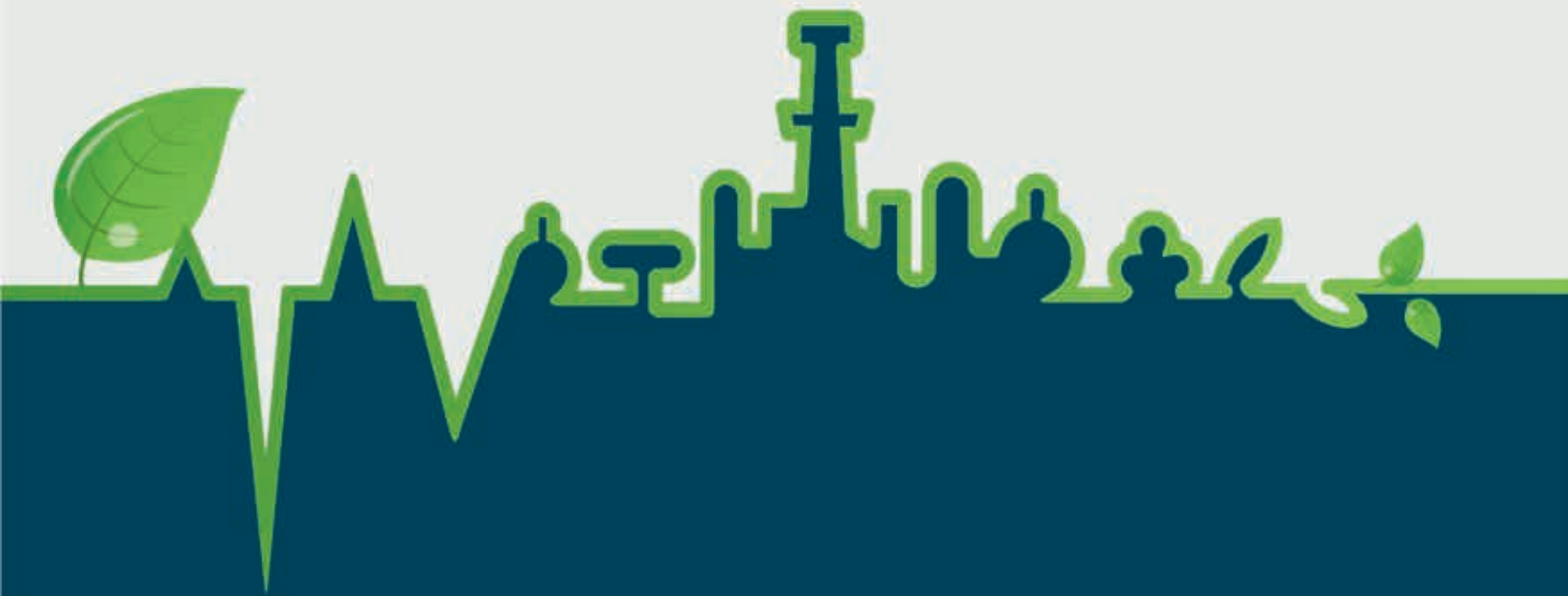
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57	Protection of Environment by tree plantation at various location	Ensuring environmental sustainability, Animal Welfare etc. (Item No. (iv) of Schedule-VII)	Golaghat, Assam	20.01	8.59	8.59	Directly by CPSE
			Kamrup Metro, Assam	18.31	12.82	12.82	State Govt
58	Providing assistance to various Women entrepreneur, SHG, weaving units towards empowerment of women.	Promoting Gender equality, Empowering women (Item No. (iii) of Schedule-VII)	Golaghat, Assam	67.55	42.32	42.32	Directly by CPSE
			Kamrup Metro, Assam	1.00	1.00	1.00	Directly by CPSE
			Sonitpur, Assam	25.00	19.00	19.00	Directly by CPSE
59	Providing Ambulance to cater the medical emergency of nearby villagers	Health Care (Item No. (i) of Schedule-VII)	Golaghat, Assam	103.01	67.59	67.59	Directly by CPSE
60	Providing external skill upgradation Training on Dialysis Technician & Radiology Technician covering 50 students of Golaghat & Karbi Anglong district.	Health Care (Item No. (i) of Schedule-VII)	Golaghat & Karbi Anglong, Assam	36.41	8.68	8.68	Directly by CPSE
61	Providing financial assistance to promote awareness on Climate change	Ensuring environmental sustainability, Animal Welfare etc. (Item No. (iv) of Schedule-VII)	Jorhat, Assam	2.50	2.50	2.50	Directly by CPSE
62	Providing financial assistance to promote awareness on various aspects like voter education, social issues	Education (Item No. (ii) of Schedule-VII)	Within Assam	19.50	18.40	18.40	Directly by CPSE
63	Providing food support to Physically & Economically challenged school students	Health Care (Item No. (i) of Schedule-VII)	Golaghat, Assam	3.25	3.00	3.00	Directly by CPSE
64	Providing Medical equipment, furniture & Fixtures to various Health Centres, Hospitals, Medical College to provide better services to the patients	Health Care (Item No. (i) of Schedule-VII)	Dima Hasao, Assam	15.65	7.04	7.04	Directly by CPSE
			Golaghat, Assam	2.24	2.21	2.21	State Govt
			Jorhat, Assam	39.20	39.20	39.20	Directly by CPSE
65	Providing Mid day meal delivery vans to Akshaya Patra's Foundation for carrying cooked meal for the school students of various schools	Education (Item No. (ii) of Schedule-VII)	Jorhat, Assam	183.63	183.63	183.63	Directly by CPSE

Sl. No.	CSR Project/ Activity identified	Sectoer in which project covered	Project or Program 1. Local area or others 2. State/Dist where project or program was undertaken	Amount outley Project or Program wise	Amount Spent on Project or Program (Sub head:1. Direct expenditure on Project or Program 2. Overhead	Cummulative Exp. Upto reporting period	Amount spent Direct or through implementing Agency
66	Providing one TATA Sumo vehicle to Prerona Pratibandhi Sishu Bikash Kendra to facilitate transport to rural areas for carrying out activities for specially challenged children	Skill Development, Livelihood enhancement (Item No. (ii) of Schedule-VII)	Jorhat, Assam	2.41	1.47	1.47	Directly by CPSE
67	Providing one TATA Ultra Bus to Jorhat Lions Eye Hospital for transportation of patients during eye camps and cataract operation	Health Care (Item No. (i) of Schedule-VII)	Jorhat, Assam	21.71	21.68	21.68	Directly by CPSE
68	Providing search & rescue and evacuation equipment to District Disaster Management Authority, Road safety equipment to district administration	Health Care (Item No. (i) of Schedule-VII)	Golaghat, Assam	17.91	0.79	0.79	State Govt
69	Subsidized treatment to the needy patients of neighbouring areas for treatment through VKNRL Hospital in the FY 2019-20	Health Care (Item No. (i) of Schedule-VII)	Golaghat, Assam	238.33	238.33	238.33	Directly by CPSE
70	Providing two numbers animal rescue vans for carrying out veterinary healthcare in an around Kaziranga National Park.	Ensuring environmental sustainability, Animal Welfare etc. (Item No. (iv) of Schedule-VII)	Golaghat, Assam	14.65	14.65	14.65	State Govt
71	Providing various support to District Forest Department conducting awareness program, tree plantation towards protection of environment.	Ensuring environmental sustainability, Animal Welfare etc. (Item No. (iv) of Schedule-VII)	Golaghat, Assam	16.18	15.93	15.93	Directly by CPSE
			Golaghat, Assam	0.42	0.42	0.42	State Govt
72	Relief & Rehabilitation of flood affected people of Assam	Health Care (Item No. (i) of Schedule-VII)	Golaghat, Assam	28.00	12.16	12.16	Directly by CPSE
73	Setting up Libraries, providing Books & other furniture for promoting education	Protection of national heritage, Art and culture, setting up public libraries etc. (Item No. (v) of Schedule-VII)	Golaghat, Assam	7.26	5.06	5.06	Directly by CPSE
			Kamrup Metro, Assam	0.64	0.64	0.64	Directly by CPSE

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74	Setting up of Waste handling (Plastic) Unit as a part of Swacch Bharat Mission.	Ensuring environmental sustainability, Animal Welfare etc. (Item No. (iv) of Schedule-VII)	Golaghat, Assam	14.72	14.65	14.65	Directly by CPSE
75	Setting up old age homes, day care centres, community hall for elderly people	Promoting Gender equality, Empowering women (Item No. (iii) of Schedule-VII)	Dibrugarh, Assam	4.00	3.00	3.00	Directly by CPSE
76	Swacchh Vidyalaya Abhiyan - A project to construct School toilet with water supply facility including maintenance within Assam.	Sanitation (Item No. (i) of Schedule-VII of the Companies Act, 2013)	Darrang, Assam	223.54	139.13	139.13	State Govt
			Golaghat, Assam	212.85	125.13	125.13	Directly by CPSE
			Golaghat & Karbi Anglong, Assam	77.20	30.00	30.00	Directly by CPSE
			Karbi Anglong, Assam	21.94	15.11	15.11	Directly by CPSE
			Majuli, Assam	1.94	1.94	1.94	Directly by CPSE
			Nalbari, Assam	5.32	4.65	4.65	Directly by CPSE
77	Training to children and unemployed ladies on (i). Cutting and Sewing (ii) Beautician course and conducting Tuition classes for standards I & II under project "Saveri"	Skill Development, Livelihood enhancement (Item No. (ii) of Schedule-VII)	Golaghat, Assam	35.83	15.00	15.00	Directly by CPSE
78	Contribution to the PM CARES Fund	Contribution to the Prime Minister's National Relief Fund (Item No. (viii) of Schedule-VII)	India	2,500.00	2,500.00	2,500.00	Directly by CPSE
79	Miscellaneous/ Overhead		Assam	221.21	221.21	221.21	Directly by CPSE
Grand Total				12,178.02	8,760.50	8,760.50	

NUMALIGARH
REFINERY
LIMITED

A GOVERNMENT OF INDIA ENTERPRISE



INDEPENDENT AUDITORS' REPORT (STANDALONE)

Independent Auditors' Report

To
The Members of
Numaligarh Refinery Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone Ind AS financial statements of NUMALIGARH REFINERY LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2020, and the Statement of Profit and Loss, (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (Financial Statement)

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements along with the notes thereon, give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rule 2015 (as amended) under section 133 of the Act, of the state of affairs (financial position) of the Company as at 31st March, 2020 and its profit (financial performance including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone Ind AS financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

As more fully described in Note no. 57 to the Statement, to assess the recoverability of certain assets, the Company has considered internal and external information upto the date of this report in respect of the current indicators of future economic conditions consequent to the global health pandemic COVID 19 and expects to recover the carrying amount of the assets.

Our report is not modified in respect of this matter.

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Directors' report, Management Discussion & Analysis etc, but does not include the financial statements and our auditors' report thereon. Such other Information's are expected to be made available to us after the date of this auditor's report. Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions necessitated by the circumstances and the applicable laws and regulations.

Responsibilities of Management and Those Charged with Governance for the Standalone 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 standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

That Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

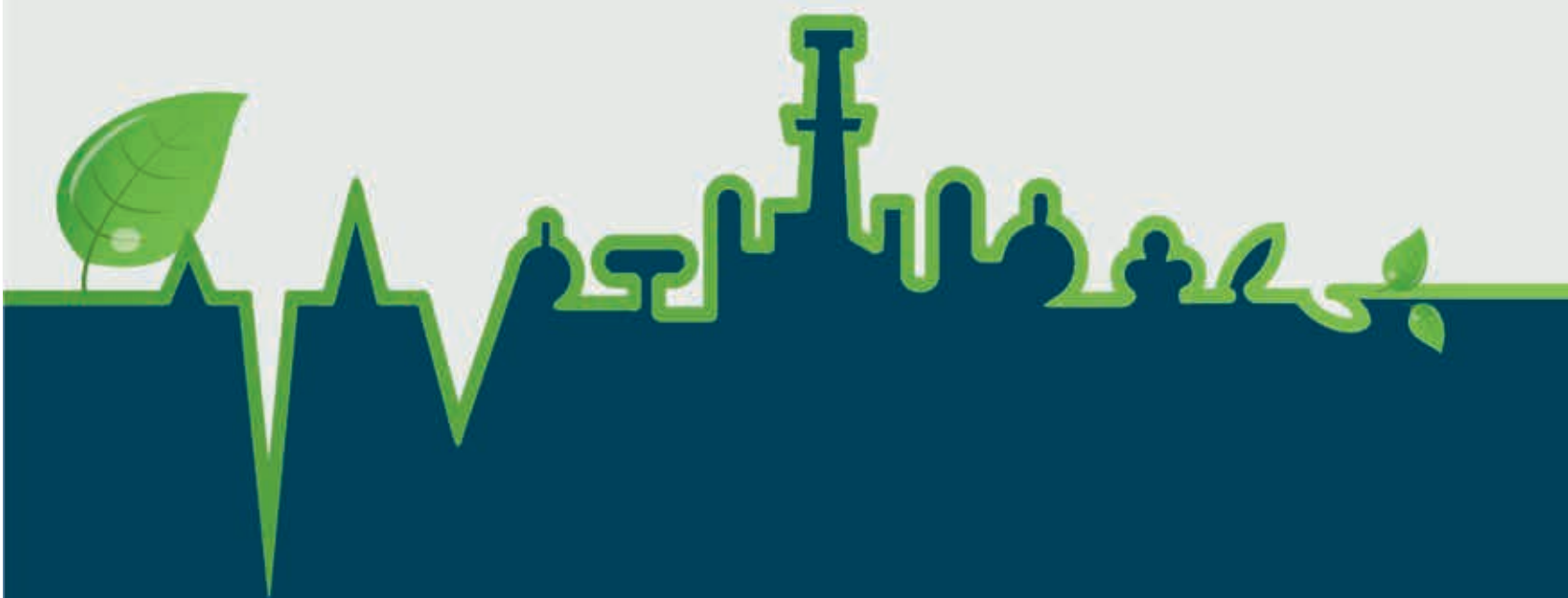
- i) As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- ii) As required by the Section 143(5) of the Act, we give in "**Annexure B**", a statement on the matters specified by the Comptroller and Auditor-General of India for the Company.
- iii) 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 (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) In view of the exemption given vide notification no. G.S.R. 463(E) dated 5th June, 2015, issued by Ministry of Corporate Affairs, provisions of Section 164(2) of the Act regarding disqualification of directors is not applicable to the Company.
 - 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 C".
 - 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 knowledge and belief and the 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 standalone Ind AS financial statements. Refer Note 51 to the standalone Ind AS financial statements;
 - ii) The Company has made provision, as required under the applicable law or Indian accounting standards, for material foreseeable losses, if any, on long- term contracts including derivative contracts – Refer Note 58 to the standalone Ind AS financial statements;
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **M. C. Bhandari & Co.**
Chartered Accountants
Firm registration No. 303002E

Sd/-
CA. Neeraj Jain
(Partner)
(Membership No. 064393)
UDIN:20064393AAAAIP1879
Place: Kolkata
Date: 22nd May, 2020

NUMALIGARH
REFINERY
LIMITED

A GOVERNMENT OF INDIA ENTERPRISE



ANNEXURES TO INDEPENDENT AUDITORS' REPORT (STANDALONE)

Annexure - A to Independent Auditors' Report

[The Annexure referred to in paragraph (i) under the heading "Report on Other Legal and Regulatory requirements" of our Independent Auditors' Report of even date to the members of the Company on the standalone Ind AS financial statements for the year ended 31st March, 2020.]

We report that:

- i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.
(b) As per information and explanations given to us, the fixed assets of the Company have been physically verified by the management in a phased manner designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and nature of its assets. Pursuant to the program of verification the Furniture and Fixtures have been physically verified by the management during the year and the discrepancies noticed between book records and physical inventory, though not significant, have been duly adjusted in the books of account.
(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable property are held in the name of the Company except Freehold Land of 17.89 Acres whose mutation is still pending and 0.25 Acres of land whose title is under dispute. Gross block & net block of the above land as per Fixed Asset Register as on 31st March 2020 is ₹21.02 Crores.
- ii. As explained to us physical verification of inventories of Finished Goods, Raw Materials and Stores and Spares except those lying with contractors / third parties and goods in transit, if any, has been conducted at reasonable intervals by the management. The discrepancies noticed on physical verification of inventory as compared with book records were not material considering the size of the company and the nature of its business and the same have been properly dealt with in the books of accounts. In respect of the inventories lying with contractors / third parties, these have substantially confirmed by them. In respect of Inventories directly charged to consumption on receipt of material, balance outstanding as at year end date has been confirmed by respective Issuer department and accounted for at the year end.
- iii. As informed to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnership or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, paragraphs 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the order are not applicable
- iv. In our opinion and according to the information and explanations given to us, in respect of loans, investments, guarantees, and security the provisions of Section 185 and 186 of the Companies Act, 2013 have been complied with.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from public within the provisions of Sections 73 to 76 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014 and other relevant provisions of the Act.
- vi. We have broadly reviewed the books of account maintained by the Company in respect of the products where the maintenance of cost records has been specified by the Central Government under Section 148(1) of the Companies Act, 2013 and the rules framed there under and we are of the opinion that, prima facie, the prescribed books of accounts and cost records have been made and maintained. We have not, however, made a detailed examination of the same with a view to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us, and on the basis of our examination of the records of the Company, the Company is generally regular in depositing undisputed statutory dues including

Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other statutory dues to the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other statutory dues as on the last day of the financial year, for a period of more than six months from the date they became payable;

- (b) According to the records of the Company and the information and explanations given to us, following are the details of disputed dues of Income Tax or Sales Tax or Service Tax or Duty of Customs or Duty of Excise or Value Added Tax as on 31st March, 2020:

Name of the Statute	Nature of Dues	Period to which the amount relates	Amount (₹ in Crore)	Forum where Dispute is Pending
The Central Excise Act, 1944	Adoption of lower Transaction Value for Oil Marketing Companies other than BPCL.	2002-2004	120.73	CESTAT, Kolkata
	Interest on Erroneous Additional Excise Duty Refund on High Speed Diesel	2000-2001	73.16	CESTAT Kolkata
	Non reversal of Cenvat Credit	2015-2016	0.51	CESTAT Kolkata
West Bengal Value Added Tax Act 2003	Penalty Imposed for non-submission of Waybills	2011-2012	17.47	West Bengal Taxation Tribunal
West Bengal Entry Tax Act 2012	Demand on account of levy of entry tax on SKO	2013-2014	6.89	West Bengal Appellate Authority

- viii. Based on our audit procedures and according to the information and explanations given to us, the Company has not defaulted in repayment of loans to any financial institution, bank, Government or dues to debenture holders.
- ix. The company did not raise moneys by way of initial public offer or further public offer (including debt instrument) during the year. According to the information and explanations given to us, money raised by way of term loans were applied for the purpose for which those were raised.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us and representation obtained from the management, no instances of fraud by the Company or any fraud on the company by its officers or employees have been noticed or reported during the year.
- xi. In view of the exemption given vide notification no. G.S.R. 463 (E) dated 5th June, 2015, issued by the Ministry of Corporate Affairs, the Company being a Government Company is exempted from the applicability of the provisions of Section 197 read with Schedule V of the Companies Act, 2013 regarding managerial remuneration.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company.
- xiii. According to the information & explanation given to us and based on our examination of the records, all transactions entered into by the Company with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 wherever applicable and details have been disclosed in the Standalone Ind AS

Financial Statements as required by the applicable Indian Accounting Standards.

- xiv. According to the information & explanation given to us and based on our examination of the records, the Company has not made any preferential allotment for private placement of shares or fully or partly convertible debentures during the year under review.
- xv. According to the information and explanations given to us and based on our examination, the Company has not entered during the year into any non-cash transactions with directors or persons connected with them.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **M. C. Bhandari & Co.**
Chartered Accountants
Firm registration No. 303002E

Sd/-

CA. Neeraj Jain
(Partner)
(Membership No. 064393)
UDIN: 20064393AAAAIP1879

Place: Kolkata

Date: 22nd May, 2020

Annexure- B to Independent Auditors' Report

[Referred to in paragraph (ii) under 'Report on Other Legal and Regulatory Requirements in the Independent Auditors' Report of even date on the standalone Ind AS financial statements of Numaligarh Refinery Limited]

Report pursuant to directions issued by office of C&AG u/s 143(5) of the Companies Act, 2013

1.	Area Examined	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.
	Observation/ Findings	Financial reporting process at the company is being managed under integrated ERP (SAP) system covering the life cycle of transaction, starting from its initiation to its consequent reflection for financial reporting. During the course of our audit and on the basis of information and explanation provided to us, we have not come across any cases, where financial transactions are being processed outside of company's ERP system, thereby raising concerns on the integrity of the financial reporting process interfaced with Company's ERP system.
2	Area Examined	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts / loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated.
	Observation/ Findings	During the period under audit, no restructuring of existing loan or waiver/write off of loans or interest by the lenders has been done for the company. Company has been regular in servicing its debt obligations.
3.	Area Examined	Whether funds received/receivable for specific schemes from central/ state agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.
	Observation/ Findings	During the period under audit, company has been nominated as the Implementing Agency for execution of "Indo Bangladesh Friendship Pipeline" by Government of India (GoI). Outlays for executing the Bangladesh portion of the pipeline are being funded by the GoI and the same is being managed, accounted and expended in terms of the Agreement between the Company and GoI. NRL also opted for Merchant Exporter model to get the benefit of concessional rate of GST i.e. 0.1% subject to fulfilment of certain conditions as provided in the notification no 41/2017 - Integrated Tax (Rate) dated 23rd October 2017. One Primary conditions is that NRL should procure goods from suppliers on tax invoices and in turn export the said goods within period of ninety days from the date of issue of the tax invoice by the suppliers. The goods to be exported through Bill of Export. However, there shall be no realisation of foreign currency. During the course of our audit and as per information & explanation provided and records available to us, we have not come across any instance of deviation in utilization of funds as provided by Government of India or accounting thereof done by the Company.

For **M. C. Bhandari & Co.**
Chartered Accountants
Firm registration No. 303002E

Sd/-

CA. Neeraj Jain
(Partner)
(Membership No. 064393)
UDIN: 20064393AAAAIP1879

Place: Kolkata
Date: 22nd May, 2020

Annexure - C to the Auditors' Report

[Referred to in paragraph (iii)(f) under 'Report on other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date on the Standalone Ind AS financial statements of Numaligarh Refinery Limited.]

Report on the Internal Financial Controls 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 NUMALIGARH REFINERY LIMITED ("the Company") as of 31st March 2020, in conjunction with our audit of the standalone Ind AS 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 ('ICAI'). 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.

Auditors' 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") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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. 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 auditors' judgment, including the assessment of the risks of material misstatement of the standalone Ind AS 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 authorizations of management and directors of the company; and

- 3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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.

Opinion

In our opinion, 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 March 31, 2020, 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 **M. C. Bhandari & Co.**
Chartered Accountants
Firm registration No. 303002E

Sd/-

CA. Neeraj Jain
(Partner)
(Membership No. 064393)
UDIN: 20064393AAAAIP1879
Place: Kolkata
Date: 22nd May, 2020

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(B) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF NUMALIGARH REFINERY LIMITED FOR THE YEAR ENDED 31 MARCH 2020

The preparation of financial statements of Numaligarh Refinery Limited for the year ended 31 March 2020 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act is responsible for expressing opinion on these financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 22 May 2020.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of Numaligarh Refinery Limited for the year ended 31 March 2020 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditor and is limited primarily to inquiries of the statutory auditor and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143(6)(b) of the Act.

For and on behalf of the
Comptroller & Auditor General of India

Sd/-
Suparna Deb
Director General Audit (Mines)
Kolkata

Place : Kolkata
Dated: 22th July 2020

Balance Sheet as at 31st March 2020

₹ in Crore

	Note No.	31-Mar-20	31-Mar-19
ASSETS			
1 Non-current assets			
(a) Property, plant and equipment	2	3,028.86	2,710.22
(b) Capital work in progress	3	321.01	395.22
(c) Investment Property	4	32.66	-
(d) Other Intangible assets	5	13.70	6.76
(e) Investment in Joint venture and Associate	6	267.92	214.45
(f) Financial Assets			
(i) Investment	7	-	408.95
(ii) Loans	8	47.25	49.35
(iii) Other Financial Assets	9	-	20.00
(g) Other non-current assets	10	58.47	24.68
Total Non-current assets		3,769.87	3,829.63
2 Current assets			
(a) Inventories	11	1,787.82	1,516.56
(b) Financial Assets			
(i) Investments	12	-	723.21
(ii) Trade receivables	13	703.48	1,220.53
(iii) Cash and cash equivalents	14	136.77	0.21
(iv) Bank Balances other than (iii) above	15	240.98	103.88
(v) Loans	16	19.92	12.52
(vi) Other financial assets	17	28.09	31.62
(c) Current Tax Assets (Net)	18	135.87	32.52
(d) Other current assets	19	50.94	28.36
		3,103.87	3,669.41
Assets Held for Sale	20	0.72	1.17
Total Current assets		3,104.59	3,670.58
TOTAL ASSETS		6,874.46	7,500.21
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	21	735.63	735.63
(b) Other Equity	22	4,568.75	4,815.05
Total Equity		5,304.38	5,550.68

Balance Sheet as at 31st March 2020 (contd.)

₹ in Crore

	Note No.	31-Mar-20	31-Mar-19
Liabilities			
1 Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings		-	-
(ii) Other financial liabilities	23	9.85	0.19
(b) Provisions	24	11.80	8.06
(c) Deferred tax liabilities (Net)	25	267.51	337.13
Total Non-Current Liabilities		289.16	345.38
2 Current liabilities			
(a) Financial Liability			
(i) Borrowings	26	73.78	3.28
(ii) Trade payables			
a) Total outstanding dues of Micro Enterprises and Small Enterprises	27	0.92	4.71
b) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	27	727.69	1,013.71
(iii) Other financial liability	28	236.84	242.89
(b) Other current liabilities	29	149.64	88.59
(c) Provisions	30	92.05	175.25
(d) Current Tax Liabilities (Net)	31	(0.00)	75.72
Total Current Liabilities		1,280.92	1,604.15
TOTAL EQUITY AND LIABILITIES		6,874.46	7,500.21
Significant Accounting Policies	1		
Notes forming part of Financial Statements	45-60		

As per our attached report of even date

For M C Bhandari & Co
Chartered Accountants
ICAI FRN : 303002E

Sd/-
CA. Neeraj Jain
Partner
Membership No. 064393
UDIN: 20064393AAAAIP1879

Place: Kolkata
Date : 22nd May 2020

For and on behalf of the Board of Directors

Sd/-
S. K. Barua
Managing Director
DIN: 06503943

Sd/-
H. K. Sarmah
Company Secretary

Sd/-
Indranil Mittra
Director (Finance)
DIN: 06883068

Place: Guwahati
Date : 22nd May 2020

Statement of Profit and Loss for the period ended 31st March 2020

₹ in Crore

	Note No.	2019-20	2018-19
INCOME			
I Revenue from operations	32	14,072.66	18,511.15
II Other Income	33	171.63	123.49
III Total income (I+II)		14,244.29	18,634.64
EXPENSES			
IV Cost of materials consumed	34	8,735.49	11,274.07
Purchases of Stock-in-Trade		497.56	462.76
Changes in inventories of finished goods, stock-in-trade and work-in-progress	35	(453.59)	41.40
Excise Duty	36	2,027.43	2,306.08
Employee Benefits expense	37	297.84	299.41
Finance Costs	38	2.05	12.62
Depreciation and Amortisation Expense	39	248.92	194.45
Other Expenses	40	924.52	989.42
Total Expenses (IV)		12,280.22	15,580.21
V Profit/(loss) before exceptional items and tax (III-IV)		1,964.07	3,054.43
VI Exceptional Items	41	229.52	2.52
VII Profit/(loss) before tax (V-VI)		1,734.55	3,051.91
VIII Tax Expense	42	353.23	1,083.81
(1) Current Tax		412.31	1,018.81
(2) Deferred Tax		(59.08)	65.00
IX Profit / (Loss) for the period (VII - VIII)		1,381.32	1,968.10
X Other comprehensive income			
(i) Items that will not be reclassified to profit or loss re-measurements of defined benefit plan	43	(41.83)	2.34
(ii) Income tax related to items that will not be reclassified to profit or loss	43	10.53	(0.82)
Other comprehensive income, net of tax (i+ii)		(31.30)	1.52
XI Total comprehensive income for the period (IX + X)		1,350.02	1,969.62
XII Basic and Diluted Earnings per share (₹)	44	18.78	26.76
(Face Value ₹10)		18.78	26.76
Significant Accounting Policies	1		
Notes forming part of Financial Statements	45-60		

As per our attached report of even date

For M C Bhandari & Co

Chartered Accountants

ICAI FRN : 303002E

Sd/-

CA. Neeraj Jain

Partner

Membership No. 064393

UDIN: 20064393AAAAIP1879

Place: Kolkata

Date : 22nd May 2020

For and on behalf of the Board of Directors

Sd/-

S. K. Barua

Managing Director

DIN: 06503943

Sd/-

H. K. Sarmah

Company Secretary

Sd/-

Indranil Mitra

Director (Finance)

DIN: 06883068

Place: Guwahati

Date : 22nd May 2020

Statement of Cash Flows

₹ in Crore

<i>For the year ended</i>		31-Mar-20	31-Mar-19
A	Cash Flow from Operating Activities		
	Profit (Loss) for the period	1,381.32	1,968.10
	Adjustments for :		
	Depreciation & Amortisation expenses	248.92	194.45
	Income Tax Expenses	353.23	1,083.81
	Interest	2.05	12.62
	(Profit) / Loss on Sale/Write Off of Property, Plant and Equipment	2.92	1.40
	Foreign Exchange Fluctuation	(2.19)	2.62
	Income from Investment in Join Venture /Associate Companies	(5.11)	(4.22)
	Income from Investment Property	(2.45)	-
	Dividend Received from Current Investment	(7.14)	(14.04)
	Interest Income	(78.33)	(84.57)
	(Profit)/Loss on sale of investment	(9.89)	-
	Other Non-Cash Items (Refer explanatory note 4)	(20.78)	5.64
	Operating Profit before Working Capital Changes	1,862.55	3,165.81
	<i>(Invested in) / Generated from:</i>		
	Trade receivables	517.05	(204.41)
	Other receivables	(135.84)	(3.75)
	Inventories	(271.26)	290.96
	Current Liabilities & Provisions	(134.32)	(282.18)
	Cash generated from Operations	1,838.18	2,966.43
	Direct Taxes Paid	(591.38)	(945.50)
	Net Cash from/(used in) Operating Activities	1,246.80	2,020.93
B	Net Cash Flow from Investing Activities		
	Purchase of Property, Plant & Equipment /CWIP	(515.84)	(385.64)
	Purchase of intangible assets	(9.40)	(6.12)
	Sale of Property, Plant and Equipment	0.29	0.20
	Investment in Joint Venture/ Associate Companies	(33.48)	(47.10)
	Purchase of / Accretion to Investments	1,132.15	(678.05)
	Purchase/ Maturity of Fixed Deposit	(137.10)	625.12
	Profit on Sale of Investments	9.89	-
	Income from Investment in Join Venture /Associate Companies	5.11	4.22
	Dividend Received from Investment	7.14	14.04
	Long Term Loans and Advances	(31.68)	(13.68)
	Interest Income from Investment	87.26	98.58
	Net Cash from/(used in) Investing Activities	514.34	(388.43)

Statement of Cash Flows (contd.)

₹ in Crore

For the year ended		31-Mar-20	31-Mar-19
C Net Cash Flow from Financing Activities			
Repayment of Loan		(35.67)	(314.76)
Other Long Term Liabilities		(65.11)	65.35
Payment of lease liabilities		(1.72)	-
Other Long Term Provisions		3.75	0.54
Interest paid		(2.20)	(13.38)
Dividend Paid		(1,324.14)	(1,213.79)
Corporate Dividend Tax		(272.18)	(249.50)
Realised (loss)/gain of Foreign Exchange Difference		2.19	(1.84)
Net Cash from/(used in) Financing Activities		(1,695.08)	(1,727.38)
D Net Increase / (Decrease) in Cash and Cash equivalents (A+B+C)		66.06	(94.88)
E Cash & Cash Equivalents at beginning of Period	Note 1	(3.07)	91.81
F Cash & Cash Equivalents at end of Period (D+E)	Note 1	62.99	(3.07)

Notes to the Cash Flows Statement

1. Cash and Cash Equivalents

Cash and cash equivalents consist of cash, cheques on hand and balances with banks and investments

₹ in Crore

Cash and Cash equivalents	31-Mar-20	31-Mar-19
Cash & Cash Equivalents at beginning of Period		
Cash/cheques in Hand	0.01	0.01
Cash at Bank	0.20	11.82
Working capital loans / Bank Overdraft	(3.28)	(0.02)
Fixed Deposits with Banks with original maturity of less than 3 months	-	80.00
	(3.07)	91.81
Cash & Cash Equivalents at end of Period		
Cash/cheques in Hand	0.05	0.01
Cash at Bank	0.72	0.20
Working capital loans / Bank Overdraft	(73.78)	(3.28)
Fixed Deposits with Banks with original maturity of less than 3 months	136.00	-
	62.99	(3.07)
Net change in Cash and Cash equivalents	66.06	(94.88)

2. Disclosure to Changes in liabilities arising from financing activities

₹ in Crore

Particulars	Short Term Borrowings	Long Term Borrowings	Total Liabilities from financing activities
Balance as on 31.03.2019	34.59	0.00	34.59
Cash Flow			
Outflow	(35.67)	-	(35.67)
Non Cash Changes			
Foreign Exchange Movement	1.08		1.08
Balance as on 31.03.2020	(0.00)	0.00	0.00

Explanatory notes to Statement of Cash Flows

1. The Statement of Cash Flow is prepared as per Ind AS 7 as notified by Ministry of Corporate Affairs.
2. In Part-A of Cash Flow Statement, figures in brackets indicate deductions made from the Net Profit for deriving the net cash flow from operating activities. In Part-B and Part-C, figures in brackets indicate cash outflows.
3. The net profit/loss arising due to conversion of current assets / current liabilities, receivables / payables in foreign currency is furnished under the head "Foreign Exchange Fluctuations".
4. "Other Non-Cash items" comprise of provisions for Stores and Consumables, provision for Claims and provision for Investments / receivables and write back of Provisions.
5. Current Liabilities and Payables may include Payables in respect of Purchase of Property, Plant and Equipment, if any.

As per our attached report of even date

For M C Bhandari & Co
Chartered Accountants
ICAI FRN : 303002E

Sd/-
CA. Neeraj Jain
Partner
Membership No. 064393
UDIN: 20064393AAAAIP1879

Place: Kolkata
Date : 22nd May 2020

For and on behalf of the Board of Directors

Sd/-
S. K. Barua
Managing Director
DIN: 06503943

Sd/-
H. K. Sarmah
Company Secretary

Sd/-
Indranil Mittra
Director (Finance)
DIN: 06883068

Place: Guwahati
Date : 22nd May 2020

Statement of Changes in Equity for the Year Ended 31st March 2020

₹ in Crore

(a) Equity Share Capital	As at 31/03/2020		As at 31/03/2019	
	No of Shares	Amount	No of Shares	Amount
Balance at the beginning of the reporting period	73,56,31,544	735.63	73,56,31,544	735.63
Changes in Equity Share Capital during the period	-	-	-	-
Balance at the end of the reporting period	73,56,31,544	735.63	73,56,31,544	735.63

₹ in Crore

(b) Other Equity	Reserve & Surplus			Total
	Capital Reserve [Note 22]	General Reserve [Note 22]	Retained Earnings [Note 22]	
Balance at 31st March 2019	100.00	3,443.55	1,271.50	4,815.05
Profit for the year			1,381.32	
Other Comprehensive Income for the year			(31.30)	
Dividends			(1,324.14)	
Corporate Dividend Tax on Dividends			(272.18)	
Transfer to General Reserve		1,024.20	(1,024.20)	
Balance as at 31st March 2020	100.00	4,467.75	1.00	4,568.75
Balance as at 31st March 2018	100.00	3,443.55	765.17	4,308.72
Profit for the year			1,968.10	
Other Comprehensive Income for the year			1.52	
Dividends			(1,213.79)	
Corporate Dividend Tax on Dividends			(249.50)	
Transfer to General Reserve				
Balance as at 31st March 2019	100.00	3,443.55	1,271.50	4,815.05

As per our attached report of even date

For M C Bhandari & Co
Chartered Accountants
ICAI FRN : 303002E

Sd/-
CA. Neeraj Jain
Partner
Membership No. 064393
UDIN: 20064393AAAAIP1879

Place: Kolkata
Date : 22nd May 2020

For and on behalf of the Board of Directors

Sd/-
S. K. Barua
Managing Director
DIN: 06503943

Sd/-
H. K. Sarmah
Company Secretary

Sd/-
Indranil Mitra
Director (Finance)
DIN: 06883068

Place: Guwahati
Date : 22nd May 2020

Notes to Financial Statements for the year ended 31st March, 2020

Company Overview

Numaligarh Refinery Limited referred to as “NRL” or “the company” was incorporated on 22nd April 1993. NRL is a Government Company, and is a subsidiary of Bharat Petroleum Corporation Limited. The company is engaged in the business of refining of crude oil having its refinery in Golaghat District of Assam.

1. STATEMENT of SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis for Preparation

The Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (“the Act”) read with Companies (Indian Accounting Standards) Rules, 2015 ; and the other relevant provisions of the Act and Rules there under.

The Financial Statements have been prepared under the historical cost convention on accrual basis except for certain assets and liabilities measured at fair value.

The Company has adopted all the Ind AS and the adoption was carried out during Financial Year 2016-17 in accordance with Ind AS 101 First time adoption of Indian Accounting Standards. The transition was carried out from Generally Accepted Accounting Principles in India (Indian GAAP) as prescribed under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, which was the “Previous GAAP”.

The companies presentation and functional currency is Indian Rupees (₹). All figures appearing in the financial statements are rounded to the nearest crores (₹ crores), except where otherwise indicated.

Authorisation of Financial Statements: The Financial Statements were authorized for issue in accordance with a resolution of the Board of Directors in its meeting held on 22nd May 2020.

1.2 Use of Judgment and Estimates

The preparation of financial statements requires management of the company to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets, liabilities and the accompanying disclosures alongwith contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require material adjustments to the carrying amount of assets or liabilities affected in future periods. The company continually evaluates these estimates and assumptions based on the most recently available information.

In particular, information about significant areas of estimate and judgments in applying accounting policies that have the most significant effect on the amount recognized in the financial statements are as below:

- Assessment of functional currency;
- Financial Instruments;
- Estimates of useful lives and residual value of Property, Plant and Equipment and Intangible Assets;
- Valuation of Inventories;
- Measurement of recoverable amounts of cash-generating units;
- Measurement of Defined Benefit Obligations and actuarial assumptions;
- Provisions;
- Evaluation of recoverability of deferred tax assets; and
- Contingencies.

Revisions to accounting estimates are recognized prospectively in the statement of Profit and Loss in the period in which the estimates are revised and in any future periods affected.

1.3 Property, plant and equipment

1.3.1 Tangible Assets

- 1.3.1.1 Property, plant and equipment are stated at cost of acquisition (including incidental expenses) net of accumulated depreciation.

Notes to Financial Statements for the year ended 31st March 2020

- 1.3.1.2 Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.
- 1.3.1.3 Property, plant and equipment used in the Refinery operations are capitalized attaching the components identified. Other assets are identified for componentization in case the unit value of the component is above the threshold limit.
- 1.3.1.4 Fixed Bed Catalyst used in the process of Refinery operations has been identified as a separate asset and is being capitalized and depreciated over its useful life from the date it is put to use.
- 1.3.1.5 Expenditure on assets, other than plant and machinery, not exceeding the threshold limit are charged to revenue.
- 1.3.1.6 Spare parts which meet the definition of property, plant and equipment are capitalised as property, plant and equipment in case the unit value of the spare part is above the threshold limit. In other cases, the spare part is inventorised on procurement and charged to the Statement of Profit and Loss on consumption.
- 1.3.1.7 An item of Property, Plant and Equipment and any significant part initially recognised separately as part of Property, Plant and Equipment is derecognised upon disposal; or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in the Statement of Profit and Loss when the asset is derecognised.
- 1.3.1.8 Land acquired on outright purchase treated as freehold land.
- 1.3.1.9 Expenditure during construction period: Direct expenses incurred during construction period on capital projects are capitalized. Other expenses of the project group which are allocated to project costing above a threshold limit are also capitalised. Expenditure incurred on enabling assets are capitalised.
- 1.3.1.10 Goods and Service Tax (GST) on common capital goods: In respect of the capital goods common for both GST and non-GST products, the GST input tax credit is taken on the eligible portion based on GST and non-GST product ratio in the month of procurement and the ineligible portion is capitalised. Subsequently, this ratio is reviewed every month as per the GST provisions and the differential GST amount arising due to change in ratio is capitalised when beyond the materiality threshold.
- 1.3.1.11 The company has opted to use the exemption available under Ind AS 101 to continue the carrying value for all of its Property, Plant and Equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition (01st April 2015).

1.3.2 Intangible Assets

- 13.2.1 Intangible assets are carried at cost less accumulated amortization.
- 1.3.2.2 Expenditure incurred for creating/acquiring intangible assets above threshold limit, from which future economic benefits will flow over a period of time, is amortised over the estimated useful life of the asset or five years, whichever is earlier, from the time the intangible asset starts providing the economic benefit.
- 1.3.2.3 In other cases, the expenditure is reflected in the statement of Profit and Loss in the year in which the expenditure is incurred.
- 1.3.2.4 The company has opted to use the exemption available under Ind AS 101 to continue the carrying value for all of its intangible assets as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition (01st April 2015).

1.4 Investment Property

- 1.4.1 Investment property is property (land or a building - or part of a building – or both) held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in production or supply of goods or services or for administrative proposes. Investment properties are stated at cost net of accumulated depreciation and accumulated impairment losses, if any.

Notes to Financial Statements for the year ended 31st March 2020

- 1.4.2 Any gain or loss on disposal of investment property calculated as the difference between the net proceeds from disposal and the carrying amount of the investment property is recognized in Statement of Profit and Loss.

1.5 Impairment of Non-financial Assets

- 1.5.1 Non-financial assets other than inventories, deferred tax assets and non-current assets classified as held for sale are reviewed at each Balance Sheet date to determine whether there is any indication of impairment. If any such indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. The recoverable amount is the higher of the asset's or Cash Generating Units (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets.

- 1.5.2 When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

1.6 Borrowing Costs

- 1.6.1 Borrowing costs consists of interest and other costs incurred in connection with the borrowing of funds. Borrowing costs also include exchange difference to the extent regarded as an adjustment to the borrowing costs.
- 1.6.2 Borrowing cost that are attributable to the acquisition or construction of qualifying assets (i.e. as asset that necessarily takes a substantial period of time to get ready for its intended use) are capitalized as a part of the cost of such assets. All other borrowing costs are charged to the Statement of Profit and Loss.
- 1.6.3 Investment income earned on the temporary investment of funds of specific borrowing pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

1.7 Non-current assets held for sale

- 1.7.1 Non-current assets are classified as held for sale if their carrying amounts will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such assets.
- 1.7.2 Non-current assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.
- 1.7.3 Property, Plant and Equipment and intangible assets are not depreciated or amortized once classified as held for sale.

1.8 Depreciation

- 1.8.1 Depreciation on property, plant and equipment is provided over the useful life of the assets prescribed under Schedule II of the Companies Act, 2013 (after retaining the estimated residual value of upto 5%). The carrying amount of the existing assets for which the useful life is NIL has been charged off to Profit and Loss (after retaining the estimated residual value of upto 5%).
- 1.8.2 Computer equipment (under Furniture-on-hire scheme given to employees) are depreciated over a period of 4 years and Mobile phones are depreciated over a period of 2 years based on internal assessments. Furniture provided at the residence of management staff are depreciated over a period of 6 years (previously 7 years) as per internal assessments.
- 1.8.3 Premium paid for acquiring leasehold land is amortized over the period of lease.
- 1.8.4 Depreciation is charged on addition / deletion on pro-rata monthly basis including the month of addition / deletion.
- 1.8.5 Items of property, plant and equipment costing not more than the threshold limit are depreciated at 100% in the year of acquisition.
- 1.8.6 In the following cases Depreciation on assets has not been charged as per Schedule II of the Companies Act 2013

Notes to Financial Statements for the year ended 31st March 2020

- assets given to the employees are depreciated as per company policy.
- assets costing upto threshold limit are depreciated fully in the year of its purchase/capitalisation.

1.8.7 Depreciation on spare parts specific to an item of property, plant and equipment is based on the life of the related property, plant and equipment. In other cases, the spare parts are depreciated over the estimated useful life based on the technical assessment.

1.8.8 Components of the main asset that are significant in value and have different useful lives as compared to the main asset are depreciated over their estimated useful life. Useful life of such components has been assessed based on historical experience and internal technical assessment.

1.9 Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset to lessee for a period of time in exchange for consideration.

Company shall reassess whether a contract is, or contains, a lease only if the terms and conditions of the contract are changed

1.9.1 As a lessee

At the commencement date, corporation recognises a right-of-use asset at cost and a lease liability at present value of the lease payments that are not paid at commencement date. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has right to obtain substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense. Lease of items such as IT Assets (tablets, personal computers, mobiles, POS machines etc.), small items of office furniture etc. are treated as low value.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the incremental borrowing rate computed on periodic basis based on lease term. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the Company changes its assessment, whether it will exercise an extension or a termination option.

Right-of-use assets are depreciated over the lease term on systematic basis and Interest on lease liability is charged to statement of profit and loss as Finance cost.

1.9.2 As a lessor

A lessor shall classify each of its leases as either an operating lease or a finance lease.

1.9.2.1 Finance leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset.

Company shall recognise assets held under a finance lease in its balance sheet and present them as a receivable at an amount equal to the net investment in the lease.

1.9.2.2 Operating leases

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset.

Company shall recognise lease payments from operating lease as income on systematic basis in the pattern in which benefit from the use of the underlying asset is diminished.

Notes to Financial Statements for the year ended 31st March 2020

1.10 Inventories

- 1.10.1 Inventories are stated at cost or net realizable value, whichever is lower. Cost of inventories comprises of expenditure incurred in the normal course of business in bringing inventories to their present location including appropriate overheads apportioned on a reasonable and consistent basis and are determined on the following basis:
- a) Crude oil, traded goods and finished products are determined on First in First out basis.
 - b) Other raw materials are determined on weighted average basis.
 - c) The cost of Stock-in-process is determined at raw material cost plus cost of conversion.
- 1.10.2 The net realizable value of finished goods are based on the inter-company transfer prices (applicable at the location of stock) for sale to oil marketing companies and the final selling prices for sale to other customers.
- 1.10.3 Stores and spares are measured at weighted average cost. Obsolete, slow moving/non- moving stores for 3 years and above and other materials including project materials identified as surplus are provided for in full so as to value them at ₹ Nil.
- 1.10.4 Excise duty on finished stocks lying at manufacturing locations is provided for at the assessable value applicable at each of the locations based on end use.
- 1.10.5 Raw Materials held for use in the production of finished goods are not written down below cost except in cases where raw material prices have declined and it is estimated that the cost of the finished goods will exceed their net realizable value.

1.11 Revenue Recognition

- 1.11.1 Revenue from the sale of goods is recognized when the performance obligation is satisfied by transferring the related goods to the customer. The performance obligation is considered to be satisfied when the customer obtains control of the goods.
- 1.11.2 Sales represent invoiced value of goods supplied net of trade discounts, and includes applicable excise duty benefit (as per Notification No : 10/2018 dated 2nd February 2018, earlier Notification No. 29/2002 - Central Excise dated 13th May 2002), excise duty, surcharge and other elements as are allowed to be recovered as part of the price but excludes VAT/GST.
- 1.11.3 Other claims are booked when there is reasonable certainty of recovery.
- 1.11.4 Income from sale of scrap is accounted for on realization where sufficient risk and rewards are transferred to customers, which is generally on dispatch of goods.
- 1.11.5 Interest income is recognized using effective interest rate (EIR) method.
- 1.11.6 Dividend income is recognized when right to receive is established.

1.12 Classification of Income / Expenses

- 1.12.1 Expenditure on Research, other than capital expenditure, is charged to revenue in the year in which the expenditure is incurred.
- 1.12.2 Income/expenditure (net) in aggregate pertaining to prior year (s) above the threshold limit are corrected retrospectively in the first set of financial statements approved for issue after their discovery by restating the comparative amounts and/or restating the opening Balance Sheet for the earliest prior period presented.
- 1.12.3 Prepaid expenses up to threshold limit in each case are charged to revenue as and when incurred.
- 1.12.4 Deposits placed with Government agencies/local authorities which are perennial in nature are charged to revenue in the year of payment.

1.13 Employee Benefits

1.13.1 Short-term employee benefit

Short term employee benefits are recognized as an expense at an undiscounted amount in the Statement of Profit and Loss of the year in which the related services are rendered.

Notes to Financial Statements for the year ended 31st March 2020

1.13.2 Post-employment benefits

Defined Contribution Plans:

Obligations for contributions to defined contribution plan such as pension are recognized as an expense in the Statement of Profit and Loss as the related service is provided. Prepaid contributions are recognized as an asset to the extent that a cash refund or a refund in future payment is available.

Defined Benefit Plans:

The company's net obligation in respect of defined benefit plan such as gratuity, other post-employment benefits etc. is calculated separately for each plan by estimating the amount of future benefit that the employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed at each reporting period end by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the company, the recognized asset is limited to the present value of the economic benefits available in the form of any future refunds from the plan or reductions in future contribution to the plan.

The current service cost of the defined benefit plan, recognized in the Statement of Profit and Loss as part of employee benefit expense, reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs are recognized immediately in the Statement of Profit and Loss. The net interest is calculated by applying the discount rate to the net balance of the defined obligation and the fair value of plan assets. This net interest is included in employee benefit expense in the Statement of Profit and Loss.

Re-measurement which comprise of actuarial gains and losses, the return on plan assets (excluding amounts included in the net interest on the net defined benefit liability (asset) and the effect of the asset ceiling (if any, excluding amounts included in the net interest on the net defined benefit liability (asset)), are recognized in other comprehensive income.

1.13.3 Other long-term employee benefits

Liability towards other long term employee benefits – leave encashment and long service awards etc. are determined on actuarial valuation by qualified actuary by using Projected Unit Credit method.

The current service cost of other long term employee benefits, recognized in the Statement of Profit and Loss as part of employee benefit expense, reflects the increase in the obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs are recognized immediately in the Statement of Profit and Loss. The interest cost is calculated by applying the discount rate to the balance of the obligation. This cost is included in the employee benefit expense in the Statement of Profit and Loss. Re-measurements are recognized in the Statement of Profit and Loss.

1.14 Foreign Currency Transactions & Derivative Transactions

- 1.14.1 Transactions in foreign currencies are initially recorded at their respective exchange rates at the date the transaction first qualifies for recognition.
- 1.14.2 Monetary assets and liabilities denominated in foreign currencies are translated at exchange rates prevailing on the reporting date.
- 1.14.3 Exchange differences arising on settlement or translation of monetary items (except for long term foreign currency monetary items outstanding as of 31st March 2016) are recognized in the Statement of Profit and Loss either as profit or loss on foreign currency transaction and translation or as borrowing costs to the extent regarded as an adjustments to borrowing costs.
- 1.14.4 The company has opted to continue the policy adopted under previous GAAP for accounting the foreign exchange differences arising on settlement or translation of long-term foreign currency monetary items outstanding as of 31st March 2016 i.e. foreign exchange difference arising on settlement or translation of long-term foreign currency monetary items relating to acquisition of depreciable assets are adjusted to the carrying cost of the assets and depreciated over the balance life of the asset.

Notes to Financial Statements for the year ended 31st March 2020

1.14.5 Derivatives Instruments are measured at fair value with changes in fair value recognized in Statement of Profit and Loss on the reporting date.

1.14.6 Non –monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

1.15 Government Grants

1.15.1 Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

1.15.2 When the grant relates to an expense item, it is recognized in the Statement of profit and Loss on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

1.15.3 Government grants relating to Property, Plant and Equipment are presented as deferred income and are credited to the Statement of Profit and Loss on a systematic and rational basis over the useful life of the asset.

1.16 Provisions, Contingent Liabilities and Capital Commitments

1.16.1 Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

1.16.2 The expense relating to a provision is presented in the Statement of Profit and Loss net of reimbursements, if any

1.16.3 Contingent liabilities are possible obligation whose existence will only be confirmed by future events not wholly within the control of the company, or present obligation where it is not probable that an outflow of resources will be required or the amount of obligation cannot be measured with sufficient reliability.

1.16.4 Contingent liabilities are not recognized in the financial statements but are disclosed unless the possibility of an outflow of economic resources is considered remote.

1.16.5 Contingent liabilities and Capital commitments disclosed are in respect of items which in each case are above the threshold limit.

1.17 Fair value measurement

1.17.1 The company measures certain financial instruments at fair value at each reporting date.

1.17.2 Certain accounting policies and disclosures require the measurement of fair values, for both financial and nonfinancial assets and liabilities.

1.17.3 Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risks.

1.17.4 While measuring the fair value of an asset or liability, the company uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation technique as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 : inputs other than quoted prices included in Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3 : inputs for the assets or liability that are not based on observable market data (unobservable inputs)

Notes to Financial Statements for the year ended 31st March 2020

- 1.17.5 If an asset or a liability measured at fair value has a bid price and an ask price, then the company measures assets and long positions at a bid price and liabilities and short positions at an ask price.
- 1.17.6 The Company regularly reviews significant unobservable inputs and valuation adjustments. If the third party information, such as broker quotes or pricing services, is used to measure fair values, then the company assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirement of Ind AS, including the level in the fair value hierarchy in which the valuation should be classified.

1.18 Financial Assets

1.18.1 Initial recognition and measurement

All financial assets (not measured subsequently at fair value through profit or loss) are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

1.18.2 Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial assets. The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:
The asset is held within a business model whose objective is:

- to hold assets for collecting contractual cash flows, and
- contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

Debt instruments at Fair Value through Other Comprehensive Income (FVOCI)

A 'debt instrument' is measured at the fair value through Other Comprehensive Income if both the following conditions are met:

The asset is held within a business model whose objective is achieved by both:

- collecting contractual cash flows and selling financial assets and
- contractual terms of the asset given rise on specified dates to cash flows that are SPPI on the principal amount outstanding

After initial measurement, these assets are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment losses are recognised in the Statement of Profit and Loss. Other net gains and losses are recognised in other comprehensive Income.

Debt instruments at Fair Value through Profit or Loss (FVTPL)

Fair value through Profit or Loss is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation at amortised cost or as FVOCI, is classified as FVTPL.

After initial measurement, any fair value changes including any interest income, foreign exchange gain and losses, impairment losses and other net gains and losses are recognised in the Statement of Profit and Loss.

Equity Investment

All equity investments within the scope of Ind AS 109 are measured at fair value. Such equity instruments which are held for trading are classified at Fair Value through Profit or Loss (FVTPL). For all other such equity instrument, the company decides to classify the same either as FVTPL or Fair Value through Other Comprehensive Income (FVOCI). The company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

For equity instruments classified as FVOCI, all fair value changes on the instrument, excluding dividends are recognised in Other Comprehensive Income. Dividends on such equity instruments are recognised in the Statement of Profit or Loss.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and loss.

1.18.3 De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's Balance Sheet) when-

The rights to receive cash flows from the asset have expired, or

The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:

- The Company has transferred substantially all the risks and rewards of the asset, or
- The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On de-recognition, any gains or losses on all debt instruments (other than debt instruments measured at FVOCI) and equity instruments (measured at FVTPL) are recognised in the Statement of Profit and Loss. Gain and Losses in respect of debt instrument measured at FVOCI and that are accumulated in OCI are reclassified to profit or loss on de-recognition. Gain or losses on equity instruments measured at FVOCI that are recognised and accumulated in OCI are not reclassified to profit or loss on de-recognition.

1.19 Financial Liabilities

1.19.1 Initial recognition and measurement

All financial liabilities are recognised initially at fair value net of transaction costs that are attributable to the respective liabilities.

1.19.2 Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial liabilities.

Financial Liabilities at fair value through profit or loss (FVTPL)

A financial liability is classified as at FVTPL, if it is classified as held-for-trading or is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and changes therein, including any interest expense, are recognised in Statement of Profit & Loss.

Financial Liabilities measured at amortised cost

After initial recognition, financial liabilities other than those which are classified as FVTPL are subsequently measured at amortised cost using the effective interest rate method ("EIR").

Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The amortisation done using the EIR method is included as finance costs in the Statement of Profit and Loss.

1.19.3 De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

1.20 Financial guarantees

Financial guarantee contracts issued by the Corporation are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of the debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of IND AS 109 and the fair value initially recognised less cumulative amortisation.

1.21 Derivative Financial Instruments

The Company uses derivative financial instruments to manage the exposures on account of fluctuation in interest rate and foreign exchange rates. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value with the changes being recognised in the Statement of Profit & Loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

1.22 Taxes on Income

- 1.22.1 Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961. Current Tax items are recognized in correlation to the underlying transaction either in the Statement of Profit and Loss, Other Comprehensive Income or directly in Equity.
- 1.22.2 Deferred tax is provided using the Balance Sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.
- 1.22.3 Deferred tax liabilities are recognized for all taxable temporary differences.
- 1.22.4 Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.
- 1.22.5 Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.
- 1.22.6 The carrying amount of deferred tax assets and unrecognized deferred tax assets are reviewed at each balance sheet date.
- 1.22.7 Deferred Tax items are recognized in correlation to the underlying transaction either in the Statement of Profit and Loss, Other Comprehensive Income or directly in Equity.
- 1.22.8 Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

1.23 Earnings per share

- 1.23.1 Basic earnings per share are calculated by dividing the net profit or loss (after deducting preference dividends, if any, and attributable taxes) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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

1.24 Classification of Assets and Liabilities as Current and Non-Current

All assets and liabilities are classified as current or non-current as per the company's normal operating cycle (considered at 12 months) and other criteria set out in Schedule III of the Companies Act.

1.25 Cash and Cash Equivalents

Cash and cash equivalents in the Balance Sheet include cash at bank, cash, cheque, draft on hand and demand deposits with an original maturity of less than three months, which are subject to an insignificant risk of changes in value.

For the purpose of Statement of Cash Flows, Cash and cash equivalent include cash at bank, cash, cheque and draft on hand. The company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

1.26 Cash Flows

Cash flows are reported using the indirect method, where by net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.

1.27 Investment in Subsidiaries, Joint Ventures and Associates

Investments in equity shares of Subsidiaries, Joint Ventures and Associates are recorded at cost and reviewed for impairment at each reporting date.

1.28 The Company has adopted the following materiality threshold in the preparation and presentation of financial statements as given below:

Threshold item	Accounting Policy Reference	Unit	Threshold Limit Value
Componentization of Property, Plant and Equipment	1.3.1.3	₹ Crores	5
Expenditure on certain items of Property , Plant and Equipment charged to revenue in each case	1.3.1.5	₹	1,000
Capitalisation of spare parts meeting the definition of Property, Plant and Equipment in each case	1.3.1.6	₹ Lakhs	10
Allocation of other expenses to projects costing in each case	1.3.1.9	₹ Crores	5
GST on common capital goods per item per month	1.3.1.10	₹ Lakhs	5
Expenditure incurred for creating/acquiring other intangible assets in each case	1.3.2.2	₹ Lakhs	50
Depreciation at 100 percent in the year of acquisition	1.8.5	₹	5,000
Depreciation on Assets in the year of purchase/capitalisation	1.8.6	₹	5,000
Income/expenditure (net) in aggregate pertaining to prior year (s)	1.12.2	₹ Crores	10
Prepaid expenses in each case	1.12.3	₹ Lakhs	5
Disclosure of Contingent liabilities and Capital Commitments in each case	1.16.5	₹ Lakhs	5

Notes to Financial Statements for the year ended 31st March 2020

2 Property, plant and equipment

2

Property, plant and equipment

	Gross Block				Depreciation				Net Carrying Amount				₹ in Crore
	As at 01-Apr-19	Ind AS 116 adjustments	Addition	Deductions on account of Retirement/ Reclassifications	As at 31-Mar-20	Up to 31-Mar-19	Addition	Deductions on account of Retirement / Reclassifications	Up to 31-Mar-20	As at 31-Mar-20	As at 31-Mar-19		
	(1)	(2)	(3)	(4)	(5)=(1+2+3+4)	(6)	(7)	(8)	(9)=(6+7+8)	(10)=(5-9)	(11)=(1-6)		
LAND													
i) Land Freehold	52.62		10.08	(32.66)	30.04	-	-	-	-	30.04	52.62		
ii) Land ROU Asset		0.06	-	-	0.07	-	0.01	-	0.01	0.05	0.06		
BUILDINGS													
i) RCC Frame Structure(other than factory)	129.54		20.76	(0.14)	150.16	10.14	2.83		12.97	137.19	119.40		
ii) Non RCC Frame Structure(other than factory)	102.42		49.96	(0.64)	151.75	4.02	4.52	(0.07)	8.48	143.27	98.40		
iii) FACTORY	309.36		7.19	(0.45)	316.10	45.17	12.96		58.13	257.98	264.19		
iv) Fences,Wells and Tube Wells	3.46		7.51		10.97	1.28	1.52	0.07	2.87	8.10	2.18		
v) Others(Temporary Structures)	2.28		3.11		5.40	1.68	0.77	-	2.44	2.95	0.61		
vi) ROU Assets	-	3.43	6.42		9.85		1.94	-	1.94	7.90	-		
BRIDGE,CULVERTS,BUNKERS etc	22.21		0.05	-	22.26	5.19	1.30	-	6.49	15.77	17.02		
ROADS													
i) Carpeted Roads-RCC	7.74		1.08	-	8.83	3.78	0.69	-	4.47	4.36	3.97		
ii) Carpeted Roads-Other than RCC	3.69		4.19	-	7.88	1.52	0.78	-	2.30	5.58	2.17		
iii) Non Capreted Road	0.61		0.11	-	0.73	0.11	0.10	-	0.20	0.53	0.51		
PLANT & MACHINERY													
i) CONTINUOUS PROCESS PLANT/Refineries	2,058.48		413.42	(70.37)	2,401.54	510.50	170.54	(70.10)	610.94	1,790.59	1,547.98		
ii) Plant and Machinery-Other than Continuous Process Plant	166.62		26.55	(0.13)	193.04	53.71	13.71	(0.01)	67.42	125.63	112.91		
iii) Storage Tanks & Related Equipments	222.34		7.59	(1.14)	228.80	16.84	8.85	-	25.69	203.11	205.50		
iv) Plant & Machinery(Captive Power Plants)	182.28		3.35	(0.75)	184.88	15.52	5.45	-	20.96	163.91	166.76		
v) Plant & Machinery Used in Medical and Surgical	4.53		1.42	-	5.96	1.33	0.46	-	1.78	4.17	3.21		
vi) Heavy Lift Equipment	14.33		1.10	-	15.43	1.05	0.70		1.75	13.68	13.28		
RAILWAY SIDING	23.26		0.47	-	23.73	13.31	1.31	-	14.62	9.11	9.95		
FURNITURE													
i) FURNITURE - GENERAL	7.03		1.06	-	8.09	2.82	0.72		3.55	4.54	4.20		
ii) FURNITURE - Others	3.60		0.59	(0.01)	4.18	1.62	0.45	0.01	2.08	2.10	1.98		
iii) FOH-to Employees	7.60		2.12	(0.82)	8.90	3.36	1.44	(0.72)	4.08	4.82	4.24		
OFFICE EQUIPMENTS													
i) Office Equipments-General	12.13		3.96	(0.02)	16.07	7.19	1.59	(0.02)	8.76	7.31	4.94		
ii) Mobile on Hire-to Employees	0.59		0.32	(0.11)	0.80	0.21	0.36	(0.10)	0.47	0.32	0.38		
COMPUTERS AND DATA PROCESSING UNITS													
i) Servers and Network	25.95		5.55	-	31.50	8.91	4.01	-	12.92	18.58	17.04		

2 Property, plant and equipment (contd.)

₹ in Crore

	Gross Block				Depreciation				Net Carrying Amount		
	As at 01-Apr-19	Ind AS 116 adjustments	Addition	Deductions on account of Retirement/ Reclassifications	As at 31-Mar-20	Up to 31-Mar-19	Addition	Deductions on account of Retirement / Reclassifications	Up to 31-Mar-20	As at 31-Mar-20	As at 31-Mar-19
	(1)	(2)	(3)	(4)	(5)=(1+2+3+4)	(6)	(7)	(8)	(9)=(6+7+8)	(10)=(5-9)	(11)=(1-6)
ii) End User Devices-Desktop,Laptops,Printers etc	6.93		3.22	(0.17)	9.98	4.14	1.46	(0.15)	5.45	4.53	2.78
iii) PC on Hire-To Employees	1.42		0.94	(0.03)	2.34	0.49	0.48	(0.02)	0.95	1.39	0.94
ELECTRICAL EQUIPMENTS	53.31		13.35	(0.08)	66.59	21.35	6.37		27.72	38.86	31.96
LABORATORY EQUIPMENT	16.54		2.17	(0.00)	18.71	4.31	1.83	-	6.14	12.57	12.23
VEHICLES											
i) Motor Cycles,Scooters & Other Mopeds	0.13		-	-	0.13	0.09	0.01	-	0.10	0.03	0.04
ii) Motor Buses,Motor Lorries,motor cars and motor taxis	3.47		0.39	(0.18)	3.69	0.50	0.44	(0.07)	0.87	2.82	2.97
iii) TRUCKS / HEAVY VEHICLES,Harvesting Combines	7.43		2.23	-	9.66	2.25	0.84	-	3.09	6.57	5.18
iv) Electrically Operated Vehicles	1.15		-	-	1.15	0.53	0.14	-	0.67	0.49	0.62
Total	3,453.08	3.50	600.31	(107.70)	3,949.18	742.92	248.57	(71.18)	920.32	3,028.86	2,710.22
Previous Year Figures	3,006.07	-	459.69	(12.62)	3,453.15	557.58	194.49	(9.14)	742.93	2,710.22	2,448.48

Additional information in respect of Note No. 2

a) Total freehold land held by NRL is 1454.67 acres (1454.67 acres) which includes 17.89 acres (17.89 acres) of land for which the process of registration is on. Out of the total freehold land 0.25 acres (0.25 acres) is disputed i.e under litigation. Out of the total free hold land 40.99 acre is given on lease to joint venture Assam Bio Refinery (P) Ltd. on lease.

b) Deduction from Gross Block (Column 4) includes :

- ₹ 0.03 crores (₹ 1.65 crores) on account of Write off of Physical Verification discrepancies.
- ₹ 75.01 crores (₹ 10.97 crores) on account of sale, retirement, deletions and reclassifications.
- ₹ 32.66 crores (Previous Year Nil) on account of lease of land to joint venture company.

c) Depreciation for the year (column 7) includes :

- Charged to Profit & Loss Account ₹ 246.32 crores (₹ 193.45 crores)
- Charged to project expenses ₹ 2.11 crores (₹ 1.04 crores)
- Depreciation on assets given to employees has been charged as per company policy based on life of the asset envisaged as per the buy-back scheme and not as per Schedules II of Companies Act 2013.

The impact of this deviation results in higher depreciation by an amount of ₹ 1.77 crores (₹ 0.66 crores) for the year.

- Assets costing up to ₹ 5000 are depreciated fully in the year of purchase/capitalisation as per company's accounting policy and are not as per the rates prescribed by Schedule II of Companies Act 2013.

The impact of this deviation results in higher depreciation by an amount of ₹ 0.14 crores (₹ 0.13 crores) for the year.

d) Deduction from Depreciation (Column 8) includes :

- Withdrawal of depreciation of ₹ 71.16 crores (₹ 7.55 crores) on account of sale, deletions, retirement & reclassification.
- ₹ 0.02 crore (₹ 1.59 Crore) on account of write off of Physical Verification discrepancies.

e) The company has elected to use exemption available under Ind AS 101 to continue the carrying value for all of its Property, Plant and Equipment, Capital WIP and Intangible Assets as recognised in the financial statement as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition (01st April 2015)

Notes to Financial Statements for the year ended 31st March 2020

3 Capital work in progress

₹ in Crore

Particulars	31-Mar-20	31-Mar-19
Capital work in progress		
Opening Work-in-progress	403.55	443.90
Addition during the year	499.36	419.34
Less : Allocated to Assets during the year	593.89	459.69
	309.02	403.55
Less : Provision for Capital WIP Losses	(21.76)	(24.88)
	287.26	378.67
Capital Stores	12.34	10.43
Capital goods in transit	0.98	0.95
	300.58	390.05
Construction period expenses pending allocation		
Opening balance	5.17	16.81
Add: Expenditure during the period		
Travel, Establishment etc.	17.15	8.32
Depreciation	2.11	1.04
Finance Cost	1.09	24.58
	25.52	50.75
Less : Allocated to assets during the year	5.09	45.58
Closing balance	20.43	5.17
	321.01	395.22

4 Investment Property

₹ in Crore

Particulars	Gross Block/Cost			Deprecation				Net Carry-ing Amount	
	As at	Addition	Disposal/adjustments	As at	Upto	Addition	Disposal/adjustments	Upto	As at
	01-Apr-19			31-Mar-20	31-Mar-19			Upto 31-Mar-20	31-Mar-20
Land	-	32.66	-	32.66	-	-	-	-	32.66
Total	-	32.66	-	32.66	-	-	-	-	32.66
Previous Year Figures	-	-	-	-	-	-	-	-	-

The company's investment properties consists of land leased to third parties

Information regarding Income and Expenditure of investment Property

₹ in Crore

Particulars	2019-20	2018-19
Rental Income derived from Investment Properties	2.45	-
Less : Depreciation	-	-
Profit arising from investment Properties before other direct expenses	2.45	-

Other direct operating expenses are not separately identifiable and the same are not likely to be material.

Notes to Financial Statements for the year ended 31st March 2020

5 Intangible Assets

₹ in Crore

Particulars	Gross Block/Cost			Amortisation				Net Carry-ing Amount	
	As at	Addition	Disposal/ adjustments	As at	Upto	Addition	Disposal/ adjustments	Upto	As at
	01-Apr-19			31-Mar-20	31-Mar-19			31-Mar-20	31-Mar-19
Software / Licenses	11.09	9.40	-	20.49	4.33	2.46	-	6.79	13.70
Total	11.09	9.40	-	20.49	4.33	2.46	-	6.79	13.70
Previous Figure	4.97	6.12	-	11.09	3.33	1.00	-	4.33	6.76

Amortisation for the year includes:

(i) Charged to the Statement of Profit & Loss ₹ 2.46 Crores

6 Investment in Joint venture and Associates

₹ in Crore

Particulars	31-Mar-20	31-Mar-19
Investment in Joint Ventures (Unquoted)		
DNP Limited #	43.49	43.49
Assam Bio Refinery Pvt. Ltd. **	67.50	21.50
Indradhanush Gas Grid Ltd. %	12.00	5.00
Investment in Associates (Unquoted)		
Brahmaputra Cracker and Polymer Ltd. ##	141.77	141.77
Fair valuation of Financial Guarantee Commission	3.16	2.69
	267.92	214.45

	31-Mar-20		31-Mar-2019	
	Number of Shares	Face Value (₹)	Number of Shares	Face Value (₹)
DNP Limited	4,34,90,000	10	4,34,90,000	10
Assam Bio Refinery Pvt. Ltd.	6,75,00,000	10	2,15,00,000	10
Indradhanush Gas Grid Ltd. (IGGL)	1,20,00,000	10	50,00,000	10
Brahmaputra Cracker and Polymer Ltd.	14,17,67,000	10	14,17,67,000	10

DNP Limited is a joint venture between Assam Gas Company Ltd.(AGCL), Numaligarh Refinery Ltd (NRL) and Oil India Ltd. (OIL). NRL holds 26% shares in DNP Limited.

** Assam Bio Refinery Private Limited is a joint venture between Numaligarh Refinery Limited. (NRL), M/s Fortum 3V ,Netherland and M/s Chempolis Oy, Finland. NRL holds 50% shares in Assam Bio Refinery Private Limited.

% IGGL is a joint venture among IOCL, GAIL, ONGC, OIL & NRL. NRL holds 20% shares in IGGL.

NRL holds 10.00% share in Brahmaputra Cracker and Polymer Limited (BCPL)

Notes to Financial Statements for the year ended 31st March 2020

7 Investments

₹ in Crore

Particulars	31-Mar-20	31-Mar-19
In Government Securities	-	408.95
	-	408.95

8 Loans (Considered good unless otherwise stated)

₹ in Crore

Particulars	31-Mar-20	31-Mar-19
Loans to employees including accrued interest (Secured) [Refer note no 48 (b) and 49]	45.74	42.57
Security and other deposits	1.51	6.78
	47.25	49.35

9 Other Financial Assets

₹ in Crore

Particulars	31-Mar-20	31-Mar-19
Advance against Equity to Joint Ventures #	-	20.00
	-	20.00

Represents advance given to JV Entity Assam Bio Refinery Pvt. Ltd.

10 Other non-current assets (Unsecured, considered good unless otherwise stated)

₹ in Crore

Particulars	31-Mar-20	31-Mar-19
Capital advances	39.36	5.32
Prepaid Employee cost	19.05	19.06
Prepaid Transportation cost	0.06	0.30
	58.47	24.68

11 Inventories

₹ in Crore

Particulars	31-Mar-20	31-Mar-19
Raw Materials	270.55	252.93
Work-in-progress	286.20	98.34
Finished goods	1,083.47	1,047.26
Stock in transit	0.22	0.59
Consumables, Stores & Spares and others	247.98	211.58
Less: Provision for Losses	(100.60)	(94.14)
	1,787.82	1,516.56

The write - down of inventories to net realisable value during the year amounted to ₹229.52 Crores (Previous Year : Nil). The writedown are included in exceptional item.

12 Investments

₹ in Crore

Particulars	31-Mar-20	31-Mar-19
Investment in Mutual Fund at Fair Value Through Profit or Loss	-	97.97
Investment in Government Security/ Treasury Bill at Amortised cost	-	625.24
	-	723.21

Notes to Financial Statements for the year ended 31st March 2020

13 Trade receivables

₹ in Crore

Particulars	31-Mar-20	31-Mar-19
Unsecured (unless otherwise stated)		
- Considered Good	703.48	1,220.53
- Significant increase in Credit Risk	-	-
-Credit Impaired	-	-
	703.48	1,220.53
Less : Provision for credit impaired	-	-
	703.48	1,220.53

14 Cash and cash equivalents

₹ in Crore

Particulars	31-Mar-20	31-Mar-19
Cash on hand	0.05	0.01
Balances with Banks		
On Current Accounts	0.72	0.20
On Deposit Accounts with original maturity of less than 3 months	136.00	-
Cash and cash equivalents	136.77	0.21

15 Bank Balances Other than Cash and Cash Equivalent

₹ in Crore

Particulars	31-Mar-20	31-Mar-19
Term deposits with banks with original maturity of 3-12 months *	221.00	100.00
Other earmarked balances with bank #	19.98	3.88
	240.98	103.88

* Term deposit of ₹ 221.00 crores hypothecated with State Bank of India as security for Overdraft facility

includes an amount of ₹ 19.34 crores received from Ministry of External Affairs for construction of Bangladesh Portion of Indo Bangla Friendship Pipeline. NRL is the implementor of the project.[Refer Note No 28]

16 Loans & Advances (Considered good unless otherwise stated)

₹ in Crore

Particulars	31-Mar-20	31-Mar-19
Loans to employees including accrued interest [Refer note no 48 (b) and 49]	4.96	4.71
Other Advances		
Considered good	7.64	4.44
Considered doubtful	1.25	1.04
Less: Provision for doubtful advances	(1.25)	(1.04)
	7.64	4.44
Security and other deposits	7.32	3.37
	19.92	12.52

Notes to Financial Statements for the year ended 31st March 2020

17 Other financial assets

₹ in Crore

Particulars	31-Mar-20	31-Mar-19
Interest accrued on Bank Deposits etc.	13.21	22.14
Other Receivables		
Considered good	14.88	9.48
Considered doubtful	0.10	-
Less : Provision for credit impaired	(0.10)	-
	28.09	31.62

18 Current tax Assets (Net)

₹ in Crore

Particulars	31-Mar-20	31-Mar-19
Advance payment of Income Tax (net of provision)	135.87	32.52
	135.87	32.52

19 Other current assets

₹ in Crore

Particulars	31-Mar-20	31-Mar-19
Recoverable from Customs, Excise, etc.	45.18	22.87
Claims :		
Considered Good	0.49	2.36
Considered doubtful	0.07	2.15
Less: Provision for doubtful claims	(0.07)	(2.15)
Prepaid expenses - current	3.49	1.35
Prepaid employee cost - current	1.53	1.53
Gold coins *	0.25	0.25
	50.94	28.36

* The company has 133 nos of gold coins which consists of 100 nos. of 5 gm coins, 32 nos. of 10 gm coins and 1 no. of 20 gm coins.

20 Assets held for sale

₹ in Crore

Particulars	31-Mar-20	31-Mar-19
Asset Held for sale *	0.99	1.44
Less: Provision against assets held for sale	(0.27)	(0.27)
	0.72	1.17

*Asset held for sale consists of items like land, boundary walls etc which have been identified for disposal due to discontinuance of retail marketing activities. The aforesaid assets were held for disposal since last three years, however due to certain procedural reasons beyond the control of management, the actual sale could not be crystalised.

Notes to Financial Statements for the year ended 31st March 2020

21 Equity share capital

₹ in Crore

Particulars	31-Mar-20	31-Mar-19
a. Authorised		
500,00,00,000 equity shares of ₹ 10 each (Previous Year : 100,00,00,000 equity shares)	5,000.00	1,000.00
b. Issued, subscribed and paid-up		
73,56,31,544 fully paid Equity Shares of ₹ 10 each (Previous Year : 73,56,31,544 equity shares)	735.63	735.63
	735.63	735.63

c. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period.

Equity Shares	31-Mar-20		31-Mar-19	
	Number	₹ Crore	Number	₹ Crore
Shares outstanding at the beginning of the year	73,56,31,544	735.63	73,56,31,544	735.63
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	73,56,31,544	735.63	73,56,31,544	735.63

d. Terms/rights attached to equity shares

The company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The final dividend if any proposed by the board of directors is subject to the approval of the shareholders in the ensuing general meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive 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.

e. Shares held by holding company

Out of equity shares issued by the Company, shares held by Holding Company is as below:

₹ in Crore

Particulars	31-Mar-20	31-Mar-19
Bharat Petroleum Corporation Limited. (with nominees) 45,35,45,998 (previous year 45,35,45,998) equity shares of ₹10 each fully paid	453.55	453.55

f. Details of shareholders holding more than 5% shares in the company

₹ in Crore

Name of Shareholder	31-Mar-20		31-Mar-19	
	Number	% of Holding	Number	% of Holding
Bharat Petroleum Corporation Limited	45,35,45,998	61.65%	45,35,45,998	61.65%
Oil India Limited	19,12,64,202	26.00%	19,12,64,202	26.00%
Governor of Assam	9,08,21,344	12.35%	9,08,21,344	12.35%

Notes to Financial Statements for the year ended 31st March 2020

22 Other Equity

₹ in Crore

Particulars	31-Mar-20	31-Mar-19
Reserve and Surplus		
Capital Reserve		
As per last account	100.00	100.00
General reserve		
As per last account	3,443.55	3,443.55
Add: Transfer from Statement of Profit and Loss	1,024.20	-
	4,467.75	3,443.55
Surplus/ (Deficit) in the Statement of Profit and Loss		
As per last Account	1,271.50	765.17
Add: profit/(loss) for the year	1,350.02	1,969.62
Less: Interim Dividend paid	(1,103.45)	(1,029.88)
Less: Final Dividend paid	(220.69)	(183.91)
Less: Corporate Dividend Tax	(272.18)	(249.50)
Less: Transfer to General Reserve	(1,024.20)	-
	1.00	1,271.50
	4,568.75	4,815.05

Capital reserve

Capital Reserve comprises of profits/gains of capital nature earned by the Company and credited directly to such reserve. Capital Reserve represents grant of ₹100.00 crore received in the year 1999-2000 from the Government of India.

General reserve

General Reserve represents appropriation of retained earnings and are available for distribution to shareholders.

Proposed Dividend on Equity Shares not recognised	2019-20	2018-19
Final Dividend for the year ended ₹ - per share (Previous year : ₹ 3.00 per share)		220.69
Dividend Distribution Tax on Proposed Dividend	-	45.36
Total	-	266.05

23 Other financial liabilities

₹ in Crore

Particulars	31-Mar-20	31-Mar-19
Security / Earnest Money Deposits	4.70	0.19
Lease Liability	5.15	-
	9.85	0.19

Notes to Financial Statements for the year ended 31st March 2020

24 Provisions

₹ in Crore

Particulars	31-Mar-20	31-Mar-19
Provision for Employee Benefit		-
Long Service Award	5.13	4.41
Resettlement Allowance	4.47	3.65
Employee Felicitation Scheme	2.20	-
	11.80	8.06

25 Movement in deferred tax balances

₹ in Crore

Particulars	Net balance 1 st April 2019	Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	Acquired in business combinations	Other	Net	Deferred tax asset	Deferred tax liability 31 st Mar 2020
Deferred tax asset									
Employee Benefits	5.44	(1.90)	10.53				14.07	14.07	
Sec 43B of Income Tax Act	74.10	(51.21)					22.89	22.89	
PPE WDV	(418.49)	113.38					(305.11)		(305.11)
Other items DTA	1.82	(1.19)					0.63	0.63	
Tax assets (Liabilities)	(337.13)	59.08	10.53	-	-	-	(267.51)	37.60	(305.11)

Movement in deferred tax balances

Particulars	Net balance 1 st April 2018	Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	Acquired in business combinations	Other	Net	Deferred tax asset	Deferred tax liability 31 st Mar 2019
Deferred tax asset									
Employee Benefits	6.07	0.19	(0.82)				5.44	5.44	
Sec 43B of Income Tax Act	102.17	(28.07)					74.10	74.10	
PPE WDV	(381.21)	(37.28)					(418.49)		(418.49)
Other items DTA	1.66	0.16					1.82	1.82	
Tax assets (Liabilities)	(271.31)	(65.00)	(0.82)	-	-	-	(337.13)	81.36	(418.49)

The company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

In assessing whether the deferred income tax assets will be realized, management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of the deferred income tax assets and tax loss carry forwards is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred tax liabilities, projected future taxable income and tax planning strategy in making this assessment. Based on the level of historical taxable income and projections of future taxable income over the periods in which the deferred tax assets are deductible, management believes that the Company will realize the benefits of those recognized deductible differences and tax loss carry forwards. Recoverability of deferred tax assets is based on estimates of future taxable income. Any changes in such future taxable income would impact the recoverability of deferred tax assets.

Notes to Financial Statements for the year ended 31st March 2020

26 Borrowings

₹ in Crore

Particulars	31-Mar-20	31-Mar-19
Secured Working capital loans from banks - Cash credit	0.59	3.19
Secured (Overdraft)	68.01	-
Un-Secured (Overdraft)	5.18	0.09
	73.78	3.28

Cash Credit from State Bank of India carries interest @ 8.55% p.a. The loan is repayable on demand. The loan is secured by hypothecation of current assets i.e. stocks of raw material, finished goods, semi-finished goods, book debts and other current assets of the company and second charge on Plant & Machinery and other Plant, Property and Equipment of the company excluding Land and Building.

Secured Overdraft facility from State Bank of India carries interest @ 7.70% p.a. Term deposit of ₹ 221.00 crores [Refer note no 15] hypothecated with State Bank of India as security for Overdraft facility.

27 Trade payables

₹ in Crore

Particulars	31-Mar-20	31-Mar-19
Dues to Micro, Small and Medium Enterprises	0.92	4.71
Due to others *	727.69	1,013.71
	728.61	1,018.42

The disclosure in respect of the amounts payable to Micro, Small and Medium Enterprises as at 31st March 2020 has been made in the financial statements based on information received and available with the company. Accordingly disclosure has been made below:

	31-Mar-20	31-Mar-19
Principal and interest amount remaining unpaid		
- Principal	0.92	4.71
- Interest	-	-
The amount of interest paid by the company in terms of Section 16 of the MSMED Act, 2006 alongwith the amount of the payment made to the supplier beyond the appointed date during the year	-	-
The amount of the payments made to micro and small suppliers beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act.2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act,2006.	-	-

Notes to Financial Statements for the year ended 31st March 2020

28 Other financial liabilities

₹ in Crore

Particulars	31-Mar-20	31-Mar-19
Current maturities of long-term debt	-	34.59
Interest accrued but not due on borrowings	-	0.14
Derivative Liability	-	0.81
Security / Earnest Money Deposits	123.41	107.56
Deposit From Customers	12.67	12.38
Employee Related Liability	45.94	45.89
Other Liabilities (including creditors for capital expenditure and others) *	51.85	41.52
Lease Liability	2.97	-
	236.84	242.89

*Other Liabilities include an amount of ₹15.51 Crore out of the funds received from Ministry of External Affairs for construction of Bangladesh Portion of Indo Bangla Friendship Pipeline. NRL is the implementor of the project [Refer Note No 15]

29 Other current liabilities

₹ in Crore

Particulars	31-Mar-20	31-Mar-19
Advances from Customers	34.96	21.20
Statutory Liabilities	114.53	67.25
Others	0.15	0.14
	149.64	88.59

30 Provisions

₹ in Crore

Particulars	31-Mar-20	31-Mar-19
Gratuity	7.10	1.85
Leave Encashment	18.92	15.62
Pension	-	4.91
Long Service Award	0.33	0.55
Resettlement Allowance	0.27	0.15
Post Retirement Medical Benefit	38.63	0.09
Employee Felicitation Scheme	0.03	-
Others	26.77	152.08
	92.05	175.25

31 Current tax liabilities (Net)

₹ in Crore

Particulars	31-Mar-20	31-Mar-19
Current Tax liabilities (net of Tax paid)	-	75.72
	-	75.72

Notes to Financial Statements for the year ended 31st March 2020

32 Revenue from Operations

₹ in Crore

Particulars	2019-20	2018-19
A. Sales		
Petroleum Products #	14,071.79	18,509.08
B. Other operating revenue	0.87	2.07
Total	14,072.66	18,511.15

Sales of petroleum products includes applicable excise duty benefit. Financial impact for the current year is ₹2,042.05 crores (Apr-Mar19 : ₹2,424.98 Crores)

33 Other Income

₹ in Crore

Particulars	2019-20	2018-19
Interest Income		
On Bank Deposits	33.90	39.02
On Instruments measured at amortised cost	44.43	45.55
Others	5.74	7.49
Dividend Income		
Dividend Income from Current Investment measured at FVTPL	7.14	14.04
Dividend Income - Joint Ventures and Associates	5.11	4.22
Profit/(Loss) on sale of current investments	9.89	-
Write back of liabilities/provisions no longer required	22.71	3.73
Other non operating income	40.04	8.84
Foreign Exchange Fluctuations (net)	2.19	-
Guarantee commission	0.48	0.60
Total	171.63	123.49

34 Cost of materials consumed

₹ in Crore

Particulars	2019-20	2018-19
Raw Material Stocks at the Commencement of the Year	252.93	507.88
Add : Purchases	8,753.11	11,019.12
	9,006.04	11,527.00
Less: Raw Material Stocks at the Close of the Year	270.55	252.93
Total Cost of Raw Material Consumed	8,735.49	11,274.07
Details of raw material consumed		
Crude Oil	7,971.82	10,472.47
MTBE, Reformate, Py. Gas, Naphtha & Octane Booster	593.15	662.40
Natural Gas	170.52	139.20
	8,735.49	11,274.07

Notes to Financial Statements for the year ended 31st March 2020

35 Changes in inventories of finished goods, stock in trade and work in progress

₹ in Crore

Particulars	2019-20	2018-19
Opening Stock :		
Finished Goods	1,047.26	1,057.58
Work In Progress	98.34	129.42
	1,145.60	1,187.00
Closing Stock :		
Finished Goods	1,083.47	1,047.26
Work In Progress	286.20	98.34
	1,369.67	1,145.60
Changes in inventories of finished goods and work in progress	(224.07)	41.40
Adjustment for write down of Inventories below cost	(229.52)	-
Changes in inventories of finished goods and work in progress	(453.59)	41.40

36 Excise Duty

₹ in Crore

Particulars	2019-20	2018-19
Excise Duty	1,991.91	2,356.05
Excise duty (inventory differential)	35.52	(49.97)
Excise Duty	2,027.43	2,306.08

37 Employee benefit expense

₹ in Crore

Particulars	2019-20	2018-19
Salaries and wages	216.59	218.80
Contribution to provident fund and other funds	29.62	33.55
Staff Welfare expenses	51.63	47.06
Employee benefit expense	297.84	299.41

38 Finance Costs

₹ in Crore

Particulars	2019-20	2018-19
Interest expense on loans	0.47	12.01
Interest expense others	0.91	0.48
Other borrowing costs	0.67	0.13
Finance Costs	2.05	12.62

39 Depreciation and Amortisation Expense

₹ in Crore

Particulars	2019-20	2018-19
Depreciation	246.46	193.45
Amortization	2.46	1.00
Depreciation and Amortisation Expense	248.92	194.45

Notes to Financial Statements for the year ended 31st March 2020

40 Other Expenses

₹ in Crore

Particulars	2019-20	2018-19
Transportation	162.46	201.00
Other Duties and taxes	111.10	193.99
Repairs and Maintenance	152.12	137.28
Power and Fuel consumed		
Power and Fuel	226.08	219.29
Less: Consumption of fuel out of own production	(23.64)	(1.54)
Sub-Total	202.44	217.75
Stores, spares and materials	36.12	32.91
Office Administration, Selling and Other expenses		
Rent /Lease	3.05	4.40
Insurance	22.49	11.89
Rates and taxes	1.45	1.63
Utilities	7.34	9.45
Communication expenses	1.36	1.18
Travelling and conveyance	24.17	22.01
Remuneration to auditors		
Audit Fees	0.09	0.10
Fees for other services - Certification	0.06	0.01
Reimbursement of out of pocket expenses	0.00	0.01
Sub-Total	0.15	0.12
Loss on sale/write off of Property Plant and Equipment (net)	2.92	1.40
Provision for Stores	6.47	3.20
Expenses on CSR activities	87.61	54.85
Foreign Exchange Fluctuations (net)	-	2.62
Provision Against Capital Work in Progress	-	0.94
Provision for Doubtful Debts, Advances and Claims	-	0.41
Provision for Litigation cases	4.05	-
Charity and donation	6.00	0.71
Others	93.22	91.68
	924.52	989.42

41 Exceptional Items

₹ in Crore

Particulars	2019-20	2018-19
Exceptional Items #	229.52	2.52
	229.52	2.52

The write - down of inventories to net realisable value during the year (Previous Year : Nil), [Note no 57].
The exceptional item of previous year represents expenses on account of fire in MS plant.

Notes to Financial Statements for the year ended 31st March 2020

42 Tax Expense

(a) Amounts recognised in profit and loss

₹ in Crore

	2019-20	2018-19
Current tax expense	412.31	1,018.81
Current year	428.16	1,030.12
Changes in estimates relating to prior years	(15.85)	(11.31)
Deferred tax expense	(59.08)	65.00
Origination and reversal of temporary differences	35.33	65.00
Change in tax rate	(94.41)	
Tax expense recognised in the income statement	353.23	1,083.81

(b) Amounts recognised in other comprehensive income

₹ in Crore

	2019-20			2018-19		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurements of the defined benefit plans	(41.83)	10.53	(31.30)	2.34	(0.82)	1.52
	(41.83)	10.53	(31.30)	2.34	(0.82)	1.52

(c) Reconciliation of effective tax rate

₹ in Crore

	2019-20		2018-19	
	%	₹ in Crore	%	₹ in Crore
Profit before tax		1,734.55		3,051.91
Tax using the Company's domestic tax rate	25.168%	436.55	34.944%	1,066.46
Tax effect of:				
Provision for CSR expenditure	0.91%	15.76	0.63%	19.16
Provision for CWIP & Stores	0.14%	2.49	0.05%	1.44
Tax-exempt income	-0.18%	(3.08)	-0.21%	(6.38)
Income Tax interest provision	0.00%	-	0.09%	2.75
Changes in tax estimates relating to prior years	-0.91%	(15.85)	-0.37%	(11.31)
Change in Tax rate on earlier years liability	-5.44%	(94.41)		
Others	0.68%	11.77	0.38%	11.69
Income Tax Expense	20.36%	353.23	35.51%	1,083.81

The company has adopted the option available under section 115BAA of Income Tax Act, 1961 as introduced by taxation laws (amendment) Act, 2019. Accordingly tax expenses, deferred tax assets/liabilities have been recomputed and impact of the same has been recognised in the financial statement for the year ended on 31 March 2020.

Notes to Financial Statements for the year ended 31st March 2020

43 Other comprehensive income

₹ in Crore

Particulars	2019-20	2018-19
(i) Items that will not be reclassified to profit or loss		
Remeasurements of defined benefit liability (asset)	41.83	(2.34)
(ii) Income tax relating to items that will not be reclassified to profit or loss	(10.53)	0.82
	31.30	(1.52)

44 Earning Per Share (EPS)

i. Profit attributable to Equity holders of NRL

₹ in Crore

	2019-20	2018-19
Profit attributable to equity holders of the company for basic and diluted earnings per share	1,381.32	1,968.10

ii. Weighted average number of ordinary shares

	2019-20	2018-19
Issued ordinary shares at April 1 (In Crore)	73.56	73.56
Weighted average number of shares at March 31 for basic and diluted earnings per shares	73.56	73.56
Basic and Diluted earnings per share (₹)	18.78	26.76

45 Leases

A. Leases as lessee

- a) The following is the detailed breakup of Right-of-use assets (by class of underlying assets) included in Property, Plant and Equipment (Note-2)

₹ in Crore

Particulars	Gross Block					Depreciation				Net Carrying Amount	
	As at 01-04-19	Ind AS 116 Transition Impact	Additions	Reclassifications / Deductions On Account Of Retirement / Disposal	As at 31-03-20	Up to 31-03-19	For the Year	Reclassifications / Deductions On Account Of Retirement / Disposal	Up to 31-03-20	As at 31-03-20	As at 31-03-19
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
1 Land	-	0.06	-	-	0.06	-	0.01	-	0.01	0.05	-
2 Buildings	-	3.43	6.42	-	9.85	-	1.94	-	1.94	7.90	-
Total	-	3.49	6.42	-	9.91	-	1.95	-	1.95	7.95	-
Previous Year	-	-	-	-	-	-	-	-	-	-	-

- b) The following expenses have been charged to Statement of Profit and Loss during FY 19-20

₹ in Crore

Interest on Lease Liabilities	0.42
Expenses relating to short term leases	2.88
Expenses relating to leases of low value items	-
Expenses relating to variable lease payments (not included in measurement of lease liabilities)	-
C) Total Cash outflow for leases during FY 19-20	5.02

Notes to Financial Statements for the year ended 31st March 2020

d) Maturity Analysis of Lease Liabilities as per Ind AS 116 "Leases"

₹ in Crore

As at 31/03/20	Contractual Cash Flows				
	Upto 1 year	1-3 years	3-5 years	More than 5 years	Total
Cash outflows	3.09	3.74	2.02	0.67	9.52

e) The Company had exercised the following transition choices/practical expedients available under Ind AS 116 Leases :

(i) The Company chooses to apply paragraph C5(b) of Appendix C of Ind AS 116 for transition. Accordingly, The Company measures lease liability at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate at the date of initial application. (para C8(b) of Appendix C)

(ii) The Company recognizes a right-of-use asset at the date of initial application for leases at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognized in the balance sheet immediately before the date of initial application. (para C8(c)(ii) of Appendix C)

(iii) The Company elects below practical expedients for transition to Ind AS 116 Leases

1. Not to apply this Standard to contracts that were not previously identified as containing a lease applying Ind AS 17. (para C3(b) of Appendix C)
2. To apply a single discount rate to a portfolio of leases with reasonably similar characteristics (such as leases with a similar remaining lease term for a similar class of underlying asset in a similar economic environment). (para C10(a) of Appendix C)
3. Not to apply the requirements in paragraph C8 (of Appendix C) to leases for which the lease term ends within 12 months of the date of initial application. (para C10(c) of Appendix C)

(iv) TRANSITION IMPACT

1. At the date of initial application i.e. 1st April 2019, the Company has recognized ₹3.43 Crore as Lease Liabilities in the books of accounts for those leases that were previously identified as leases as per Ind AS 17 leases computed by discounting remaining lease payments as at 1st April 2019 by weighted average incremental borrowing rate based on remaining lease term as on 1st April 2019.
2. Further, on transition, the Corporation has recognized Right-of-use assets ₹3.43 Crore computed at an amount equal to Lease Liability (stated above).
3. Reconciliation between Operating lease commitments pertaining to non cancellable leases disclosed as per Ind AS 17 "Leases" for FY 18-19 discounted using incremental borrowing rate at the date of transition and Lease Liabilities recognized in books of accounts shall be on account of short term leases, leases of low value assets.

₹ in Crore

a) Operating lease commitments pertaining to non cancellable leases (As per Ind AS 17 as at 31 March 2019)	6.33
b) Short term leases (as per Ind AS 116)	(2.47)
c) Low value items (as per Ind AS 116)	-
d) Variable lease payments (as per Ind AS 116)	-
e) Other Adjustments	-
c) Discounting Impact	(0.43)
d) Lease Liability as on 01.04.2019	<u>3.43</u>

Notes to Financial Statements for the year ended 31st March 2020

B. Leases as a Lessor

- a) The Company enters into operating lease arrangements in respect of lands. The details are as follows:

31 st March 2020		(₹ in Crore)
Sl No	Particulars	Land
1	Gross Carrying Amount	32.66
2	Accumulated Depreciation	-
3	Depreciation recognised in statement of Profit and Loss for the year ended	-

- b) Income earned from Operating Leases recognised in statement of profit and loss during Apr-Mar20 is as follows:

Income from Leases of investment property	2.45
Income relating to variable lease payments that do not depend on index or rate	-
Total	<u>2.45</u>

- i. Maturity Analysis of Lease payments receivable

The maturity analysis of lease payments receivable under operating leases from the year ending 31st March 2020 is as follows:

(₹ in Crore)							
As at 31/03/2020	Within 1 year	1 - 2 years	2 - 3 years	3 - 4 years	4 - 5 years	> 5 years	Total
Undiscounted Lease Payments	2.43	2.48	2.53	2.58	2.63	81.65	94.30

46 Employee Benefits

[A] Post Employment Benefit Plans:

Defined Contribution Scheme- Pension:

Company has New Pension Scheme effective from 1st January 2007. Company contributes at a defined percentage of the employee salary out of the total entitlements on account of superannuation benefits under this scheme. This fund is maintained under a trust. In addition to this National Pension Scheme also implemented in the company from the FY 2019-20 which is under NPS trust.

Particulars	FY 2019-20 (₹/crore)	FY 2018-19 (₹/crore)
Amount recognised in the Statement of Profit and Loss : Defined Contribution Scheme - Pension	15.30	19.37

Defined Benefits Plan

The Company has the following Defined Benefit Plans

Gratuity:

The Company has a defined benefit gratuity plan managed by a trust. The Trustees administer contributions made to the trust, investments thereof, etc. Based on actuarial valuation, the contribution is paid to the trust which is invested with LIC. Gratuity is paid to employee who has put in a minimum qualifying period of 5 years of continuous service, on superannuation, resignation, termination or to his nominee on death.

Other Defined Benefits:

These are :

- (a) Post Retirement Medical Benefit Scheme (managed by a trust) to employees, spouse, dependent children and dependent parents.

Notes to Financial Statements for the year ended 31st March 2020

(b) Resettlement allowance paid to employees to permanently settle down at a place other than the location of last posting at the time of retirement.

(c) These Defined Benefit Plans expose the company to actuarial risks, such as longitivity risks, interest rate risk and market (investment) risk.

a. Disclosure as per requirements of IND AS 19 - "Employee Benefits"

₹ in Crore

Reconciliation of balances of Defined Benefit Obligations	Gratuity : Funded		Post Retirement Medical Benefit : Funded		Resettlement Allowance : Non Funded	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Defined Obligations at the beginning of the year	60.50	56.58	43.32	41.43	3.79	3.37
Interest Cost	4.70	4.37	3.37	3.20	0.29	0.26
Current Service Cost	1.04	1.22	2.68	3.18	0.52	0.46
Past Service cost	-	-	-	-	-	-
(Gain)/Loss on curtailment						
Benefits paid	(1.50)	(2.90)	(0.60)	(0.31)	(0.17)	(0.23)
Actuarial (Gains)/ Losses on Financial Assumption	5.23	(0.21)	15.52	(0.38)	0.38	(0.01)
Actuarial (Gains)/ Losses on obligations	0.80	1.43	20.29	(3.80)	(0.09)	(0.05)
Defined Obligations at the end of the year	70.77	60.50	84.58	43.32	4.73	3.79

b) Reconciliation of balances of Fair Value of Plan Assets in respect of Gratuity/Post Retirement Medical Benefit Fund

Particulars	Gratuity : Funded		Post Retirement Medical Benefit : Funded		Resettlement Allowance : Non Funded	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Fair Value at the beginning of the Year	58.65	57.50	43.23	31.27	-	-
Expected Return	4.56	4.44	3.36	2.42	-	-
Actual return on Plan assets excluding Interest Income	0.35	(0.40)	(0.04)	(0.30)	-	-
Contribution by employer	1.62	-		10.16	-	-
Benefits paid	(1.50)	(2.90)	(0.60)	(0.31)	-	-
Fair Value of Plan Assets at the end of the year	63.68	58.65	45.95	43.23	-	-
Amount recognised in Balance Sheet (a-b)	7.09	1.85	38.63	0.09	4.73	3.79
Amount recognised in P&L						
Current Service Cost	1.04	1.22	2.68	3.18	0.52	0.46
Past Service cost	-	-				
Interest Cost	0.14	(0.07)	0.01	0.78	0.29	0.26
Expenses for the period	1.18	1.15	2.69	3.97	0.82	0.72
Amount recognised in Other Comprehensive Income						
Actuarial (Gains)/ Losses on obligations for the period	6.03	1.21	35.81	(4.18)	0.29	(0.07)
Actual return on Plan assets excluding Interest Income	(0.35)	0.40	0.04	0.30		
Net (Income)/ Expenses recognised in OCI	5.69	1.61	35.85	(3.88)	0.29	(0.07)

Notes to Financial Statements for the year ended 31st March 2020

Major Actuarial Assumptions	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Discount Rate	6.87%	7.77%	6.87%	7.77%	6.87%	7.77%
Salary Escalation	8.00%	8.00%			8.00%	8.00%
Future Benefit cost inflation			7.00%	7.00%		
Attrition Rate	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Expected Return on Plan Assets	6.87%	7.77%	6.87%	7.77%	N.A	N.A
Investment pattern for Fund as on 31.03.2020	Insured Fund		Insured Fund		Not Funded	

The estimates of future salary increases, considered in actuarial valuation, take into account inflation, seniority, promotion and other element factors.

The expected return on plan assets is based on market expectations at the beginning of the periods, for returns over the entire life of the related obligation.

Investment Pattern for Fund	Gratuity - Funded		Post Retirement Medical - Funded	
	As at 31/03/2020	As at 31/03/2019	As at 31/03/2020	As at 31/03/2019
Category of Asset	%	%	%	%
Insurer Managed Funds	100	100	92	
Others - Fixed Deposit in nationalised banks			8	100

For the funded plans, the trust maintains appropriate fund balancing considering the analysis of maturities. Projected unit credit method is adopted for Asset-Liability Matching.

Sensitivity analysis

Sensitivity analysis for each significant actuarial assumption as stated above, showing how the defined benefit obligation would be affected, considering increase/decrease of 1% as at 31.03.2020 is as below:

₹ in Crore

Sensitivity analysis	Gratuity : Funded			
	31-Mar-20		31-Mar-19	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(5.77)	6.61	(5.01)	5.75
Future salary growth (1% movement)	1.14	(1.28)	1.21	(1.42)
Future Employee Turnover (1% movement)	1.98	(2.21)	1.89	(2.12)

₹ in Crore

Sensitivity analysis	PRMB : Funded			
	31-Mar-20		31-Mar-19	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(17.00)	23.07	(8.34)	10.68
Future salary growth (1% movement)	22.98	(17.09)	10.71	(8.42)
Future Benefit Cost inflation (1% Movement)				
Future Employee Turnover (1% movement)	(9.19)	10.87	(4.76)	5.18

₹ in Crore

Sensitivity analysis	Resettlement Allowance : Non Funded			
	31-Mar-20		31-Mar-19	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(0.42)	0.49	(0.34)	0.40
Future salary growth (1% movement)				
Future Benefit Cost inflation (1% Movement)				
Future Employee Turnover (1% movement)	(0.47)	0.53	(0.38)	0.44

Notes to Financial Statements for the year ended 31st March 2020

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation keeping all other actuarial assumptions constant.

Maturity analysis

The expected future cash flows as at 31st March 2020 were as follows:

₹ in Crore

Expected contribution	Gratuity - Funded	PRMB : Funded	Resettlement Allowance: Non Funded
Projected benefits payable in future years from the date of reporting			
1st following year	4.51	0.74	0.27
2nd following year	2.70	0.79	0.04
3rd following year	4.82	0.76	0.30
4th following year	3.44	0.83	0.14
5th following year	3.78	0.92	0.15
Years 6 to 10	37.28	7.45	2.63

Other details as at 31.03.2020

Particulars	Gratuity - Funded	PRMB : Funded	Resettlement Allowance: Non Funded
Weighted average duration of the Projected Benefit Obligation(in years)	10	25	11
Prescribed contribution for next year (Rs in Crores)	8.16	42.33	0.00

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at balance sheet date.

₹ in Crore

	31-Mar-20	31-Mar-19
Total employee benefit liabilities		
Non-current	6.67	3.65
Current	46.00	2.10

B. Provident Fund:

The Company's contribution to Provident Fund is remitted to Employees Provident Fund Organisation on a fixed percentage of the eligible employee's salary and charged to Statement of Profit and Loss.

47. Financial instruments – Fair values and risk management

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Notes to Financial Statements for the year ended 31st March 2020

₹ in Crore

As at 31 st March 2020	Note Ref.	Carrying amount				Fair value			
		Mandatorily at FVTPL	FVTOCI-designated as such	Amotised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets									
Investment in Debt Instruments- Mutual Funds	12	-			-	-			-
Investment in Government of India Securities/ Treasury Bills	7 & 12			-	-				-
Cash and cash equivalents	14	-		136.77	136.77				-
Bank Balances other than cash and cash equivalents	15	-		221.00	221.00				-
Loans - Non current	8	-	-	47.25	47.25		45.74		45.74
Loans - Current	16	-		19.92	19.92		7.90		7.90
Trade receivables	13	-		703.48	703.48				-
Others- Current	17	-		28.09	28.09				-
		-	-	1,156.51	1,156.51	-	-	-	-
Financial liabilities									
Borrowings - Current	26			73.78	73.78				-
Borrowings - Non current	23			-	-				
Trade and other payables	27			728.61	728.61				
Other current liabilities	28			236.84	236.84				
Derivative Liability on forwards	28	-			-		-		
Other Non-Current financial liabilities	23			9.85	9.85				
		-	-	1,049.08	1,049.08	-	-	-	-

As at 31 st March 2019	Note Ref.	Carrying amount				Fair value			
		Mandatorily at FVTPL	FVTOCI-designated as such	Amotised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets									
Investment in Debt Instruments- Mutual Funds	12	97.97			97.97	97.97			97.97
Investment in Government of India Treasury Bills	7 & 12			1,034.19	1,034.19				-
Cash and cash equivalents	14			0.21	0.21				-
Bank Balances other than cash and cash equivalents	15			103.88	103.88				-
Loans - Non current	8			49.35	49.35		45.23		45.23
Loans - Current	16			12.52	12.52		4.71		4.71
Trade receivables	13			1,220.53	1,220.53				-
Others - Current	17			31.62	31.62				-
		97.97	-	2,452.30	2,550.26				
Financial liabilities									
Borrowings - Current	26			3.28	3.28				-
Borrowings - Non current	23			-	-				
Trade and other payables	27			1,018.42	1,018.42				-
Other current liabilities	28			242.09	242.09				
Derivative Liability on forwards	28	0.81			0.81		0.81		
Other Non-Current financial liabilities	23			0.19	0.19				-
		0.81	-	1,263.98	1,264.78	-	-	-	-

Notes to Financial Statements for the year ended 31st March 2020

₹ in Crore

Financial instruments – Fair values and risk management (continued)

B. Measurement of fair values

Valuation techniques

The following tables show the valuation techniques used in measuring Level 2 fair values, for financial instruments measured at fair value in the Balance Sheet.

Financial instruments measured at fair value

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Derivative instruments - forward exchange contracts	Forward pricing: The fair value is determined using quoted forward exchange rates at the reporting date.	Not applicable	Not applicable
Non current financial assets and liabilities measured at amortised cost	Discounted cash flows: The valuation model considers the present value of expected receipt/payment discounted using appropriate discounting rates.	Not applicable	Not applicable

C. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk

i. Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has established the Risk Steering Committee (the Committee), which is responsible for developing and monitoring the Company's risk management policies. The Committee reports annually to the Board of Directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its procedures, aims to maintain a disciplined and constructive control environment in which all the roleholders listed in the Risk Management Charter understand their roles and obligations.

The Audit Committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit reviews the controls and procedures in place, the results of which are reported to the audit committee.

ii. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments. However the company has very limited exposure to credit risk as the major customers are OMCs. Sale to direct customers are generally against advance payment or LCs.

The maximum exposure to credit risk in case of all the financial instruments covered below is restricted to their respective carrying amount.

Notes to Financial Statements for the year ended 31st March 2020

Financial instruments – Fair values and risk management (continued)

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

As at March 31, 2020, the Company's most significant customer accounted for ₹635.96 crores of the trade and other receivables carrying amount (March 31, 2019 : ₹1,094.15 crores).

The following table provides information about the exposure to credit risk and ECLs for trade receivables:

₹ in Crore

As at 31st March 2020	Gross carrying amount	Weighed average loss rate - range	Loss allowance
Neither past due nor impaired	702.89		-
Less than 90 days	(0.00)	-	-
More than 90 days	0.59	-	-
	703.48	-	-

₹ in Crore

As at 31 st March 2019	Gross carrying amount	Weighed average loss rate - range	Loss allowance
Neither past due nor impaired	1,219.79		-
Less Than 90 days	0.22		-
More than 90 days	0.52		-
	1,220.53	-	-

The company does not provide for any loss allowance on trade receivables where risk of default is negligible such as receivables from other oil marketing companies, if any. Loss rates are based on actual credit loss experience over the past three years.

Cash and cash equivalents

The Company held cash and cash equivalents of ₹136.77 crore at 31st March 2020 (31st March 2019 : ₹0.21 crore). The cash and cash equivalents are held with bank with good credit ratings and financial institution counterparties with good market standing.

Derivatives

The derivatives are entered into with bank and financial institution counterparties with good credit ratings. Further exposure to counter-parties are closely monitored and kept within the approved limits.

Investment in debt securities

The Company limits its exposure to credit risk by generally investing in liquid securities that have a good credit rating.

Other than trade and other receivables, the Company has no other financial assets that are past due but not impaired.

iii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

As on 31st March 2020, the Company had working capital of INR 1,823.67 crores, including cash and cash

Notes to Financial Statements for the year ended 31st March 2020

Financial instruments – Fair values and risk management (continued)

equivalents of INR 136.77 crores, investments in term deposits (having original maturities of more than 3 months) of INR 221 crores.

As on 31st March 2019, the Company had working capital of INR 2,066.43 crores, including cash and cash equivalents of INR 0.21 crores, investments in term deposits (having original maturities of more than 3 months) of INR 100 crores, and investments in mutual funds INR 97.97 crores and investments in Government of India Treasury Bills of INR 625.24 crores.

Exposure to liquidity risk

₹ in Crore

2019-20	Carrying amount	Contractual cash flows				
		Total	Upto 1 year	1-3 years	3-5 years	More than 5 years
INR						
Non-derivative financial liabilities						
External Commercial Borrowings	-	-	-	-	-	-
Short Term Borrowings	73.78	73.78	73.78	-	-	-
Trade payables	728.61	728.61	728.61	-	-	-
Other Non-Current financial liabilities	9.85	9.85	9.85	-	-	-
Other financial liabilities	236.84	236.84	236.84	-	-	-
Financial guarantee contracts*	40.40	40.40	40.40	-	-	-
Derivative financial liabilities						
Forward exchange contracts	-	-	-	-	-	-
<i>Inflows</i>	-	-	-	-	-	-
<i>Outflows</i>	-	-	-	-	-	-

₹ in Crore

2018-19	Carrying amount	Contractual cash flows				
		Total	Upto 1 year	1-3 years	3-5 years	More than 5 years
INR						
Non-derivative financial liabilities						
External Commercial Borrowings	34.59	34.59	34.59	-	-	-
Short Term Borrowings	3.28	3.28	3.28	-	-	-
Trade Payables	1,018.42	1,018.42	1,018.42	-	-	-
Other Non-Current financial liabilities	0.19	0.19	0.19	-	-	-
Other financial liabilities	208.31	208.31	208.31	-	-	-
Financial guarantee contracts*	52.55	52.55	52.55	-	-	-
Derivative financial liabilities						
Forward exchange contracts	-	-	-	-	-	-
<i>Inflows</i>	-	-	-	-	-	-
<i>Outflows</i>	-	-	-	-	-	-

* Guarantees issued by the Company on behalf of BCPL (associate company) is with respect to borrowings raised by the respective entity from OADB. This amount will be payable on default by the concerned entity. As on the reporting date, the associate company has not defaulted and hence, the Company does not have any present obligation for BCPL in relation to this guarantee.

Notes to Financial Statements for the year ended 31st March 2020

Financial instruments – Fair values and risk management (continued)

iv. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. We are exposed to market risk primarily related to foreign exchange rate risk.

Currency risk

The Company is exposed to currency risk on account of its operating and financing activities. The functional currency of the Company is Indian Rupee. The exchange rate between the Indian Rupee and foreign currencies has changed substantially in recent periods and may continue to fluctuate substantially in the future. The Company uses derivative instruments, i.e., foreign exchange forward contracts to mitigate the risk of changes in foreign currency exchange rates.

Company do not use derivative financial instruments for trading or speculative purposes.

Exposure to currency risk

The currency profile of financial assets and financial liabilities as at 31st March 2020 and 31st March 2019 are as below:

		₹ in Crore		
	Total	2019-20 INR	2019-20 USD	2019-20 EURO
Financial assets				
Investment in Mutual Fund	-	-		
Investment in Government of India Treasury Bills	-	-		
Derivative instruments - Forwards				
Cash and cash equivalents	136.77	136.77		
Bank Balances other than cash and cash equivalents	240.98	240.98		
Loans - Non current	47.25	47.25		
Loans - Current	19.92	19.92		
Trade receivables	703.48	697.63	5.84	
Others - Current	28.09	28.09		
Net exposure for assets	1,176.49	1,170.65	5.84	-
Financial liabilities				
Borrowings - Current	73.78	73.78		
Derivative instruments - Forwards	-		-	
Trade and other payables	728.61	726.66	-	1.95
Others - Current	236.84	236.84	-	
Others - Non-Current	9.85	9.85		
	1,049.08	1,047.13	-	1.95
Less: Foreign currency forward exchange contracts				
Net exposure for liabilities	1,049.08	1,047.13	-	1.95
Net exposure (Assets - Liabilities)	127.41	123.52	5.84	(1.95)

Notes to Financial Statements for the year ended 31st March 2020

Financial instruments – Fair values and risk management (continued)

₹ in Crore

	Total	2018-19	2018-19	2018-19
		INR	USD	EURO
Financial assets				
Investment in Mutual Funds	97.97	97.97		-
Investment in Government of India Treasury Bills	625.24	625.24		-
Derivative instruments - Forwards				-
Cash and cash equivalents	4.09	4.09		-
Bank Balances other than cash and cash equivalents	100.00	100.00		-
Loans - Non	49.35	49.35		-
Loans - Current	12.52	12.52		-
Trade receivables	1,220.53	1,191.50	29.03	
Other Non-current financial asset		-		-
Others - Current	31.62	31.62		-
Net exposure for assets	2,141.32	2,112.28	29.03	-
Financial liabilities				
Borrowings - Current	3.28	3.28		
Borrowings - Non current	-		-	
Derivative instruments - Forwards	0.81		0.81	
Trade and other payables	1,021.03	1,020.92	-	0.11
Others - current	239.47	204.88	34.59	
Other - Non-Current	0.19	0.19		
	1,264.78	1,229.28	35.39	0.11
Less: Foreign currency forward exchange contracts				
Net exposure for liabilities	1,264.78	1,229.28	35.39	0.11
Net exposure (Assets - Liabilities)	876.53	883.00	(6.36)	(0.11)

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against US dollars at March 31 would have affected the measurement of financial instruments denominated in US dollars and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. In cases where the related foreign exchange fluctuation is capitalised to fixed assets or recognised directly in reserves, the impact indicated below may affect the Company's income statement over the remaining life of the related fixed assets or the remaining tenure of the borrowing respectively.

Effect in INR (before tax)	Profit or loss	
	Strengthening	Weakening
2019-20		
1% movement		
USD	(0.35)	0.35
EUR	-	-
	(0.35)	0.35

Notes to Financial Statements for the year ended 31st March 2020

Financial instruments – Fair values and risk management (continued)

Effect in INR (before tax)	Profit or loss	
	Strengthening	Weakening
2018-19		
1% movement		
USD	(0.25)	0.25
EUR	-	-
	(0.25)	0.25

Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates, in cases where the borrowings are measured at fair value through profit or loss. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

Company's interest rate risk arises primarily from borrowings. The interest rate profile of the Company's interest-bearing financial instruments is as follows :

	₹ in Crore	
	2019-20	2018-19
Fixed-rate instruments		
Financial assets - measured at fair value through profit or loss		
Financial assets - measured at amortised cost	-	-
Financial liabilities - measured at amortised cost	-	-
	-	-
Variable-rate instruments		
Financial liabilities - measured at amortised cost (ECB)	-	34.59
Financial liabilities - measured at amortised cost (Working capital loans from banks - Cash credit)	68.60	3.19
Total	68.60	37.78

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased/ (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant. In cases where the related interest rate risk is capitalised to fixed assets, the impact indicated below may affect the Company's income statement over the remaining life of the related fixed assets.

₹ in Crore

Cash flow sensitivity (net)	Profit or loss	
	100 bp increase	100 bp decrease
2019-20		
Variable-rate instruments	-	-
Cash flow sensitivity (net)	-	-
2018-19		
Variable-rate instruments	(3.05)	3.05
Cash flow sensitivity (net)	(3.05)	3.05

Notes to Financial Statements for the year ended 31st March 2020

48 Related party transactions

The disclosure of related party transactions is presented on an aggregate basis for shareholders and companies controlled by shareholders, joint ventures and associates. In addition, there may be additional disclosures of certain significant transactions (balances and turnover) with certain related parties.

a) Names of the Related parties

Joint Venture Company:

Assam Bio Refinery Pvt. Ltd.

Indradhanush Gas Grid Ltd.

Joint Venture of Holding Companies:

Bharat Oman Refineries Limited

Key Management Personnel :

Shri S.K. Barua Managing Director Appointed (w.e.f. 31.01.2018)

Shri B.J. Phukan Director (Technical) Appointed (w.e.f. 01.02.2017)

Shri S.K. Barua, Managing Director holding additional charge of Director (Finance) w.e.f. 31.01.2018 to 11.10.2018

Shri Indranil Mittra Director (Finance) Appointed (w.e.f. 12.10.2018)

Shri D. Rajkumar Chairman Appointed (w.e.f. 07.10.2016)

Shri Ravi Capoor, Director (representing Govt. of Assam) (upto 31.07.2019)

Dr. K. K. Dwivedi, Director (representing Govt. of Assam) (w.e.f. 16.08.2019)

Dr Praphullachandra Sharma (representing Govt. of India) upto 13.02.2019

Shri Rajendra Kumar Kureel (representing Govt. of India) (w.e.f. 26.03.2019)

Shri Utpal Bora, Director (representing Oil India Limited) (upto 30.09.2019)

Shri Sushil Chandra Mishra, Director (representing Oil India Limited) (w.e.f. 04.11.2019)

Shri Raj Kumar Sharma , Independent Director (upto 30.01.2020)

Smti Sneha Lata Kumar, Independent Director (w.e.f. 08.09.2017)

Dr. Sylvanus Lamare, Independent Director (w.e.f. 16.07.2019)

Shri Jaswant Singh Saini, Independent Director (w.e.f. 29.11.2019)

Following are the related party transactions entered by the Company during the year:

₹ in Crore

	2019-20	2018-19
	Joint Venture/Joint Venture of Holding Companies:	Joint Venture/Joint Venture of Holding Companies:
Revenues and income		
Sale of goods		
Dividend income received		
Services given	8.10	4.42
Lease rental received	2.45	
Finance income		
Other income		
Costs and expenses		

Notes to Financial Statements for the year ended 31st March 2020

	2019-20	2018-19
	Joint Venture/Joint Venture of Holding Companies:	Joint Venture/Joint Venture of Holding Companies:
Production and operating expenses		
Purchases of goods	115.05	75.12
Financial expenses		
Other expenses		
Other operations		
Investment in equity shares	79.50	26.50
Advance for investment pending allotment of shares	-	20.00
Loans given		
Loans repaid		

b) Outstanding balance with related parties

₹ in Crore

	2019-20		2018-19	
	KMPs	Others	KMPs	Others
Loans given	0.18	-	0.08	-
Loans taken	-	-	-	-
Receivable at the year end	-	5.40	-	0.90
Payable at the year end	-	-	-	-

c) In the course of its ordinary business, the Company enters into transactions with other Government controlled entities. The Company has transactions with other government-controlled entities, including but not limited to the followings:

- Sale and purchases of goods and ancillary materials;
- Rendering and receiving services;
- Lease of assets;
- Depositing and borrowing money; and
- Uses of public utilities.

These transactions are conducted in the ordinary course of business on terms comparable to those with other entities that are not government controlled entities.

d) Key management personnel compensation

₹ in Crore

	31-Mar-20	31-Mar-19
Short-term employee benefits	2.05	1.52
Post-employee benefits	0.26	0.18
Other long-term benefits	-	-
Total	2.31	1.70

49 Dues from officers is ₹1.33 crs (31st March 2019 : ₹ 1.38 crs)

50 During the FY 2019-20, provision has been made under employee benefit in respect of pay revision dues (including retiral dues) to employees (unionised staff) w.e.f. 01st January 2017 at an estimated amount of ₹15.87 crores (previous year ₹14.76 crores) based on the available information and judgement.

Notes to Financial Statements for the year ended 31st March 2020

51 Contingent Liabilities and Capital Commitments

₹ in Crore

	31-Mar-20	31-Mar-19
(a) Contingent Liabilities :		
Claims against the Company not acknowledged as debts :		
Excise matters	194.40	225.36
Service Tax matters	-	3.67
Sales tax matters	-	23.37
Entry Tax Matters	6.89	19.55
Claim by contractors Arbitration cases / Other extra claims on capital account	26.18	21.79
Others	11.25	11.25
(b) Capital Commitments :		
i) Estimated amount of contracts remaining to be executed on capital account and not provided for	327.40	268.01
(c) Guarantees:		
i) Guarantees in favour of Oil Industry Development Board (OIDB) for long term loans for capital project extended to BCPL Ltd. by OIDB	40.40	52.55
ii) Bank Guarantee	44.36	28.01
(d) Letter of Credit	7.51	33.03

The Company currently does not have any Contingent Assets

52 In compliance of Ind AS 37 on "Provisions, Contingent Liabilities and Contingent Assets", the required information is as under:

₹ in Crore

Nature	Opening balance	Additions during the year	Utilisation during the year	Reversals during the year	Closing balance
Excise	18.12		-	18.12	-
Service Tax	2.38		-	2.38	-
VAT/ Sales Tax/ Entry Tax	126.33		42.23	66.62	17.48
Legal cases	5.25	4.05	-		9.30
Total	152.08	4.05	42.23	87.12	26.78
Previous year	244.74	8.41	-	101.07	152.08

The above provisions are made based on estimates and the expected timing of outflows is not ascertainable at this stage.

Notes to Financial Statements for the year ended 31st March 2020

53 Disclosure in respect of Expenditure on Corporate Social Responsibility Activities

₹ in Crore

	2019-20	2018-19
a) Unspent CSR Expenditure carried forward from previous year (Opening Provision)	-	-
b) Amount required to be spent by the company during the year	62.25	54.36
c) Amount spent during the year (on purpose other than construction / acquisition of assets controlled by the company)	87.61	54.85
d) Provision created for balance amount (Closing Provision)	-	-

* Including payables of ₹1.22 crores (Previous Year ₹5.99 crores) as on 31.03.2020.

54 Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders.

The Board of Directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position. The weighted-average interest rate computed as interest expense on interest-bearing borrowings (excluding liabilities with imputed interest) was 7.94% (31st March 2019: 8.15%).

The Company monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings as reduced by cash and cash equivalents. Adjusted equity comprises all components of equity.

The Company's policy is to keep the ratio below 2.00. The Company's adjusted net debt to equity ratio at 31st March 2020 was as follows :

₹ in Crore

	As at 31 st March 2020	As at 31 st March 2019
Total Liabilities	1,570.08	1,949.53
Less : Cash and Cash equivalent	136.77	0.21
Adjusted net debt	1,433.31	1,949.32
Total equity	5,304.38	5,550.68
Adjusted net debt to adjusted equity ratio	0.27	0.35

55 Segment Reporting

A. Basis for segmentation

NRL has one reportable segment. Details of the segments is as follows:

- Downstream Petroleum engaged in refining and marketing of petroleum products.

B. Geographic information

The geographic information analyses NRL's revenue and non-current assets by the country of domicile and other countries. In presenting the geographical information, segment revenue has been based on the geographic selling location and segments assets were based on the geographic location of the respective non-current assets.

₹ in Crore

Geography	31-Mar-20	31-Mar-19
I Revenue		
India	14,072.66	18,511.15
Other Countries	-	-
Total Revenue	14,072.66	18,511.15
II Non-current Assets *		
India	3,454.70	3,565.84
Other Countries	-	-
Total Non-current Assets	3,454.70	3,565.84

*non-current assets other than financial instruments, deferred tax assets, post-employment benefit assets and rights arising from insurance contracts

C. Information about major customers

Revenues from one customer (BPCL) of the Downstream Petroleum segment represented approximately ₹11,892.28 Crores (previous year - ₹15,829.10 Crores)

56 The Company has numerous transactions with other oil companies. The outstanding balances [included under trade payables/trade receivables] from them including certain other outstanding credit and debit balances are subject to confirmation /reconciliation. Adjustments, if any, arising therefrom are not likely to be material on settlement and are accounted as and when ascertained.

57 The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing and closure of non-essential services have triggered significant disruptions to business worldwide, resulting in an economic slowdown. On 24th March 2020, the Government of India had ordered a nationwide lockdown for 21 days which got further extended subsequently. Further, during March 2020/April 2020, there has been significant volatility in oil prices, resulting in reduction in oil prices. On account reduction in prices, the writedown of inventories to net realisable value has been disclosed as Exceptional Items in the financial results. Impact of the same for the year ended 31 March 2020 is ₹ 229.52 crores [Refer note no 41].

In assessing the recoverability of Company's assets such as Investments, Loans, Trade Receivable, Inventories etc. the company has considered internal and external information upto the date of approval of these financial results. The company has evaluated impact of this pandemic on its business operations and based on its review and current indicators of future economic conditions, expects to recover the carrying amount of the assets.

58 Derivative Instruments and unhedged foreign currency exposure:

A. Derivatives outstanding as at the reporting date

Particulars	Purpose	31-Mar-20		31-Mar-19	
		USD million	₹ Crore	USD million	₹ Crore
Forward contracts to buy USD	ECB Loan (short term) Repayable within 12 months	-	-	5.00	34.59

B. Particulars of unhedged foreign currency exposures as at reporting date

Particulars	USD million	₹ Crore	USD million	₹ Crore
External Commercial Borrowing	-	-	-	-

C. Mark-to-Market losses

Particulars	USD million	₹ Crore	USD million	₹ Crore
Mark-to-Market losses provided for	-	-	-	0.81

59 Research and Development Expenditure

₹ in Crore

Particulars	2019-20	2018-19
Revenue Expenditure	3.30	-

60 Previous year figures

Previous year figures have been reclassified / regrouped to conforms to current year's classification.

Signature to Notes '1' to '60'

As per our report of even date

For and on behalf of the Board of Directors

For M C Bhandari & Co
Chartered Accountants
ICAI FRN : 303002E

Sd/-
CA. Neeraj Jain
Partner
Membership No. 064393
UDIN: 20064393AAAAIP1879

Place: Kolkata
Date : 22nd May 2020

Sd/-
S. K. Barua
Managing Director
DIN: 06503943

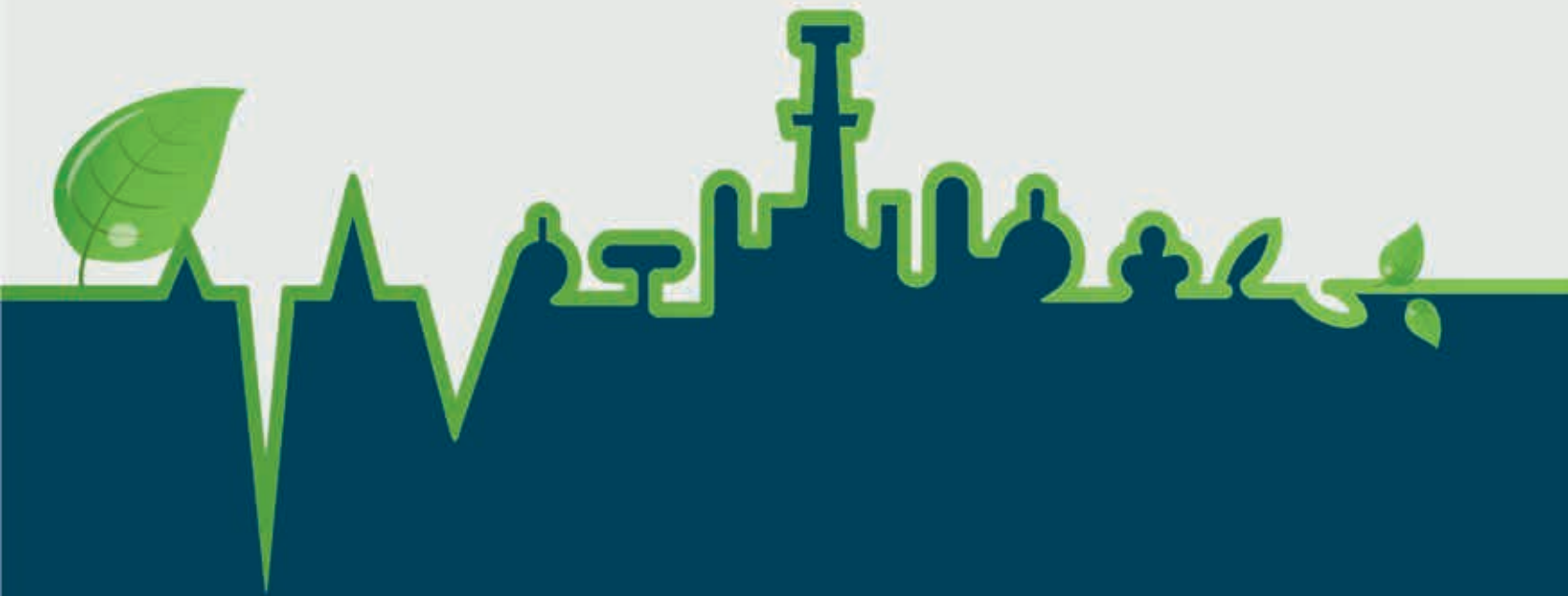
Sd/-
H. K. Sarmah
Company Secretary

Sd/-
Indranil Mitra
Director (Finance)
DIN: 06883068

Place: Guwahati
Date : 22nd May 2020

NUMALIGARH
REFINERY
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INDEPENDENT AUDITORS' REPORT (CONSOLIDATED)

Independent Auditors' Report

To
The Members of
Numaligarh Refinery Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of NUMALIGARH REFINERY LIMITED ("the Company") and its associate and its joint ventures (collectively referred to as "the Group", which comprise the Consolidated Balance Sheet as at 31st March, 2020 and the Consolidated Statement of Profit and Loss, (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows for the year then ended and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information hereinafter referred to as consolidated financial statements.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements along with the notes thereon, give the information required by the Companies Act, 2013 ("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 consolidated state of affairs (financial position) of the Group, its associate and joint ventures as at 31st March, 2020, of consolidated profit (financial performance including other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, its associate and joint ventures in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

As more fully described in Note no. 57 to the Statement, to assess the recoverability of certain assets, the Group has considered internal and external information up to the date of this report in respect of the current indicators of future economic conditions consequent to the global health pandemic COVID 19 and expects to recover the carrying amount of the assets.

Our report is not modified in respect of this matter.

Other Information

The Parent Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Directors' report, Management Discussion & Analysis etc, but does not include the financial statements and our auditors' report thereon. Such other Information's are expected to be made available to us after the date of this auditor's report. Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions necessitated by the circumstances and the applicable laws and regulations

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the preparation and presentation of these Consolidated financial statements in terms of the requirement in section 134(5) of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance, changes in equity and cash flows of the Group including its associates and joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Board of Directors of the companies included in the group and of its associate and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the Companies included in the Group and its associate and joint ventures are responsible for assessing the ability of the Group and its associate and joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

That respective Board of Directors of the companies included in the Group and of its associate and joint ventures are also responsible for overseeing the Company's financial reporting process of the Group and of its associate and joint ventures.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing an opinion on whether the Group has an adequate internal financial control system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and of its associate and joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements, or if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate and joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate and joint ventures to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

We did not audit the financial statements of:

1. DNP Limited (DNP) – Joint Venture Company
2. Assam Bio Refinery Private Limited (ABPRL) – Joint Venture Company
3. Indradhanus Gas Grid Limited (IGGL) – Joint Venture Company
4. Brahmaputra Crackers & Polymers Limited (BCPL) – Associate Company

The financial statements of above referred Joint Venture and Associate companies reflect total assets of ₹11,172.74 Crores at 31st March, 2020, total revenues of ₹ 3039.13 Crores, and net cash flows amounting to ₹6.60 Crores for the year ended on that date, as considered in the consolidated financial statements.

The consolidated financial statements also include the Group's share of net profit of ₹152.13 Crores for the year ended 31st March, 2020, as considered in the consolidated financial statements, in respect of joint ventures and associate, whose financial statements have not been audited by us.

These financial statements are unaudited and have been furnished to us as certified by the Management of the respective of Joint Venture or Associate companies. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these joint ventures and associate, and our report in terms of sub-section (3) of Section 143 of the Act, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the financial statements of the Group as certified by the respective management of the Company and its joint ventures and associate companies.

Report on Other Legal and Regulatory Requirements

- i) As required by the Section 143(5) of the Act, we give in “Annexure A”, a statement on the matters specified by the Comptroller and Auditor-General of India for the Company. However the said report does not cover the Company’s joint ventures and associate.
- ii) As required by Section 143(3) of the Act, based on our audit and on the consideration of separate financial statement of joint ventures and associate as certified by the management, as noted in the other matter paragraph, 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 of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Company, so far as it appears from our examination of the books of the Company.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained by the Company including relevant records relating to the preparation of the consolidated financial statements.
 - d) In our opinion, the aforesaid Consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) In view of the exemption given vide notification no. G.S.R. 463(E) dated 5th June, 2015, issued by Ministry of Corporate Affairs, provisions of Section 164(2) of the Act are not applicable to the Company and in case of joint ventures and associate companies, relevant declaration from the respective directors of those companies are not available, hence we are unable to offer our comment on the same.
 - f) Based on audited accounts of the Company, with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, we give our separate Report in “Annexure B”. However the said report does not cover the Company’s joint ventures and associate.
 - 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 knowledge & belief and the information and according to the explanations given to us by the management of the Company and on the basis of management certified unaudited accounts of its joint ventures & associate entities:
 1. The consolidated financial statement disclose the impact of pending litigations as at 31st March 2020 on its consolidated financial position of the Company and its joint ventures and associate-Refer Note 51 to the Consolidated Ind AS financial statements;
 2. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts - Refer Note 58 to the Consolidated Ind AS financial statements;
 3. There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company and joint ventures and associate.

For **M. C. Bhandari & Co.**

Chartered Accountants

Firm registration No. 303002E

CA. Neeraj Jain

(Partner)

(Membership No. 064393)

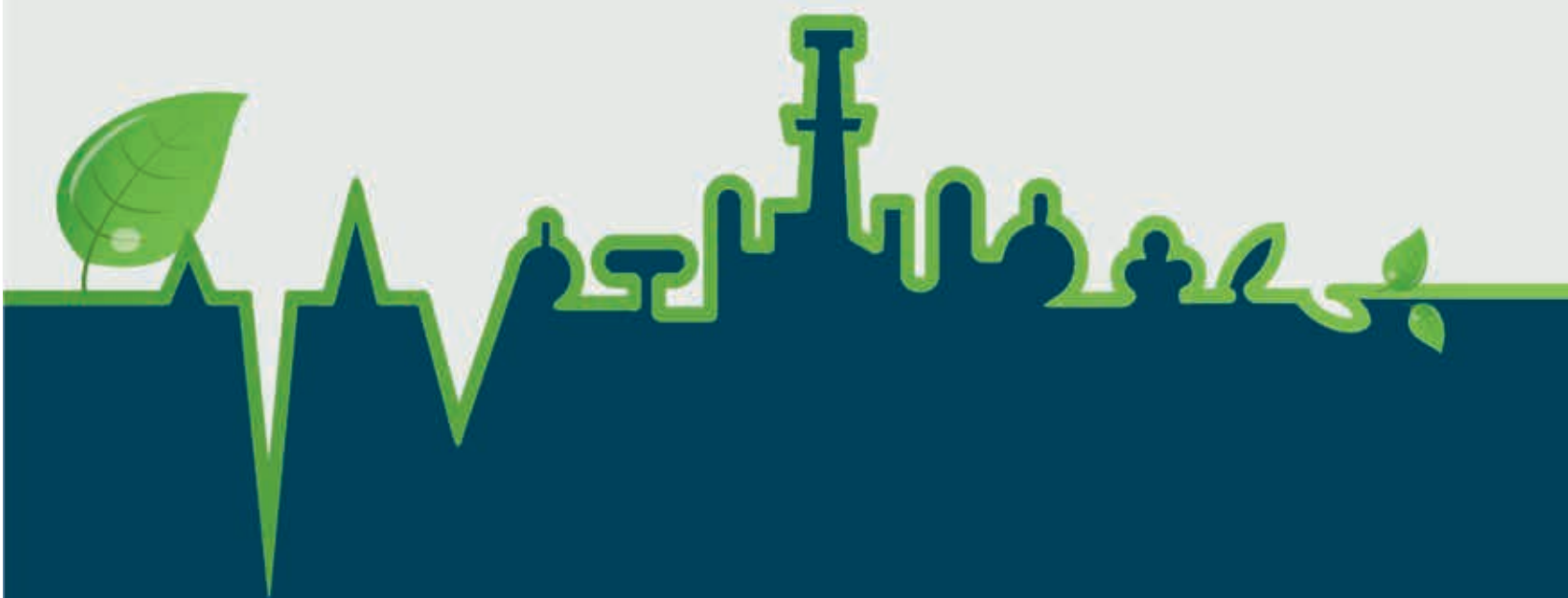
UDIN -20064393AAAAIQ4889

Place: Kolkata

Date: 22nd May, 2020

NUMALIGARH
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ANNEXURES TO INDEPENDENT AUDITORS' REPORT (CONSOLIDATED)

Annexure - A to the Auditors' Report

[Referred to in paragraph (i) under 'Report on Other Legal and Regulatory Requirements in the Independent Auditors' Report of even date on the Consolidated Ind AS financial statements of Numaligarh Refinery Limited]

Report pursuant to directions issued by office of C&AG u/s 143(5) of the Companies Act, 2013

1.	Area Examined	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.
	Observation/ Findings	Financial reporting process at the company is being managed under integrated ERP (SAP) system covering the life cycle of transaction, starting from its initiation to its consequent reflection for financial reporting. During the course of our audit and on the basis of information and explanation provided to us, we have not come across any cases, where financial transactions are being processed outside of company's ERP system, thereby raising concerns on the integrity of the financial reporting process interfaced with Company's ERP system. Joint Ventures (DNPL&IGGL): In the absence of Statutory Audit Reports we are unable to comment on the issue. Associate (BCPL): In the absence of Statutory Audit Report we are unable to comment on the issue.
2	Area Examined	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts /loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated.
	Observation/ Findings	During the period under audit, no restructuring of existing loan or waiver/write off of loans or interest by the lenders has been done for the company. Company has been regular in servicing its debt obligations. Joint Ventures (DNPL&IGGL): In the absence of Statutory Audit Reports we are unable to comment on the issue. Associate (BCPL): In the absence of Statutory Audit Report we are unable to comment on the issue.
3.	Area Examined	Whether funds received/receivable for specific schemes from central/ state agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.

Observation/ Findings	During the period under audit, company has been nominated as the Implementing Agency for execution of “Indo Bangladesh Friendship Pipeline” by Government of India (GoI). Outlays for executing the Bangladesh portion of the pipeline are being funded by the GoI and the same is being managed, accounted and expended in terms of the Agreement between the Company and GoI. NRL also opted for Merchant Exporter model to get the benefit of concessional rate of GST i.e. 0.1% subject to fulfilment of certain conditions as provided in the notification no 41/2017 – Integrated Tax (Rate) dated 23rd October 2017. One Primary conditions is that NRL should procure goods from suppliers on tax invoices and in turn export the said goods within period of ninety days from the date of issue of the tax invoice by the suppliers. The goods to be exported through Bill of Export. However, there shall be no realisation of foreign currency. During the course of our audit and as per information & explanation provided and records available to us, we have not come across any instance of deviation in utilization of funds as provided by Government of India or accounting thereof done by the Company. Joint Ventures (DNPL & IGGL): In the absence of Statutory Audit Reports we are unable to comment on the issue. Associate (BCPL): In the absence of Statutory Audit Report we are unable to comment on the issue.
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Note: One joint venture company, Assam Bio Refinery Private Ltd. (ABRPL) was not considered hereinabove as it is not being a Government Company and the direction under section 143(5) of the Companies Act, 2013 is not applicable to the said company.

For **M. C. Bhandari & Co.**

Chartered Accountants

Firm registration No. 303002E

CA. Neeraj Jain

(Partner)

(Membership No. 064393)

UDIN -20064393AAAAIQ4889

Place: Kolkata

Date: 22nd May, 2020

Annexure - B to the Independent Auditors' Report

[Referred to in paragraph (ii)(f) under 'Report on other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date on the Consolidated Ind AS financial statements of Numaligarh Refinery Limited.]

Report on the Internal Financial Controls 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 NUMALIGARH REFINERY LIMITED ("the Company"), Joint Ventures and Associates as at 31st March 2020, (collectively hereinafter referred as Group) in conjunction with our audit of the Consolidated Ind AS financial statements of the Group for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Company, Joint ventures and associate are 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 over financial reporting criteria established by the Company considering essential components of the 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 ('ICAI'). 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 respective 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 (the "Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Group'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") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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.

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 auditors' judgment, including the assessment of the risks of material misstatement of the Consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and for other joint venture and associate companies referred to in the "Other Matters" paragraph below, 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 authorizations of management and directors of the company; and
- 3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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.

Opinion

In our opinion, the Company, Joint ventures and associate have, 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 31st March, 2020, 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.

Other Matters:

Our aforesaid reports under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting so far as it relates to the Joint Ventures DNP Limited (DNP), Assam Bio Refinery Private Ltd. (ABRPL) & Indradhanus Gas Grid Ltd. (IGGL) and an Associate company Brahmaputra Crackers and Polymers Limited (BCPL), we are unable to comment on the same as we have not received the Auditors' Report on Internal Financial Control for the above referred Joint Ventures and also of Associate companies.

For **M. C. Bhandari & Co.**

Chartered Accountants

Firm registration No. 303002E

CA. Neeraj Jain

(Partner)

(Membership No. 064393)

UDIN -20064393AAAAIQ4889

Place: Kolkata

Date: 22nd May, 2020

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) READ WITH SECTION 129(4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF NUMALIGARH REFINERY LIMITED FOR THE YEAR ENDED 31 MARCH 2020

The preparation of consolidated financial statements of Numaligarh Refinery Limited for the year ended 31 March 2020 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under Section 139(5) read with section 129(4) of the Act is responsible for expressing opinion on these financial statements under section 143 read with section 129(4) of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 22 May 2020.

I on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the consolidated financial statements of Numaligarh Refinery Limited for the year ended 31 March 2020 under Section 143(6)(a) read with section 129(4) of the Act. We conducted a supplementary audit of the financial statements of Numaligarh Refinery Limited and its associate company Brahmaputra Cracker and Polymer Limited and joint venture company Indrindhanush Gus Grid Limited, but did not conduct the supplementary audit of the financial statement of its joint venture company DNP Limited for the year ended on that date. **Further, section 139(5) and 143(6)(a) of the Act are not applicable to Assam Bio Refinery (P) Ltd. being private entity, for appointment of their Statutory Auditor and for conduct of supplementary audit. Accordingly, Comptroller and Auditor General of India has neither appointed the Statutory Auditors nor conducted the supplementary audit of this company.** This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143(6)(b) or the Act.

For and on behalf of the
Comptroller & Auditor General of India

Sd/-
(Suparna Deb)
Director General Audit (Mines)
Kolkata

Place : Kolkata
Dated: 22th July 2020

Consolidated Balance Sheet as at 31st March 2020

₹ in Crore

	Note No.	31-Mar-20	31-Mar-19
ASSETS			
1 Non-current assets			
(a) Property, Plant and Equipment	2	3,028.86	2,710.22
(b) Capital work in progress	3	321.01	395.22
(c) Investment Property	4	32.66	-
(d) Other Intangible assets	5	13.70	6.76
(e) Investment accounted for using equity method	6	355.55	149.94
(f) Financial Assets			
(i) Investment	7	-	408.95
(ii) Loans	8	47.25	49.35
(iii) Other Financial Assets	9	-	20.00
(g) Other non-current assets	10	58.47	24.68
Total Non-current assets		3,857.50	3,765.12
2 Current assets			
(a) Inventories	11	1,787.82	1,516.56
(b) Financial Assets			
(i) Investments	12	-	723.21
(ii) Trade receivables	13	703.48	1,220.53
(iii) Cash and cash equivalents	14	136.77	0.21
(iv) Bank Balances other than (iii) above	15	240.98	103.88
(v) Loans	16	19.92	12.52
(vi) Other financial assets	17	28.09	31.62
(c) Current Tax Assets (Net)	18	135.87	32.52
(d) Other current assets	19	50.94	28.36
		3,103.87	3,669.41
Assets Held for Sale	20	0.72	1.17
Total Current assets		3,104.59	3,670.58
TOTAL ASSETS		6,962.09	7,435.70
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	21	735.63	735.63
(b) Other Equity	22	4,656.37	4,750.54
Total Equity		5,392.00	5,486.17
Liabilities			

Consolidated Balance Sheet as at 31st March 2020 (contd.)

₹ in Crore

	Note No.	31-Mar-20	31-Mar-19
1 Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings		-	-
(ii) Other financial liabilities	23	9.85	0.19
(b) Provisions	24	11.81	8.06
(c) Deferred tax liabilities (Net)	25	267.51	337.13
Total Non-Current Liabilities		289.17	345.38
2 Current liabilities			
(a) Financial Liability			
(i) Borrowings	26	73.78	3.28
(ii) Trade payables			
a) Total outstanding dues of Micro Enterprises and Small Enterprises	27	0.92	4.71
b) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	27	727.69	1,013.71
(iii) Other financial liability	28	236.84	242.89
(b) Other current liabilities	29	149.64	88.59
(c) Provisions	30	92.05	175.25
(d) Current Tax Liabilities (Net)	31	-	75.72
Total Liabilities		1,280.92	1,604.15
TOTAL EQUITY AND LIABILITIES		6,962.09	7,435.70
Significant Accounting Policies	1		
Notes forming part of Financial Statements	45-61		

As per our attached report of even date

For M C Bhandari & Co

Chartered Accountants

ICAI FRN : 303002E

Sd/-

CA. Neeraj Jain

Partner

Membership No. 064393

UDIN :20064393AAAAIQ4889

Place: Kolkata

Date : 22nd May 2020

For and on behalf of the Board of Directors

Sd/-

S. K. Barua

Managing Director

DIN: 06503943

Sd/-

H. K. Sarmah

Company Secretary

Sd/-

Indranil Mitra

Director (Finance)

DIN: 06883068

Place: Guwahati

Date : 22nd May 2020

Consolidated Statement of Profit and Loss for the period ended 31st March 2020

₹ in Crore

	Note No.	2019-20	2018-19
INCOME			
I Revenue from operations	32	14,072.66	18,511.15
II Other Income	33	171.63	123.49
Total income (I+II)		14,244.29	18,634.64
EXPENSES			
IV Cost of materials consumed	34	8,735.49	11,274.07
Purchases of Stock-in-Trade		497.56	462.76
Changes in inventories of finished goods, stock-in-trade and work-in-progress	35	(453.59)	41.40
Excise Duty	36	2,027.43	2,306.08
Employee Benefits expense	37	297.84	299.41
Finance Costs	38	2.05	12.62
Depreciation and Amortisation Expense	39	248.92	194.45
Other Expenses	40	924.52	989.42
Total Expenses (IV)		12,280.22	15,580.21
V Profit/(loss) before exceptional items and tax (III-IV)		1,964.07	3,054.43
VI Exceptional Items	41	229.52	2.52
VII Profit from continuing operation before share of profit of equity accounted investees and income tax (V-VI)		1,734.55	3,051.91
VIII Share of profit of equity accounted investee (net of income tax)		152.13	12.18
IX Profit from continuing operations before income tax (VII+VIII)		1,886.68	3,064.09
X Tax Expense	42	353.23	1,083.81
(1) Current Tax		412.31	1,018.81
(2) Deferred Tax		(59.08)	65.00
Profit / (Loss) for the period (IX - X)		1,533.45	1,980.28
XII Other comprehensive income			
(i) Items that will not be reclassified to profit or loss Re-measurements of defined benefit plan	43	(41.83)	2.34
(ii) Income tax related to items that will not be reclassified to profit or loss	43	10.53	(0.82)
Other comprehensive income, net of tax (i+ii)		(31.30)	1.52
XIII Total comprehensive income for the period (IX + X)		1,502.15	1,981.80
XIV Basic and Diluted Earnings per share (₹)	44	20.85	26.92
(Face Value ₹10)		20.85	26.92
Significant Accounting Policies	1		
Notes forming part of Financial Statements	45-61		

As per our attached report of even date

For M C Bhandari & Co

Chartered Accountants

ICAI FRN : 303002E

Sd/-

CA. Neeraj Jain

Partner

Membership No. 064393

UDIN :20064393AAAAIQ4889

Place: Kolkata

Date : 22nd May 2020

For and on behalf of the Board of Directors

Sd/-

S. K. Barua

Managing Director

DIN: 06503943

Sd/-

H. K. Sarmah

Company Secretary

Sd/-

Indranil Mitra

Director (Finance)

DIN: 06883068

Place: Guwahati

Date : 22nd May 2020

Consolidated Statement of Cash Flows

₹ in Crore

<i>For the year ended</i>		31-Mar-20	31-Mar-19
A	Cash Flow from Operating Activities		
	Profit (Loss) for the period	1,533.45	1,980.28
	Adjustments for :		
	Depreciation & Amortisation expenses	248.92	194.45
	Income Tax Expenses	353.23	1,083.81
	Interest	2.05	12.62
	(Profit) / Loss on Sale/Write Off of Property, Plant and Equipment	2.92	1.40
	Foreign Exchange Fluctuation	(2.19)	2.62
	Income from Investment in Join Venture /Associate Companies	(5.11)	(4.22)
	Income from Investment Property	(2.45)	-
	Dividend Received from Current Investment	(7.14)	(14.04)
	Interest Income	(78.33)	(84.57)
	(Profit)/Loss on sale of investment	(9.89)	-
	Other Non-Cash Items (Refer explanatory note 4)	(20.78)	5.64
	Operating Profit before Working Capital Changes	2,014.68	3,177.99
	<i>(Invested in) / Generated from:</i>		
	Trade receivables	517.05	(204.41)
	Other receivables	(135.84)	(3.75)
	Inventories	(271.26)	290.96
	Current Liabilities & Provisions	(134.32)	(282.18)
	Cash generated from Operations	1,990.31	2,978.61
	Direct Taxes Paid	(591.38)	(945.50)
	Net Cash from/(used in) Operating Activities	1,398.93	2,033.11
B	Net Cash Flow from Investing Activities		
	Purchase of Property, Plant & Equipment /CWIP	(515.84)	(385.64)
	Purchase of intangible assets	(9.40)	(6.12)
	Sale of Property, Plant and Equipment	0.29	0.20
	Investment in Joint Venture/ Associate Companies	(185.62)	(39.29)
	Purchase of / Accretion to Investments	1,132.15	(678.05)
	Purchase/ Maturity of Fixed Deposit	(137.10)	625.12
	Profit on Sale of Investments	9.89	-
	Income from Investment in Join Venture /Associate Companies	5.11	4.22
	Dividend Received from Investment	7.14	14.04
	Long Term Loans and Advances	(31.68)	(33.68)
	Interest Income from Investment	87.26	98.58
	Net Cash from/(used in) Investing Activities	362.20	(400.62)
C	Net Cash Flow from Financing Activities		
	Repayment of Loan	(35.67)	(314.75)
	Other Long Term Liabilities	(65.11)	65.35

Statement of Cash Flows (contd.)

₹ in Crore

<i>For the year ended</i>		31-Mar-20	31-Mar-19
Payment of lease liabilities		(1.72)	-
Other Long Term Provisions		3.76	0.54
Interest paid		(2.20)	(13.38)
Dividend Paid		(1,324.14)	(1,213.79)
Corporate Dividend Tax		(272.18)	(249.50)
Realised (loss)/gain of Foreign Exchange Difference		2.19	(1.84)
Net Cash from/(used in) Financing Activities		(1,695.07)	(1,727.37)
D Net Increase / (Decrease) in Cash and Cash equivalents (A+B+C)		66.06	(94.88)
E Cash & Cash Equivalents at beginning of Period	Note 1	(3.07)	91.81
F Cash & Cash Equivalents at end of Period (D+E)	Note 1	62.99	(3.07)

Notes to the Cash Flows Statement

1. Cash and Cash Equivalents

Cash and cash equivalents consist of cash, cheques on hand and balances with banks and investments

₹ in Crore

Cash and Cash equivalents	31-Mar-20	31-Mar-19
<i>Cash & Cash Equivalents at beginning of Period</i>		
Cash/cheques in Hand	0.01	0.01
Cash at Bank	0.20	11.82
Working capital loans / Bank Overdraft	(3.28)	(0.02)
Fixed Deposits with Banks with original maturity of less than 3 months	-	80.00
	(3.07)	91.81
<i>Cash & Cash Equivalents at end of Period</i>		
Cash/cheques in Hand	0.05	0.01
Cash at Bank	0.73	0.20
Working capital loans / Bank Overdraft	(73.78)	(3.28)
Fixed Deposits with Banks with original maturity of less than 3 months	136.00	-
	62.99	(3.07)
Net change in Cash and Cash equivalents	66.06	(94.88)

2. Disclosure to Changes in liabilities arising from financing activities

₹ in Crore

Particulars	Short Term Borrowings	Long Term Borrowings	Total Liabilities from financing activities
Balance as on 31.03.2019	34.59	0.00	34.59
<i>Cash Flow</i>			
Inflow	-	-	-
Outflow	(35.67)	-	(35.67)
<i>Non Cash Changes</i>			
Foreign Exchange Movement	1.08		1.08
Current Maturity of Long Term Borrowing	-	-	-
Fair Value Changes	-	-	-
Balance as on 31.03.2020	(0.00)	0.00	0.00

Explanatory notes to Statement of Cash Flows

1. The Statement of Cash Flows is prepared as per Ind AS 7 as notified by Ministry of Corporate Affairs.
2. In Part-A of the statement of Cash Flows, figures in brackets indicate deductions made from the Net Profit for deriving the net cash flow from operating activities. In Part-B and Part-C, figures in brackets indicate cash outflows.
3. The net profit/loss arising due to conversion of current assets / current liabilities, receivables / payables in foreign currency is furnished under the head "Foreign Exchange Fluctuations".
4. "Other Non-Cash items" comprise of provisions for Stores and Consumables, provision for Claims and provision for Investments / receivables and write back of Provisions."
5. Current Liabilities and Payables may include Payables in respect of Purchase of Property, Plant and Equipment, if any.

As per our attached report of even date

For M C Bhandari & Co
Chartered Accountants
ICAI FRN : 303002E

Sd/-
CA. Neeraj Jain
Partner
Membership No. 064393
UDIN :20064393AAAAIQ4889

Place: Kolkata
Date : 22nd May 2020

For and on behalf of the Board of Directors

Sd/-
S. K. Barua
Managing Director
DIN: 06503943

Sd/-
H. K. Sarmah
Company Secretary

Sd/-
Indranil Mittra
Director (Finance)
DIN: 06883068

Place: Guwahati
Date : 22nd May 2020

Consolidated Statement of Changes in Equity for the Year Ended 31st March 2020

₹ in Crore

(a) Equity Share Capital	As at 31/03/2020		As at 31/03/2019	
	No of Shares	Amount	No of Shares	Amount
Balance at the beginning of the reporting period	73,56,31,544	735.63	73,56,31,544	735.63
Changes in Equity Share Capital during the period	-	-	-	-
Balance at the end of the reporting period	73,56,31,544	735.63	73,56,31,544	735.63

₹ in Crore

(b) Other Equity	Reserve & Surplus			Total
	Capital Reserve [Note 22]	General Reserve [Note 22]	Retained Earnings [Note 22]	
Balance at 31st March 2019	100.00	3,420.28	1,230.26	4,750.54
Profit for the year			1,533.45	
Other Comprehensive Income for the year			(31.30)	
Dividends			(1,324.14)	
Corporate Dividend Tax on Dividends			(272.18)	
Transfer to General Reserve		1,024.20	(1,024.20)	
Balance as at 31st March 2020	100.00	4,444.48	111.89	4,656.37
Balance as at 31st March 2018	100.00	3,420.28	711.75	4,232.03
Profit for the year			1,980.28	
Other Comprehensive Income for the year			1.52	
Dividends			(1,213.79)	
Corporate Dividend Tax on Dividends			(249.50)	
Transfer to General Reserve				
Balance as at 31st March 2019	100.00	3,420.28	1,230.26	4,750.54

As per our attached report of even date

For M C Bhandari & Co
Chartered Accountants
ICAI FRN : 303002E

Sd/-
CA. Neeraj Jain
Partner
Membership No. 064393
UDIN : 20064393AAAAIQ4889

Place: Kolkata
Date : 22nd May 2020

For and on behalf of the Board of Directors

Sd/-
S. K. Barua
Managing Director
DIN: 06503943

Sd/-
H. K. Sarmah
Company Secretary

Sd/-
Indranil Mitra
Director (Finance)
DIN: 06883068

Place: Guwahati
Date : 22nd May 2020

Notes to consolidated financial statements for the year ended 31st March 2019

1. Statement of Significant Accounting Policies

The consolidated financial statements relate to Numaligarh Refinery Limited (NRL) and interest in Joint Ventures and Associates. The company and its Joint Venture and Associates are together referred to as "Group".

1.1 Basis for Preparation

The Consolidated Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standards) Rules, 2015; and the other relevant provisions of the Act and Rules thereunder.

The Financial Statements of the Joint Venture Companies (JVCs) and the Associates used in the preparation of the Consolidated Financial Statements are drawn upto the same reporting date as that of NRL i.e. 31st March 2020.

The Consolidated Financial Statements have been prepared under the historical cost convention on accrual basis except for certain assets and liabilities measured at fair value.

The Group has adopted all the Ind AS and the adoption was carried out during Financial Year 2016-17 in accordance with Ind AS 101 First time adoption of Indian Accounting Standards. The transition was carried out from Generally Accepted Accounting Principles in India (Indian GAAP) as prescribed under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, which was the "Previous GAAP".

The functional currency of the company and its JVCs and Associates is Indian Rupees (₹). All figures appearing in the consolidated financial statements are rounded to the nearest Crores (₹ crores), except where otherwise indicated.

In case of Joint Venture and Associates, certain accounting policies are different from that of NRL, the impact of which is not expected to be material. The threshold limit for the group has been applied as per their respective financial statements. The threshold limit for the company has been specified in Note No 1.29 of significant accounting policies of Standalone Financial Statements.

Authorisation of Financial Statements: The Consolidated Financial Statements were authorized for issue in accordance with a resolution of the Board of Directors in its meeting held on 22nd May 2020.

The percentage of ownership interest of the company in the JVCs and Associates as on 31st March 2020 are as under:

Particulars	Country of Incorporation	Percentage (%) of actual ownership interest as on	
		31/03/2020	31/03/2019
Joint Venture Company			
DNP Limited	India	26.00	26.00
Assam Bio Refinery (P) Ltd.	India	50.00	50.00
Intradhanush Gas Grid Ltd.	India	20.00	20.00
Associate Company			
Brahmaputra Cracker and Polymer Limited	India	10.00	10.00

Notes:

The financial statements of DNP Limited, Brahmaputra Cracker and Polymer Limited (BCPL), Assam Bio Refinery (P) Limited (ABRPL) and Intradhanush Gas Grid Limited (IGGL) are yet to be audited and hence provisional financial statements provided by the respective management have been considered for the purpose of preparation of the Consolidated Financial Statements.

1.2 Basis of consolidation

1.2.1 Joint Venture and Associates

A joint venture is an arrangement in which the Company has joint control and has rights to the net assets of the arrangement, rather than the rights to its assets and obligation for its liabilities.

An associate is an entity in which the Company has significant influence, but no control or joint control over the financial and operating policies.

Interest in joint ventures and associates are accounted for using the equity method.

1.3 Use of Judgment and Estimates

The preparation of financial statements requires management of the company to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets, liabilities and the accompanying disclosures along with contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require material adjustments to the carrying amount of assets or liabilities affected in future periods. The Group continuously evaluates these estimates and assumptions based on the most recently available information.

In particular, information about significant areas of estimate and judgments in applying accounting policies that have the most significant effect on the amount recognized in the financial statements are as below:

- Assessment of functional currency;
- Financial Instruments;
- Estimates of useful lives and residual value of Property, Plant and Equipment and Intangible Assets;
- Valuation of Inventories;
- Measurement of recoverable amounts of cash-generating units;
- Measurement of Defined Benefit Obligations and actuarial assumptions;
- Provisions;
- Evaluation of recoverability of deferred tax assets; and
- Contingencies.

Revisions to accounting estimates are recognized prospectively in the Consolidated Statement of Profit and Loss in the period in which the estimates are revised and in any future periods affected.

1.4 Property, plant and equipment

1.4.1 Tangible Assets

- 1.4.1.1 Property, plant and equipment are stated at cost of acquisition (including incidental expenses) net of accumulated depreciation.
- 1.4.1.2 Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.
- 1.4.1.3 Property, plant and equipment used in the Refinery operations are capitalized attaching the components identified. Other assets are identified for componentization in case the unit value of the component is above the threshold limit.
- 1.4.1.4 Fixed Bed Catalyst used in the process of Refinery operations has been identified as a separate asset and is being capitalized and depreciated over its useful life from the date it is put to use.
- 1.4.1.5 Expenditure on assets, other than plant and machinery, not exceeding the threshold limit are charged to revenue.
- 1.4.1.6 Spare parts which meet the definition of property, plant and equipment are capitalised as property, plant and equipment in case the unit value of the spare part is above the threshold limit. In other cases, the spare part are inventoried on procurement and charged to the Statement of Profit and Loss on consumption.
- 1.4.1.7 An item of Property, Plant and Equipment and any significant part initially recognised separately as part of Property, Plant and Equipment is derecognised upon disposal; or when no future economic benefits are

expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in the Consolidated Statement of Profit and Loss when the asset is derecognized.

- 1.4.1.8 Land acquired on outright purchase treated as freehold land.
- 1.4.1.9 Expenditure during construction period: Direct expenses incurred during construction period on capital projects are capitalized. Other expenses of the project group which are allocated to project costing above a threshold limit are also capitalised. Expenditure incurred on enabling assets are capitalised.
- 1.4.1.10 Goods and Service Tax (GST) on common capital goods: In respect of the capital goods common for both GST and non-GST products, the GST input tax credit is taken on the eligible portion based on GST and non-GST product ratio in the month of procurement and the ineligible portion is capitalised. Subsequently, this ratio is reviewed every month as per the GST provisions and the differential GST amount arising due to change in ratio is capitalised when beyond the materiality threshold.
- 1.4.1.11 The Group has opted to use the exemption available under Ind AS 101 to continue the carrying value for all of its Property, Plant and Equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition (01st April 2015).

1.4.2 Intangible Assets

- 1.4.2.1 Intangible assets are carried at cost less accumulated amortization.
- 1.4.2.2 Expenditure incurred for creating/acquiring intangible assets above threshold limit, from which future economic benefits will flow over a period of time, is amortised over the estimated useful life of the asset or five years, whichever is earlier, from the time the intangible asset starts providing the economic benefit.
- 1.4.2.3 In other cases, the expenditure is reflected in the consolidated statement of Profit and Loss in the year in which the expenditure is incurred.
- 1.4.2.4 The Group has opted to use the exemption available under Ind AS 101 to continue the carrying value for all of its intangible assets as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition (01st April 2015).

1.5 Investment Property

- 1.5.1 Investment property is property (land or a building - or part of a building – or both) held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in production or supply of goods or services or for administrative proposes. Investment properties are stated at cost net of accumulated depreciation and accumulated impairment losses, if any.
- 1.5.2 Any gain or loss on disposal of investment property calculated as the difference between the net proceeds from disposal and the carrying amount of the investment property is recognized in Statement of Profit and Loss.

1.6 Impairment of Non-financial Assets

- 1.6.1 Non-financial assets other than inventories, deferred tax assets and non-current assets classified as held for sale are reviewed at each Balance Sheet date to determine whether there is any indication of impairment. If any such indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. The recoverable amount is the higher of the asset's or Cash Generating Units (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets.
- 1.6.2 When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

1.7 Borrowing Costs

- 1.7.1 Borrowing costs consists of interest and other costs incurred in connection with the borrowing of funds. Borrowing costs also include exchange difference to the extent regarded as an adjustment to the borrowing costs.

1.7.2 Borrowing cost that are attributable to the acquisition or construction of qualifying assets (i.e. as asset that necessarily takes a substantial period of time to get ready for its intended use) are capitalized as a part of the cost of such assets. All other borrowing costs are charged to the Consolidated Statement of Profit and Loss.

1.7.3 Investment income earned on the temporary investment of funds of specific borrowing pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

1.8 Non-current assets held for sale

1.8.1 Non-current assets are classified as held for sale if their carrying amounts will be recovered through a sale transaction rather than through continuing use. The condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such assets.

1.8.2 Non-current assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.

1.8.3 Property, Plant and Equipment and intangible assets are not depreciated or amortized once classified as held for sale.

1.9 Depreciation

1.9.1 Depreciation on property, plant and Equipment is provided over the useful life of the assets prescribed under Schedule II of the Companies Act, 2013 (after retaining the estimated residual value of upto 5%). The carrying amount of the existing assets for which the useful life is NIL has been charged off to Profit and Loss (after retaining the estimated residual value of upto 5%).

1.9.2 Computer equipment (under Furniture-on-hire scheme given to employees) are depreciated over a period of 4 years and Mobile phones are depreciated over a period of 2 years based on internal assessments. Furniture provided at the residence of management staff are depreciated over a period of 6 years (previously 7 years) as per internal assessments. No such policy exists for Joint Venture company DNPL Ltd. and Associate company BCPL.

1.9.3 Premium paid for acquiring leasehold land is amortized over the period of lease.

1.9.4 Depreciation is charged on addition / deletion on pro-rata monthly basis including the month of addition / deletion.

1.9.5 Items of property, plant and equipment costing not more than the threshold limit are depreciated at 100% in the year of acquisition.

1.9.6 In the following cases Depreciation on assets has not been charged as per Schedule II of the Companies Act 2013

- assets given to the employees are depreciated as per company policy.
- assets costing upto threshold limit are depreciated fully in the year of its purchase/capitalisation.

1.9.7 Depreciation on spare parts specific to an item of property, plant and equipment is based on the life of the related property, plant and equipment. In other cases, the spare parts are depreciated over the estimated useful life based on the technical assessment.

1.9.8 Components of the main asset that are significant in value and have different useful lives as compared to the main asset are depreciated over their estimated useful life. Useful life of such components has been assessed based on historical experience and internal technical assessment.

1.10 Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset to lessee for a period of time in exchange for consideration.

Group shall reassess whether a contract is, or contains, a lease if the terms and conditions of the contract are changed.

1.10.1 As a lessee

At the commencement date, group recognizes a right-of-use asset at cost and a lease liability at present value of the lease payments that are not paid at commencement date. To assess whether a contract conveys the right to control the use of an identified asset, the group assesses whether: (i) the contract involves the use of an identified asset (ii) the group has right to obtain substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the group has the right to direct the use of the asset.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the group recognizes the lease payments as an operating expense. Lease of items such as IT Assets (tablets, personal computers, mobiles, POS machines etc.), small items of office furniture etc. are treated as low value.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the incremental borrowing rate computed on periodic basis based on lease term. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the Company changes its assessment, whether it will exercise an extension or a termination option.

Right-of-use assets are depreciated over the lease term on systematic basis and Interest on lease liability is charged to statement of profit and loss as Finance cost.

1.10.2 As a lessor

A lessor shall classify each of its leases as either an operating lease or a finance lease.

1.10.2.1 Finance leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset.

Group shall recognise assets held under a finance lease in its balance sheet and present them as a receivable at an amount equal to the net investment in the lease.

1.10.2.2 Operating leases

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset.

Group shall recognise lease payments from operating lease as income on systematic basis in the pattern in which benefit from the use of the underlying asset is diminished

1.11 Inventories

1.11.1 Inventories are stated at cost or net realizable value, whichever is lower. Cost of inventories comprises of expenditure incurred in the normal course of business in bringing inventories to their present location including appropriate overheads apportioned on a reasonable and consistent basis and are determined on the following basis:

- a) Crude oil and Finished products are determined on First in First out basis.
- b) Other raw materials are determined on weighted average basis.
- c) The cost of Stock-in-process is determined at raw material cost plus cost of conversion.

However in the case of its Associate company BCPL and Joint Venture Company DNPL the inventories are determined on weighted average basis.

1.11.2 The net realizable value of finished goods are based on the inter-company transfer prices (applicable at the location of stock) for sale to oil companies and the final selling prices for sale to other customers.

1.11.3 Stores and spares are measured at weighted average cost. Obsolete, slow moving/non- moving stores for

3 years and above and other materials including project materials identified as surplus are provided for in full so as to value them at ₹ Nil. In case of joint venture company DNPL project surplus material are provided @ 95% of their value.

- 1.11.4 Excise duty on finished stocks lying at manufacturing locations is provided for at the assessable value applicable at each of the locations based on end use.
- 1.11.5 Raw Materials held for use in the production of finished goods are not written down below cost except in cases where raw material prices have declined and it is estimated that the cost of the finished goods will exceed their net realizable value.

1.12 Revenue Recognition

- 1.12.1 Revenue from the sale of goods is recognized when the performance obligation is satisfied by transferring the related goods to the customer. The performance obligation is considered to be satisfied when the customer obtains control of the goods.
- 1.12.2 Sales represent invoiced value of goods supplied net of trade discounts, and includes applicable excise duty benefit (as per Notification No : 10/2018 dated 2nd February 2018, earlier Notification No. 29/2002 - Central Excise dated 13th May 2002), excise duty, surcharge and other elements as are allowed to be recovered as part of the price but excludes VAT/GST.

In case of its Joint Venture company DNPL, revenue is recognized to the extent that it is probable that the economic benefit will flow to the company and the revenue can be reliably measured and revenue from services rendered is recognized net of Service Tax/GST on performance of service based on agreements/arrangements with the concerned parties. In case of Associate company BCPL, revenue(net of tax) is recognised on transfer of significant risk of reward of ownership to the buyer and no significant uncertainty exists regarding the amount of consideration.

- 1.12.3 Other claims are booked when there is reasonable certainty of recovery.
- 1.12.4 Income from sale of scrap is accounted for on realization where sufficient risk and rewards are transferred to customers, which is generally on dispatch of goods.
- 1.12.5 Interest income is recognized using effective interest rate (EIR) method. In case of Joint Venture Company DNPL same is recognized on EIR basis, however in case of Associate Company BCPL, interest income is recognized on time proportion basis.
- 1.12.6 Dividend income is recognized when right to receive is established.
- 1.12.7 Liquidated damages in case of its Joint Venture company DNPL are accounted for as and when recovery is affected and the matter is considered settled by the Management. Liquidated damages If settled after capitalisation of the assets and upto a threshold limit in each case are charged to revenue, otherwise adjusted against the cost of the relevant assets.

1.13 Classification of Income / Expenses

- 1.13.1 Expenditure on Research, other than capital expenditure, is charged to revenue in the year in which the expenditure is incurred. No such policy exists in case of its Joint Venture Company DNPL but expenses are accounted for on accrual basis and provision is made for all known liabilities.
- 1.13.2 Income/expenditure (net) in aggregate pertaining to prior year (s) above the threshold limit are corrected retrospectively in the first set of financial statements approved for issue after their discovery by restating the comparative amounts and/or restating the opening Balance Sheet for the earliest prior period presented .
- 1.13.3 Prepaid expenses up to threshold limit in each case are charged to revenue as and when incurred.
- 1.13.4 Deposits placed with Government agencies/local authorities which are perennial in nature are charged to revenue in the year of payment.

1.14 Employee Benefits

1.14.1 Short-term employee benefit

Short term employee benefits are recognized as an expense at an undiscounted amount in the Statement

of Profit and Loss of the year in which the related services are rendered.

1.14.2 Post-employment benefits

Defined Contribution Plans:

Obligations for contributions to defined contribution plan such as pension are recognized as an expense in the Statement of Profit and Loss as the related service is provided. Prepaid contributions are recognized as an asset to the extent that a cash refund or a refund in future payment is available.

Defined Benefit Plans:

The net obligation in respect of defined benefit plan such as gratuity, other post-employment benefits etc. is calculated separately for each plan by estimating the amount of future benefit that the employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed at each reporting period end by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the entity, the recognized asset is limited to the present value of the economic benefits available in the form of any future refunds from the plan or reductions in future contribution to the plan.

The current service cost of the defined benefit plan, recognized in the Consolidated Statement of Profit and Loss as part of employee benefit expense, reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs are recognized immediately in the Consolidated Statement of Profit and Loss. The net increase is calculated by applying the discounted rate to the net balance of the defined obligation and the fair value of plan assets. This net interest is included in employee benefit expense in the Consolidated Statement of Profit and Loss.

Re-measurement which comprise of actuarial gains and losses, the return on plan assets (excluding amounts included in the net interest on the net defined benefit liability (asset) and the effect of the asset ceiling (if any, excluding amounts included in the net interest on the net defined benefit liability (asset)), are recognized in other comprehensive income.

1.14.3 Other long-term employee benefits

Liability towards other long term employee benefits – leave encashment , long service awards etc. are determined on actuarial valuation by qualified actuary by using Projected Unit Credit method.

The current service cost of other long term employee benefits, recognized in the Consolidated Statement of Profit and Loss as part of employee benefit expense, reflects the increase in the obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs are recognized immediately in the Consolidated Statement of Profit and Loss. The interest cost is calculated by applying the discount rate to the balance of the obligation. This cost is included in the employee benefit expense in the Consolidated Statement of Profit and Loss. Re-measurements are recognized in the Consolidated Statement of Profit and Loss.

1.15 Foreign Currency Transactions & Derivative Transactions

- 1.15.1 Transactions in foreign currencies are initially recorded at their respective exchange rates at the date the transaction first qualifies for recognition.
- 1.15.2 Monetary assets and liabilities denominated in foreign currencies are translated at exchange rates prevailing on the reporting date.
- 1.15.3 Exchange differences arising on settlement or translation of monetary items (except for long term foreign currency monetary items outstanding as of 31st March 2016) are recognized in the Consolidated Statement of Profit and Loss either as profit or loss on foreign currency transaction and translation or as borrowing costs to the extent regarded as an adjustments to borrowing costs .
- 1.15.4 The Group has opted to continue the policy adopted under previous GAAP for accounting the foreign exchange differences arising on settlement or translation of long-term foreign currency monetary items outstanding as of 31st March 2016 i.e. foreign exchange difference arising on settlement or translation of

long-term foreign currency monetary items relating to acquisition of depreciable assets are adjusted to the carrying cost of the assets and depreciated over the balance life of the asset.

- 1.15.5 Derivatives Instruments are measured at fair value with changes in fair value recognized in Consolidated Statement of Profit and Loss on the reporting date.
- 1.15.6 Non –monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

1.16 Government Grants

- 1.16.1 Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.
- 1.16.2 When the grant relates to an expense item, it is recognized in the Consolidated Statement of profit and Loss on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.
- 1.16.3 Government grants relating to Property, Plant and Equipment are presented as deferred income and are credited to the Consolidated Statement of Profit and Loss on a systematic and rational basis over the useful life of the asset.
- 1.16.4 In the case of Associate Company BCPL Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an asset, the cost of the asset is shown at gross value and grant thereon is treated as capital grant which is recognized as income in statement of profit and loss over the period and in proportion in which depreciation is charged.

1.17 Provisions, Contingent Liabilities and Capital Commitments

- 1.17.1 Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.
- 1.17.2 The expense relating to a provision is presented in the Statement of Profit and Loss net of reimbursements, if any
- 1.17.3 Contingent liabilities are possible obligation whose existence will only be confirmed by future events not wholly within the control of the company, or present obligation where it is not probable that an outflow of resources will be required or the amount of obligation cannot be measured with sufficient reliability.
- 1.17.4 Contingent liabilities are not recognized in the financial statements but are disclosed unless the possibility of an outflow of economic resources is considered remote.
- 1.17.5 Contingent liabilities Capital commitments disclosed are in respect of items which in each case are above the threshold limit.
- 1.17.6 Contingent Assets are neither recognized nor disclosed in financial statements.

1.18 Fair value measurement

- 1.18.1 The Group measures certain financial instruments at fair value at each reporting date.
- 1.18.2 Certain accounting policies and disclosures require the measurement of fair values, for both financial and nonfinancial assets and liabilities.
- 1.18.3 Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risks.
- 1.18.4 While measuring the fair value of an asset or liability, the Group uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation technique as follows:
 - Level 1 : quoted prices (unadjusted) in active markets for identical assets or liabilities.

- Level 2 : inputs other than quoted prices included in Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
 - Level 3 : inputs for the assets or liability that are not based on observable market data (unobservable inputs)
- 1.18.5 If an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and long positions at a bid price and liabilities and short positions at an ask price.
- 1.18.6 The Group regularly reviews significant unobservable inputs and valuation adjustments. If the third party information, such as broker quotes or pricing services, is used to measure fair values, then they assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirement of Ind AS, including the level in the fair value hierarchy in which the valuation should be classified.

1.19 Financial Assets

1.19.1 Initial recognition and measurement

All financial assets (not measured subsequently at fair value through profit or loss) are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

1.19.2 Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial assets. The Group classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

The asset is held within a business model whose objective is:

- to hold assets for collecting contractual cash flows, and
- contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Consolidated Statement of Profit and Loss. The losses arising from impairment are recognised in the Consolidated Statement of Profit and Loss.

Debt instruments at Fair Value through Other Comprehensive Income (FVOCI)

A 'debt instrument' is measured at the fair value through Other Comprehensive Income if both the following conditions are met:

The asset is held within a business model whose objective is achieved by both:

- collecting contractual cash flows and selling financial assets and
- contractual terms of the asset given rise on specified dates to cash flows that are SPPI on the principal amount outstanding

After initial measurement, these assets are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment losses are recognised in the Consolidated Statement of Profit and Loss. Other net gains and losses are recognised in other comprehensive Income.

Debt instruments at Fair Value through Profit or Loss (FVTPL)

Fair value through Profit or Loss is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation at amortised cost or as FVOCI, is classified as FVTPL.

After initial measurement, any fair value changes including any interest income, foreign exchange gain and losses, impairment losses and other net gains and losses are recognised in the Consolidated Statement of Profit and Loss.

Equity Investment

All equity investments within the scope of Ind AS 109 are measured at fair value. Such equity instruments which are held for trading are classified at Fair Value through Profit or Loss (FVTPL). For all other such equity instrument, the Group decides to classify the same either as FVTPL or Fair Value through Other Comprehensive Income (FVOCI). The company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

For equity instruments classified as FVOCI, all fair value changes on the instrument, excluding dividends are recognised in Other Comprehensive Income. Dividends on such equity instruments are recognised in the Consolidated Statement of Profit or Loss.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Consolidated Statement of Profit and loss.

1.19.3 De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from entity's Company's Balance Sheet) when

The rights to receive cash flows from the asset have expired, or

The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:

- The Group has transferred substantially all the risks and rewards of the asset, or
- The Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On de-recognition, any gains or losses on all debt instruments (other than debt instruments measured at FVOCI) and equity instruments (measured at FVTPL) are recognised in the Consolidated Statement of Profit and Loss. Gain and Losses in respect of debt instrument measured at FVOCI and that are accumulated in OCI are reclassified to profit or loss on de-recognition. Gain or losses on equity instruments measured at FVOCI that are recognised and accumulated in OCI are not reclassified to profit or loss on de-recognition.

1.19 Financial Liabilities

1.20.1 Initial recognition and measurement

All financial liabilities are recognised initially at fair value net of transaction costs that are attributable to the respective liabilities.

1.20.2 Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial liabilities.

Financial Liabilities at fair value through profit or loss (FVTPL)

A financial liability is classified as at FVTPL, if it is classified as held-for-trading or is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and changes therein, including any interest expense, are recognised in the Consolidated Statement of Profit & Loss.

Financial Liabilities measured at amortised cost

After initial recognition, financial liabilities other than those which are classified as FVTPL are subsequently measured at amortised cost using the effective interest rate method ("EIR").

Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The amortisation done using the EIR method is included as finance costs in the Consolidated Statement of Profit and Loss.

1.20.3 De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially

different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Consolidated Statement of Profit and Loss.

1.21 Financial guarantees

Financial guarantee contracts are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of the debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of IND AS 109 and the fair value initially recognised less cumulative amortisation.

1.22 Derivative Financial Instruments

The Group uses derivative financial instruments to manage the exposures on account of fluctuation in interest rate and foreign exchange rates. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value with the changes being recognised in the Consolidated Statement of Profit & Loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

1.23 Taxes on Income

- 1.23.1 Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961. Current Tax items are recognized in correlation to the underlying transaction either in the Consolidated Statement of Profit and Loss, Other Comprehensive Income or directly in Equity.
- 1.23.2 Deferred tax is provided using the Balance Sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.
- 1.23.3 Deferred tax liabilities are recognized for all taxable temporary differences.
- 1.23.4 Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.
- 1.23.5 Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.
- 1.23.6 The carrying amount of deferred tax assets and unrecognized deferred tax assets are reviewed at each balance sheet date.
- 1.23.7 Deferred Tax items are recognized in correlation to the underlying transaction either in the Consolidated Statement of Profit and Loss, Other Comprehensive Income or directly in Equity.
- 1.23.8 Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

1.24 Earnings per share

- 1.24.1 Basic earnings per share are calculated by dividing the net profit or loss (after deducting preference dividends, if any, and attributable taxes) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.
- 1.24.2 For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are

adjusted for the effect of all dilutive potential equity shares.

1.25 Classification of Assets and Liabilities as Current and Non-Current

All assets and liabilities are classified as current or non-current as per the normal operating cycle (considered at 12 months) and other criteria set out in Schedule III of the Companies Act.

1.26 Cash and Cash Equivalents

Cash and cash equivalents in the Balance Sheet include cash at bank, cash, cheque, draft on hand and demand deposits with an original maturity of less than three months, which are subject to an insignificant risk of changes in value.

For the purpose of Statement of Cash Flows, Cash and cash equivalent include cash at bank, cash, cheque and draft on hand. The Group considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

1.27 Cash Flows

Cash flows are reported using the indirect method, where by net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.

1.28 Investment in Subsidiaries, Joint Ventures and Associates

Investments in equity shares of Subsidiaries, Joint Ventures and Associates are recorded at cost and reviewed for impairment at each reporting date.

1.29 The Company has adopted the following materiality threshold in the preparation and presentation of financial statements as given below

Threshold item	Accounting Policy Reference	Unit	Threshold Limit Value
Componentization of Property, Plant and Equipment	1.4.1.3	₹ Crore	5
Expenditure on certain items of Property, Plant and Equipment charged to revenue in each case	1.4.1.5	₹	1,000
Capitalisation of spare parts meeting the definition of Property, Plant and Equipment in each case	1.4.1.6	₹ Lakh	10
Allocation of other expenses to projects costing in each case	1.4.1.9	₹ Crore	5
GST on common capital goods per item per month	1.4.1.10	₹ Lakh	5
Expenditure incurred for creating/acquiring other intangible assets in each case	1.4.2.2	₹ Lakh	50
Depreciation at 100 percent in the year of acquisition	1.9.5	₹	5,000
Depreciation on Assets in the year of purchase/capitalization	1.9.6	₹	5,000
Income/expenditure (net) in aggregate pertaining to prior year (s)	1.13.2	₹ Crore	10
Prepaid expenses in each case	1.13.3	₹ Lakh	5
Disclosure of Contingent liabilities and Capital Commitments in each case	1.17.5	₹ Lakh	5

Notes to consolidated Financial Statements for the year ended 31st March 2020

2 Property, plant and equipment

₹ in Crore

	Gross Block			Depreciation		Net Carrying Amount		
	As at 01-Apr-19	Ind AS 116 adjustments	Addition	Deductions on account of Retirement/ Reclassifications	As at 31-Mar-20	Up to 31-Mar-19	Addition	Up to 31-Mar-20
	(1)	(2)	(3)	(4)	(5)=(1+2+3+4)	(6)	(7)	(8)
								(9)=(6+7+8)
								(10)=(5-9)
								(10)=(1-6)
LAND								
i) Land Freehold	52.62		10.08	(32.66)	30.04	-	-	-
ii) Land ROU Asset		0.06	-	-	0.07	-	0.01	0.05
BUILDINGS								
i) RCC Frame Structure(other than factory)	129.54		20.76	(0.14)	150.16	10.14	2.83	12.97
ii) Non RCC Frame Structure(other than factory)	102.42		49.96	(0.64)	151.75	4.02	4.52	8.48
iii) FACTORY	309.36		7.19	(0.45)	316.10	45.17	12.96	58.13
iv) Fences,Wells and Tube Wells	3.46		7.51		10.97	1.28	1.52	2.87
v) Others(Temporary Structures)	2.28		3.11		5.40	1.68	0.77	2.44
vi) ROU Assets	-	3.43	6.42		9.85		1.94	1.94
BRIDGE, CULVERTS,BUNKERS etc	22.21		0.05	-	22.26	5.19	1.30	6.49
ROADS								
i) Carpeted Roads-RCC	7.74		1.08	-	8.83	3.78	0.69	4.47
ii) Carpeted Roads-Other than RCC	3.69		4.19	-	7.88	1.52	0.78	2.30
iii) Non Carpeted Road	0.61		0.11	-	0.73	0.11	0.10	0.20
PLANT & MACHINERY								
i) CONTINUOUS PROCESS PLANT/Refineries	2,058.48		413.42	(70.37)	2,401.54	510.50	170.54	610.94
ii) Plant and Machinery-Other than Continuous Process Plant	166.62		26.55	(0.13)	193.04	53.71	13.71	67.42
iii) Storage Tanks & Related Equipments	222.34		7.59	(1.14)	228.80	16.84	8.85	25.69
iv) Plant & Machinery(Captive Power Plants)	182.28		3.35	(0.75)	184.88	15.52	5.45	20.96
v) Plant & Machinery Used in Medical and Surgical	4.53		1.42	-	5.96	1.33	0.46	1.78
vi) Heavy Lift Equipment	14.33		1.10	-	15.43	1.05	0.70	1.75
RAILWAY SIDING	23.26		0.47	-	23.73	13.31	1.31	14.62
FURNITURE								
i) FURNITURE - GENERAL	7.03		1.06	-	8.09	2.82	0.72	3.55
ii) FURNITURE - Others	3.60		0.59	(0.01)	4.18	1.62	0.45	2.08
iii) FOH-to Employees	7.60		2.12	(0.82)	8.90	3.36	1.44	4.08
OFFICE EQUIPMENTS								
i) Office Equipments-General	12.13		3.96	(0.02)	16.07	7.19	1.59	8.76
ii) Mobile on Hire-to Employees	0.59		0.32	(0.11)	0.80	0.21	0.36	0.47
COMPUTERS AND DATA PROCESSING UNITS								

2 Property, plant and equipment (contd.)

₹ in Crore

	Gross Block				Depreciation				Net Carrying Amount		
	As at 01-Apr-19	Ind AS 116 adjustments	Addition	Deductions on account of Retirement/ Reclassifications	As at 31-Mar-20	Up to 31-Mar-19	Addition	Deductions on account of Retirement / Reclassifications	Up to 31-Mar-20	As at 31-Mar-20	As at 31-Mar-19
	(1)	(2)	(3)	(4)	(5)=(1+2+3+4)	(6)	(7)	(8)	(9)=(6+7+8)	(10)=(5-9)	(10)=(1-6)
i) Servers and Network	25.95		5.55	-	31.50	8.91	4.01	-	12.92	18.58	17.04
ii) End User Devices-Desktop,Laptops,Printers etc	6.93		3.22	(0.17)	9.98	4.14	1.46	(0.15)	5.45	4.53	2.78
iii) PC on Hire-To Employees	1.42		0.94	(0.03)	2.34	0.49	0.48	(0.02)	0.95	1.39	0.94
ELECTRICAL EQUIPMENTS	53.31		13.35	(0.08)	66.59	21.35	6.37		27.72	38.86	31.96
LABORATORY EQUIPMENT	16.54		2.17	(0.00)	18.71	4.31	1.83	-	6.14	12.57	12.23
VEHICLES											
i) Motor Cycles,Scooters & Other Mopeds	0.13		-	-	0.13	0.09	0.01	-	0.10	0.03	0.04
ii) Motor Buses,Motor Lorries,motor cars and motor taxis	3.47		0.39	(0.18)	3.69	0.50	0.44	(0.07)	0.87	2.82	2.97
iii) TRUCKS / HEAVYVEHICLES,Harvesting Combines	7.43		2.23	-	9.66	2.25	0.84	-	3.09	6.57	5.18
iv) Electrically Operated Vehicles	1.15		-	-	1.15	0.53	0.14	-	0.67	0.49	0.62
Total	3,453.08	3.50	600.31	(107.70)	3,949.18	742.92	248.57	(71.18)	920.32	3,028.86	2,710.22
Previous Year Figures	3,006.07	-	459.69	(12.62)	3,453.15	557.58	194.49	(9.14)	742.93	2,710.22	2,448.48

Additional information in respect of Note No. 2

a) Total freehold land held by NRL is 1454.67 acres (1454.67 acres) which includes 17.89 acres (17.89 acres) of land for which the process of registration is on. Out of the total freehold land 0.25 acres (0.25 acres) is disputed i.e under litigation. Out of the total free hold land 40.99 acre is given on lease to joint venture Assam Bio Refinery (P) Ltd. on lease.

b) Deduction from Gross Block (Column 4) includes :

- ₹ 0.03 crores (₹ 1.65 crores) on account of Write off of Physical Verification discrepancies.
- ₹ 75.01 crores (₹ 10.97 crores) on account of sale, retirement, deletions and reclassifications.
- ₹ 32.66 crores (Previous Year Nil) on account of lease of land to joint venture company.

c) Depreciation for the year (column 7) includes :

- Charged to Profit & Loss Account ₹ 246.32 crores (₹ 193.45 crores)
- Charged to project expenses ₹ 2.11 crores (₹ 1.04 crores)
- Depreciation on assets given to employees has been charged as per company policy based on life of the asset envisaged as per the buy-back scheme and not as per Schedules II of Companies Act 2013.

The impact of this deviation results in higher depreciation by an amount of ₹ 1.77 crores (₹ 0.66 crores) for the year.

- Assets costing up to ₹ 5000 are depreciated fully in the year of purchase/capitalisation as per company's accounting policy and are not as per the rates prescribed by Schedule II of Companies Act 2013.

The impact of this deviation results in higher depreciation by an amount of ₹ 0.14 crores (₹ 0.13 crores) for the year.

d) Deduction from Depreciation (Column 8) includes :

- Withdrawal of depreciation of ₹ 71.16 crores (₹ 7.55 crores) on account of sale, deletions, retirement & reclassification.
- ₹ 0.02 crore (₹ 1.59 Crore) on account of write off of Physical Verification discrepancies.

e) The company has elected to use exemption available under Ind AS 101 to continue the carrying value for all of its Property, Plant and Equipment, Capital WIP and Intangible Assets as recognised in the financial statement as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition (01st April 2015)

Notes to consolidated Financial Statements for the year ended 31st March 2020

3 Capital work in progress

₹ in Crore

Particulars	31-Mar-20	31-Mar-19
Capital work in progress		
Opening Work-in-progress	403.55	443.90
Addition during the year	499.36	419.34
Less : Allocated to Assets during the year	593.89	459.69
	309.02	403.55
Less : Provision for Capital WIP Losses	(21.76)	(24.88)
	287.26	378.67
Capital Stores	12.34	10.43
Capital goods in transit	0.98	0.95
	300.58	390.05
Construction period expenses pending allocation		
Opening balance	5.17	16.81
Add: Expenditure during the period		
Travel, Establishment etc.	17.15	8.32
Depreciation	2.11	1.04
Finance Cost	1.09	24.58
	25.52	50.75
Less : Allocated to assets during the year	5.09	45.58
Closing balance	20.43	5.17
	321.01	395.22

4 Investment Property

₹ in Crore

Particulars	Gross Block/Cost			Deprecation				Net Carry-ing Amount	
	As at	Addition		As at	Upto	Addition		Upto	As at
	01-Apr-19		Disposal/ adjustments	31-Mar-20	31-Mar-19		Disposal/ adjustments	31-Mar-20	31-Mar-19
Land	-	32.66	-	32.66	-	-	-	-	32.66
Total	-	32.66	-	32.66	-	-	-	-	32.66
Previous Year Figures	-	-	-	-	-	-	-	-	-

The company's investment properties consists of land leased to third parties

Information regarding Income and Expenditure of investment Property

Particulars	2019-20	2018-19
Rental Income derived from Investment Properties	2.45	-
Less : Depreciation	-	-
Profit arising from investment Properties before other direct expenses	2.45	-

Other direct operating expenses are not separately identifiable and the same are not likely to be material.

Notes to consolidated Financial Statements for the year ended 31st March 2020

5 Intangible Assets

₹ in Crore

Particulars	Gross Block/Cost			Amortisation				Net Carry-ing Amount	
	As at	Addition	Disposal/ adjustments	As at	Upto	Addition	Disposal/ adjustments	Upto	As at
	01-Apr-19			31-Mar-20	31-Mar-19			31-Mar-20	31-Mar-19
Software / Licenses	11.09	9.40	-	20.49	4.33	2.46	-	6.79	13.70
Total	11.09	9.40	-	20.49	4.33	2.46	-	6.79	13.70
Previous Figure	4.97	6.12	-	11.09	3.33	1.00	-	4.33	6.76

Amortisation for the year includes:

(i) Charged to the Statement of Profit & Loss ₹ 2.46 Crore

6 Investment accounted for using equity method

₹ in Crore

Particulars	31-Mar-20	31-Mar-19
Investment in Joint Ventures (Unquoted)		
DNP Limited #	69.79	66.79
Assam BIO Refinery Pvt. Ltd. **	66.77	21.03
Indradhanush Gas Grid Ltd. %	8.51	2.58
Investment in Associates (Unquoted)		
Brahmaputra Cracker and Polymer Ltd. ##	207.31	56.85
Fair valuation of Financial Guarantee Commission	3.17	2.69
	355.55	149.94

	31-Mar-20		31-Mar-2019	
	Number of Shares	Face Value (₹)	Number of Shares	Face Value (₹)
DNP Limited	4,34,90,000	10	4,34,90,000	10
Assam BIO Refinery Pvt. Ltd.	6,75,00,000	10	2,15,00,000	10
Indradhanush Gas Grid Ltd. (IGGL)	1,20,00,000	10	50,00,000	10
Brahmaputra Cracker and Polymer Ltd.	14,17,67,000	10	14,17,67,000	10

DNP Limited is a joint venture between Assam Gas Company Ltd.(AGCL), Numaligarh Refinery Ltd (NRL) and Oil India Ltd. (OIL). NRL holds 26% shares in DNP Limited.

** Assam Bio Refinery Private Limited is a joint venture between Numaligarh Refinery Limited. (NRL), M/s Fortum 3V, Netherland and M/s Chempolis Oy, Finland. NRL holds 50% shares in Assam Bio Refinery Private Limited.

% IGGL is a joint venture among IOCL, GAIL, ONGC, OIL & NRL. NRL holds 20% shares in IGGL.

NRL holds 10.00% share in Brahmaputra Cracker and Polymer Limited (BCPL)

Notes to consolidated Financial Statements for the year ended 31st March 2020

7 Investments

₹ in Crore

Particulars	31-Mar-20	31-Mar-19
In Government Securities	-	408.95
	-	408.95

8 Loans (Considered good unless otherwise stated)

₹ in Crore

Particulars	31-Mar-20	31-Mar-19
Loans to employees including accrued interest (Secured) [Refer note no 48 (b) and 49]	45.74	42.57
Security and other deposits	1.51	6.78
	47.25	49.35

9 Other Financial Assets

₹ in Crore

Particulars	31-Mar-20	31-Mar-19
Advance against Equity to Joint Ventures #	-	20.00
	-	20.00

Represents advance given to JV Entity Assam Bio Refinery Pvt. Ltd.

10 Other non-current assets (Unsecured, considered good unless otherwise stated)

₹ in Crore

Particulars	31-Mar-20	31-Mar-19
Capital advances	39.36	5.32
Prepaid Employee cost	19.05	19.06
Prepaid Transportation cost	0.06	0.30
	58.47	24.68

11 Inventories

₹ in Crore

Particulars	31-Mar-20	31-Mar-19
Raw Materials	270.55	252.93
Work-in-progress	286.20	98.34
Finished goods	1,083.47	1,047.26
Stock in transit	0.22	0.59
Consumables, Stores & Spares and others	247.98	211.58
Less:Provision for Losses	(100.60)	(94.14)
	1,787.82	1,516.56

The write - down of inventories to net realisable value during the year amounted to ₹229.52 Crores (Previous Year : Nil). The writedown are included in exceptional item.

12 Investments

₹ in Crore

Particulars	31-Mar-20	31-Mar-19
Investment in Mutual Fund at Fair Value Through Profit or Loss	-	97.97
Investment in Government Security/ Treasury Bill at Amortised cost	-	625.24
	-	723.21

Notes to consolidated Financial Statements for the year ended 31st March 2020

13 Trade receivables

₹ in Crore

Particulars	31-Mar-20	31-Mar-19
Unsecured (unless otherwise stated)		
- Considered Good	703.48	1,220.53
- Significant increase in Credit Risk	-	-
-Credit Impaired	-	-
	703.48	1,220.53
Less : Provision for credit impaired	-	-
	703.48	1,220.53

14 Cash and cash equivalents

₹ in Crore

Particulars	31-Mar-20	31-Mar-19
Cash on hand	0.05	0.01
Balances with Banks		
On Current Accounts	0.72	0.20
On Deposit Accounts with original maturity of less than 3 months	136.00	-
Cash and cash equivalents	136.77	0.21

15 Bank Balances Other than Cash and Cash Equivalent

₹ in Crore

Particulars	31-Mar-20	31-Mar-19
Term deposits with banks with original maturity of 3-12 months *	221.00	100.00
Other earmarked balances with bank #	19.98	3.88
	240.98	103.88

* Term deposit of ₹ 221.00 crores hypothecated with State Bank of India as security for Overdraft facility

includes an amount of ₹ 19.34 crores received from Ministry of External Affairs for construction of Bangladesh Portion of Indo Bangla Friendship Pipeline. NRL is the implementor of the project.[Refer Note No 28]

16 Loans & Advances (Considered good unless otherwise stated)

₹ in Crore

Particulars	31-Mar-20	31-Mar-19
Loans to employees including accrued interest [Refer note no 48 (b) and 49]	4.96	4.71
Other Advances		
Considered good	7.64	4.44
Considered doubtful	1.25	1.04
Less: Provision for doubtful advances	(1.25)	(1.04)
	7.64	4.44
Security and other deposits	7.32	3.37
	19.92	12.52

Notes to consolidated Financial Statements for the year ended 31st March 2020

17 Other financial assets

₹ in Crore

Particulars	31-Mar-20	31-Mar-19
Interest accrued on Bank Deposits etc.	13.21	22.14
Other Receivables		
Considered good	14.88	9.48
Considered doubtful	0.10	-
Less : Provision for credit impaired	(0.10)	-
	28.09	31.62

18 Current tax Assets (Net)

₹ in Crore

Particulars	31-Mar-20	31-Mar-19
Advance payment of Income Tax (net of provision)	135.87	32.52
	135.87	32.52

19 Other current assets

₹ in Crore

Particulars	31-Mar-20	31-Mar-19
Recoverable from Customs, Excise, etc.	45.18	22.87
Claims :		
Considered Good	0.49	2.36
Considered doubtful	0.07	2.15
Less: Provision for doubtful claims	(0.07)	(2.15)
Prepaid expenses - current	3.49	1.35
Prepaid employee cost - current	1.53	1.53
Gold coins *	0.25	0.25
	50.94	28.36

* The company has 133 nos of gold coins which consists of 100 nos. of 5 gm coins, 32 nos. of 10 gm coins and 1 no. of 20 gm coins.

20 Assets held for sale

₹ in Crore

Particulars	31-Mar-20	31-Mar-19
Asset Held for sale *	0.99	1.44
Less: Provision against assets held for sale	(0.27)	(0.27)
	0.72	1.17

*Asset held for sale consists of items like land, boundary walls etc which have been identified for disposal due to discontinuance of retail marketing activities. The aforesaid assets were held for disposal since last three years, however due to certain procedural reasons beyond the control of management, the actual sale could not be crystalised.

Notes to consolidated Financial Statements for the year ended 31st March 2020

21 Equity share capital

₹ in Crore

Particulars	31-Mar-20	31-Mar-19
a. Authorised		
500,00,00,000 equity shares of ₹ 10 each (Previous Year : 100,00,00,000 equity shares)	5,000.00	1,000.00
b. Issued, subscribed and paid-up		
73,56,31,544 fully paid Equity Shares of ₹ 10 each (Previous Year : 73,56,31,544 equity shares)	735.63	735.63
	735.63	735.63

c. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period.

Equity Shares	31-Mar-20		31-Mar-19	
	Number	₹ Crore	Number	₹ Crore
Shares outstanding at the beginning of the year	73,56,31,544	735.63	73,56,31,544	735.63
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	73,56,31,544	735.63	73,56,31,544	735.63

d. Terms/rights attached to equity shares

The company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The final dividend if any proposed by the board of directors is subject to the approval of the shareholders in the ensuing general meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive 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.

e. Shares held by holding company

Out of equity shares issued by the Company, shares held by Holding Company is as below:

₹ in Crore

Particulars	31-Mar-20	31-Mar-19
Bharat Petroleum Corporation Limited. (with nominees)		
45,35,45,998 (previous year 45,35,45,998) equity shares of ₹10 each fully paid	453.55	453.55

f. Details of shareholders holding more than 5% shares in the company

₹ in Crore

Name of Shareholder	31-Mar-20		31-Mar-19	
	Number	% of Holding	Number	% of Holding
Bharat Petroleum Corporation Limited	45,35,45,998	61.65%	45,35,45,998	61.65%
Oil India Limited	19,12,64,202	26.00%	19,12,64,202	26.00%
Governor of Assam	9,08,21,344	12.35%	9,08,21,344	12.35%

Notes to consolidated Financial Statements for the year ended 31st March 2020

22 Other Equity

₹ in Crore

Particulars	31-Mar-20	31-Mar-19
Reserve and Surplus		
Capital Reserve		
As per last account	100.00	100.00
General reserve		
As per last account	3,420.28	3,420.28
Add: Transfer from Statement of Profit and Loss	1,024.20	-
	4,444.48	3,420.28
Surplus/ (Deficit) in the Statement of Profit and Loss		
As per last Account	1,230.26	711.75
Add: profit/(loss) for the year	1,502.15	1,981.80
Less: Interim Dividend paid	(1,103.45)	(1,029.88)
Less: Final Dividend paid	(220.69)	(183.91)
Less: Corporate Dividend Tax	(272.18)	(249.50)
Less: Transfer to General Reserve	(1,024.20)	-
	111.89	1,230.26
	4,656.37	4,750.54

Capital reserve

Capital Reserve comprises of profits/gains of capital nature earned by the Company and credited directly to such reserve. Capital Reserve represents grant of ₹100.00 crore received in the year 1999-2000 from the Government of India.

General reserve

General Reserve represents appropriation of retained earnings and are available for distribution to shareholders.

Proposed Dividend on Equity Shares not recognised	2019-20	2018-19
Final Dividend for the year ended ₹ - per share (Previous year: ₹3.00 per share)		220.69
Dividend Distribution Tax on Proposed Dividend	-	45.36
Total	-	266.05

23 Other financial liabilities

₹ in Crore

Particulars	31-Mar-20	31-Mar-19
Security / Earnest Money Deposits	4.70	0.19
Lease Liability	5.15	-
	9.85	0.19

Notes to consolidated Financial Statements for the year ended 31st March 2020

24 Provisions

₹ in Crore

Particulars	31-Mar-20	31-Mar-19
Long Service Award	5.14	4.41
Resettlement Allowance	4.47	3.65
Employee Felicitation Scheme	2.20	-
	11.81	8.06

25 Movement in deferred tax balances

₹ in Crore

Particulars	Net balance 1 st April 2019	Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	Acquired in business combinations	Other	Net	Deferred tax asset	Deferred tax liability 31 st Mar 2020
Deferred tax asset									
Employee Benefits	5.44	(1.90)	10.53				14.07	14.07	
Sec 43B of Income Tax Act	74.10	(51.21)					22.89	22.89	
PPE WDV	(418.49)	113.38					(305.11)		(305.11)
Other items DTA	1.82	(1.19)					0.63	0.63	
Tax assets (Liabilities)	(337.13)	59.08	10.53	-	-	-	(267.51)	37.60	(305.11)

Movement in deferred tax balances

Particulars	Net balance 1 st April 2018	Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	Acquired in business combinations	Other	Net	Deferred tax asset	Deferred tax liability 31 st Mar 2019
Deferred tax asset									
Employee Benefits	6.07	0.19	(0.82)				5.44	5.44	
Sec 43B of Income Tax Act	102.17	(28.07)					74.10	74.10	
PPE WDV	(381.21)	(37.28)					(418.49)		(418.49)
Other items DTA	1.66	0.16					1.82	1.82	
Tax assets (Liabilities)	(271.31)	(65.00)	(0.82)	-	-	-	(337.13)	81.36	(418.49)

The company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

In assessing whether the deferred income tax assets will be realized, management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of the deferred income tax assets and tax loss carry forwards is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred tax liabilities, projected future taxable income and tax planning strategy in making this assessment. Based on the level of historical taxable income and projections of future taxable income over the periods in which the deferred tax assets are deductible, management believes that the Company will realize the benefits of those recognized deductible differences and tax loss carry forwards. Recoverability of deferred tax assets is based on estimates of future taxable income. Any changes in such future taxable income would impact the recoverability of deferred tax assets.

Notes to consolidated Financial Statements for the year ended 31st March 2020

26 Borrowings

₹ in Crore

Particulars	31-Mar-20	31-Mar-19
Secured Working capital loans from banks - Cash credit	0.59	3.19
Secured (Overdraft)	68.01	-
Un-Secured (Overdraft)	5.18	0.09
	73.78	3.28

Cash Credit from State Bank of India carries interest @ 8.55% p.a. The loan is repayable on demand. The loan is secured by hypothecation of current assets i.e. stocks of raw material, finished goods, semi-finished goods, book debts and other current assets of the company and second charge on Plant & Machinery and other Plant, Property and Equipment of the company excluding Land and Building.

Secured Overdraft facility from State Bank of India carries interest @ 7.70% p.a. Term deposit of ₹ 221.00 crores [Refer note no 15] hypothecated with State Bank of India as security for Overdraft facility.

27 Trade payables

₹ in Crore

Particulars	31-Mar-20	31-Mar-19
Dues to Micro, Small and Medium Enterprises	0.92	4.71
Due to others *	727.69	1,013.71
	728.61	1,018.42

The disclosure in respect of the amounts payable to Micro, Small and Medium Enterprises as at 31st March 2020 has been made in the financial statements based on information received and available with the company. Accordingly disclosure has been made below:

	31-Mar-20	31-Mar-19
Principal and interest amount remaining unpaid		
- Principal	0.92	4.71
- Interest	-	-
The amount of interest paid by the company in terms of Section 16 of the MSMED Act, 2006 alongwith the amount of the payment made to the supplier beyond the appointed date during the year	-	-
The amount of the payments made to micro and small suppliers beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act.2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act,2006.	-	-

Notes to consolidated Financial Statements for the year ended 31st March 2020

28 Other financial liabilities

₹ in Crore

Particulars	31-Mar-20	31-Mar-19
Current maturities of long-term debt	-	34.59
Interest accrued but not due on borrowings	-	0.14
Derivative Liability	-	0.81
Security / Earnest Money Deposits	123.41	107.56
Deposit From Customers	12.67	12.38
Employee Related Liability	45.94	45.89
Other Liabilities (including creditors for capital expenditure and others) *	51.85	41.52
Lease Liability	2.97	-
	236.84	242.89

*Other Liabilities include an amount of ₹15.51 crores out of the funds received from Ministry of External Affairs for construction of Bangladesh Portion of Indo Bangla Friendship Pipeline. NRL is the implementor of the project [Refer Note No 15]

29 Other current liabilities

₹ in Crore

Particulars	31-Mar-20	31-Mar-19
Advances from Customers	34.96	21.20
Statutory Liabilities	114.53	67.25
Others	0.15	0.14
	149.64	88.59

30 Provisions

₹ in Crore

Particulars	31-Mar-20	31-Mar-19
Gratuity	7.10	1.85
Leave Encashment	18.92	15.62
Pension	-	4.91
Long Service Award	0.33	0.55
Resettlement Allowance	0.27	0.15
Post Retirement Medical Benefit	38.63	0.09
Employee Felicitation Scheme	0.03	-
Others	26.77	152.08
	92.05	175.25

Notes to consolidated Financial Statements for the year ended 31st March 2020

31 Current tax liabilities (Net)

₹ in Crore

Particulars	31-Mar-20	31-Mar-19
Current Tax liabilities (net of Tax paid)	-	75.72
	-	75.72

32 Revenue from Operations

₹ in Crore

Particulars	2019-20	2018-19
A. Sales		
Petroleum Products #	14,071.79	18,509.08
B. Other operating revenue	0.87	2.07
Total	14,072.66	18,511.15

Sales of petroleum products includes applicable excise duty benefit. Financial impact for the current year is ₹2,042.05 crores (Apr-Mar19 : ₹2,424.98 Crores)

33 Other Income

₹ in Crore

Particulars	2019-20	2018-19
Interest Income		
On Bank Deposits	33.90	39.02
On Instruments measured at amortised cost	44.43	45.55
Others	5.74	7.49
Dividend Income		
Dividend Income from Current Investment measured at FVTPL	7.14	14.04
Dividend Income - Joint Ventures and Associates	5.11	4.22
Profit/(Loss) on sale of current investments	9.89	-
Write back of liabilities/provisions no longer required	22.71	3.73
Other non operating income	40.04	8.84
Foreign Exchange Fluctuations (net)	2.19	-
Guarantee commission	0.48	0.60
Total	171.63	123.49

34 Cost of materials consumed

₹ in Crore

Particulars	2019-20	2018-19
Raw Material Stocks at the Commencement of the Year	252.93	507.88
Add : Purchases	8,753.11	11,019.12
	9,006.04	11,527.00
Less: Raw Material Stocks at the Close of the Year	270.55	252.93
Total Cost of Raw Material Consumed	8,735.49	11,274.07
Details of raw material consumed		
Crude Oil	7,971.82	10,472.47
MTBE,Reformate,Py.Gas, Naphtha & Octane Booster	593.15	662.40
Natural Gas	170.52	139.20
	8,735.49	11,274.07

Notes to consolidated Financial Statements for the year ended 31st March 2020

35 Changes in inventories of finished goods, stock in trade and work in progress

₹ in Crore

Particulars	2019-20	2018-19
Opening Stock :		
Finished Goods	1,047.26	1,057.58
Work In Progress	98.34	129.42
	1,145.60	1,187.00
Closing Stock :		
Finished Goods	1,083.47	1,047.26
Work In Progress	286.20	98.34
	1,369.67	1,145.60
Changes in inventories of finished goods and work in progress	(224.07)	41.40
Adjustment for write down of Inventories below cost	(229.52)	-
Changes in inventories of finished goods and work in progress	(453.59)	41.40

36 Excise Duty

₹ in Crore

Particulars	2019-20	2018-19
Excise Duty	1,991.91	2,356.05
Excise duty (inventory differential)	35.52	(49.97)
Excise Duty	2,027.43	2,306.08

37 Employee benefit expense

₹ in Crore

Particulars	2019-20	2018-19
Salaries and wages	216.59	218.80
Contribution to provident fund and other funds	29.62	33.55
Staff Welfare expenses	51.63	47.06
Employee benefit expense	297.84	299.41

38 Finance Costs

₹ in Crore

Particulars	2019-20	2018-19
Interest expense on loans	0.47	12.01
Interest expense others	0.91	0.48
Other borrowing costs	0.67	0.13
Finance Costs	2.05	12.62

39 Depreciation and Amortisation Expense

₹ in Crore

Particulars	2019-20	2018-19
Depreciation	246.46	193.45
Amortization	2.46	1.00
Depreciation and Amortisation Expense	248.92	194.45

Notes to consolidated Financial Statements for the year ended 31st March 2020

40 Other Expenses

₹ in Crore

Particulars	2019-20	2018-19
Transportation	162.46	201.00
Other Duties and taxes	111.10	193.99
Repairs and Maintenance	152.12	137.28
Power and Fuel consumed		
Power and Fuel	226.08	219.29
Less: Consumption of fuel out of own production	(23.64)	(1.54)
Sub-Total	202.44	217.75
Stores, spares and materials	36.12	32.91
Office Administration, Selling and Other expenses		
Rent	3.05	4.40
Insurance	22.49	11.89
Rates and taxes	1.45	1.63
Utilities	7.34	9.45
Communication expenses	1.36	1.18
Travelling and conveyance	24.17	22.01
Remuneration to auditors		
Audit Fees	0.09	0.10
Fees for other services - Certification	0.06	0.01
Reimbursement of out of pocket expenses	0.00	0.01
Sub-Total	0.15	0.12
Loss on sale/write off of Property Plant and Equipment (net)	2.92	1.40
Provision for Stores	6.47	3.20
Expenses on CSR activities	87.61	54.85
Foreign Exchange Fluctuations (net)	-	2.62
Provision Against Capital Work in Progress	-	0.94
Provision for Doubtful Debts, Advances and Claims	-	0.41
Provision for Litigation cases	4.05	-
Charity and donation	6.00	0.71
Others	93.22	91.68
	924.52	989.42

41 Exceptional Items

₹ in Crore

Particulars	2019-20	2018-19
Exceptional Items #	229.52	2.52
	229.52	2.52

The write - down of inventories to net realisable value during the year (Previous Year : Nil), [Note no 57]. The exceptional item of previous year represents expenses on account of fire in MS plant.

Notes to consolidated Financial Statements for the year ended 31st March 2020

42 Tax Expense

(a) Amounts recognised in profit and loss

₹ in Crore

	2019-20	2018-19
Current tax expense	412.31	1,018.81
Current year	428.16	1,030.12
Changes in estimates relating to prior years	(15.85)	(11.31)
Deferred tax expense	(59.08)	65.00
Origination and reversal of temporary differences	35.32	65.00
Change in tax rate	(94.41)	
Tax expense recognised in the income statement	353.23	1,083.81

(b) Amounts recognised in other comprehensive income

₹ in Crore

	2019-20			2018-19		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurements of the defined benefit plans	(41.83)	10.53	(31.30)	2.34	(0.82)	1.52
	(41.83)	10.53	(31.30)	2.34	(0.82)	Tu

(c) Reconciliation of effective tax rate

₹ in Crore

	2019-20		2018-19	
	%	₹ in Crore	%	₹ in Crore
Profit before tax		1,734.54		3,051.90
Tax using the Company's domestic tax rate	25.168%	436.55	34.944%	1,066.46
Tax effect of:				
Provision for CSR expenditure	0.91%	15.76	0.63%	19.17
Provision for CWIP & Stores	0.14%	2.49	0.05%	1.44
Tax-exempt income	-0.18%	(3.08)	-0.21%	(6.38)
Income Tax interest provision	0.00%	-	0.09%	2.75
Changes in tax estimates relating to prior years	-0.91%	(15.85)	-0.37%	(11.31)
Change in Tax rate on earlier years liability	-5.44%	(94.41)		
Others	0.68%	11.77	0.38%	11.69
Income Tax Expense	20.36%	353.23	35.51%	1,083.81

The company has adopted the option available under section 115BAA of Income Tax Act, 1961 as introduced by taxation laws (amendment) Act, 2019. Accordingly tax expenses, deferred tax assets/liabilities have been recomputed and impact of the same has been recognised in the financial statement for the year ended on 31 March 2020.

Notes to consolidated Financial Statements for the year ended 31st March 2020

43 Other comprehensive income

₹ in Crore

Particulars	2019-20	2018-19
(i) Items that will not be reclassified to profit or loss		
Remeasurements of defined benefit liability (asset)	41.83	(2.33)
(ii) Income tax relating to items that will not be reclassified to profit or loss	(10.53)	0.82
	31.30	(1.52)

44 Earning Per Share (EPS)

i. Profit attributable to Equity holders of NRL

₹ in Crore

	2019-20	2018-19
Profit attributable to equity holders of the company for basic and diluted earnings per share	1,533.45	1,980.28

ii. Weighted average number of ordinary shares

	2019-20	2018-19
Issued ordinary shares at April 1 (In Crore)	73.56	73.56
Weighted average number of shares at March 31 for basic and diluted earnings per shares	73.56	73.56
Basic and Diluted earnings per share (₹)	20.85	26.92

45 Leases

A. Leases as lessee

- a) The following is the detailed breakup of Right-of-use assets (by class of underlying assets) included in Property, Plant and Equipment (Note-2)

₹ in Crore

Particulars	Gross Block					Depreciation				Net Carrying Amount	
	As at 01-04-19	Ind AS 116 Transition Impact	Additions	Reclassifications / Deductions On Account Of Retirement / Disposal	As at 31-03-20	Up to 31-03-19	For the Year	Reclassifications / Deductions On Account Of Retirement / Disposal	Up to 31-03-20	As at 31-03-20	As at 31-03-19
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
1 Land	-	0.06	-	-	0.06	-	0.01	-	0.01	0.05	-
2 Buildings	-	3.43	6.42	-	9.85	-	1.94	-	1.94	7.90	-
Total	-	3.49	6.42	-	9.91	-	1.95	-	1.95	7.95	-
Previous Year	-	-	-	-	-	-	-	-	-	-	-

- b) The following expenses have been charged to Statement of Profit and Loss during FY 19-20

₹ in Crore

Interest on Lease Liabilities	0.42
Expenses relating to short term leases	2.88
Expenses relating to leases of low value items	-
Expenses relating to variable lease payments (not included in measurement of lease liabilities)	-
C) Total Cash outflow for leases during FY 19-20	5.02

Notes to consolidated Financial Statements for the year ended 31st March 2020

d) Maturity Analysis of Lease Liabilities as per Ind AS 116 "Leases"

₹ in Crore

As at 31/03/20	Contractual Cash Flows				
	Upto 1 year	1-3 years	3-5 years	More than 5 years	Total
Cash outflows	3.09	3.74	2.02	0.67	9.52

e) The Company had exercised the following transition choices/practical expedients available under Ind AS 116 Leases :

- The Company chooses to apply paragraph C5(b) of Appendix C of Ind AS 116 for transition. Accordingly, The Company measures lease liability at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate at the date of initial application. (para C8(b) of Appendix C)
- The Company recognizes a right-of-use asset at the date of initial application for leases at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognized in the balance sheet immediately before the date of initial application. (para C8(c)(ii) of Appendix C)
- The Company elects below practical expedients for transition to Ind AS 116 Leases
 - Not to apply this Standard to contracts that were not previously identified as containing a lease applying Ind AS 17. (para C3(b) of Appendix C)
 - To apply a single discount rate to a portfolio of leases with reasonably similar characteristics (such as leases with a similar remaining lease term for a similar class of underlying asset in a similar economic environment). (para C10(a) of Appendix C)
 - Not to apply the requirements in paragraph C8 (of Appendix C) to leases for which the lease term ends within 12 months of the date of initial application. (para C10(c) of Appendix C)

(iv) TRANSITION IMPACT

- At the date of initial application i.e. 1st April 2019, the Company has recognized ₹ 3.43 Crore as Lease Liabilities in the books of accounts for those leases that were previously identified as leases as per Ind AS 17 leases computed by discounting remaining lease payments as at 1st April 2019 by weighted average incremental borrowing rate based on remaining lease term as on 1st April 2019.
- Further, on transition, the Corporation has recognized Right-of-use assets ₹ 3.43 Crore computed at an amount equal to Lease Liability (stated above).
- Reconciliation between Operating lease commitments pertaining to non cancellable leases disclosed as per Ind AS 17 "Leases" for FY 18-19 discounted using incremental borrowing rate at the date of transition and Lease Liabilities recognized in books of accounts shall be on account of short term leases, leases of low value assets.

₹ in Crore

a) Operating lease commitments pertaining to non cancellable leases (As per Ind AS 17 as at 31 March 2019)	6.33
b) Short term leases (as per Ind AS 116)	(2.47)
c) Low value items (as per Ind AS 116)	-
d) Variable lease payments (as per Ind AS 116)	-
e) Other Adjustments	-
f) Discounting Impact	(0.43)
g) Lease Liability as on 01.04.2019	<u>3.43</u>

Notes to consolidated Financial Statements for the year ended 31st March 2020

B. Leases as a Lessor

- a) The Company enters into operating lease arrangements in respect of lands. The details are as follows:

31 st March 2020		(₹ in Crores)
Sl No	Particulars	Land
1	Gross Carrying Amount	32.66
2	Accumulated Depreciation	-
3	Depreciation recognised in statement of Profit and Loss for the year ended	-

- b) Income earned from Operating Leases recognised in statement of profit and loss during Apr-Mar20 is as follows:

Income from Leases of investment property	2.45
Income relating to variable lease payments that do not depend on index or rate	-
Total	<u>2.45</u>

- i. Maturity Analysis of Lease payments receivable

The maturity analysis of lease payments receivable under operating leases from the year ending 31st March 2020 is as follows:

(₹ in Crores)							
As at 31/03/2020	Within 1 year	1 - 2 years	2 - 3 years	3 - 4 years	4 - 5 years	> 5 years	Total
Undiscounted Lease Payments	2.43	2.48	2.53	2.58	2.63	81.65	94.30

46 Employee Benefits

[A] Post Employment Benefit Plans:

Defined Contribution Scheme- Pension:

Company has New Pension Scheme effective from 1st January 2007. Company contributes at a defined percentage of the employee salary out of the total entitlements on account of superannuation benefits under this scheme. This fund is maintained under a trust. In addition to this National Pension Scheme also implemented in the company from the FY 2019-20 which is under NPS trust.

Particulars	FY 2019-20 (₹/crs)	FY 2018-19 (₹/crs)
Amount recognised in the Statement of Profit and Loss : Defined Contribution Scheme - Pension	15.30	19.37

Defined Benefits Plan

The Company has the following Defined Benefit Plans

Gratuity:

The Company has a defined benefit gratuity plan managed by a trust. The Trustees administer contributions made to the trust, investments thereof, etc. Based on actuarial valuation, the contribution is paid to the trust which is invested with LIC. Gratuity is paid to employee who has put in a minimum qualifying period of 5 years of continuous service, on superannuation, resignation, termination or to his nominee on death.

Other Defined Benefits:

These are :

- (a) Post Retirement Medical Benefit Scheme (managed by a trust) to employees, spouse, dependent children and dependent parents.

Notes to consolidated Financial Statements for the year ended 31st March 2020

(b) Resettlement allowance paid to employees to permanently settle down at a place other than the location of last posting at the time of retirement.

(c) These Defined Benefit Plans expose the company to actuarial risks, such as longitivity risks, interest rate risk and market (investment) risk.

a. Disclosure as per requirements of IND AS 19 - "Employee Benefits"

₹ in Crore

Reconciliation of balances of Defined Benefit Obligations	Gratuity : Funded		Post Retirement Medical Benefit : Funded		Resettlement Allowance : Non Funded	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Defined Obligations at the beginning of the year	60.50	56.58	43.32	41.43	3.79	3.37
Interest Cost	4.70	4.37	3.37	3.20	0.29	0.26
Current Service Cost	1.04	1.22	2.68	3.18	0.52	0.46
Past Service cost	-	-	-	-	-	-
(Gain)/Loss on curtailment						
Benefits paid	(1.50)	(2.90)	(0.60)	(0.31)	(0.17)	(0.23)
Actuarial (Gains)/ Losses on Financial Assumption	5.23	(0.21)	15.52	(0.38)	0.38	(0.01)
Actuarial (Gains)/ Losses on obligations	0.80	1.43	20.29	(3.80)	(0.09)	(0.05)
Defined Obligations at the end of the year	70.77	60.50	84.58	43.32	4.73	3.79

b) Reconciliation of balances of Fair Value of Plan Assets in respect of Gratuity/Post Retirement Medical Benefit Fund

Particulars	Gratuity : Funded		Post Retirement Medical Benefit : Funded		Resettlement Allowance : Non Funded	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Fair Value at the beginning of the Year	58.65	57.50	43.23	31.27	-	-
Expected Return	4.56	4.44	3.36	2.42	-	-
Actuarial Gain/(Losses)	-	-	-	-	-	-
Actual return on Plan assets excluding Interest Income	0.35	(0.40)	(0.04)	(0.30)	-	-
Contribution by employer	1.62	-		10.16	-	-
Benefits paid	(1.50)	(2.90)	(0.60)	(0.31)	-	-
Fair Value of Plan Assets at the end of the year	63.68	58.65	45.95	43.23	-	-
Amount recognised in Balance Sheet (a-b)	7.09	1.85	38.63	0.09	4.73	3.79
Amount recognised in P&L						
Current Service Cost	1.04	1.22	2.68	3.18	0.52	0.46
Past Service cost	-	-				
(Gain)/Loss on curtailment						
Interest Cost	0.14	(0.07)	0.01	0.78	0.29	0.26
Expected Return on Plan Assets						
Actuarial (Gains)/ Losses						
Expenses for the period	1.18	1.15	2.69	3.97	0.82	0.72
Amount recognised in Other Comprehensive Income						
Actuarial (Gains)/ Losses on obligations for the period	6.03	1.21	35.81	(4.18)	0.29	(0.07)
Actual return on Plan assets excluding Interest Income	(0.35)	0.40	0.04	0.30		
Net (Income)/ Expenses recognised in OCI	5.69	1.61	35.85	(3.88)	0.29	(0.07)

Notes to consolidated Financial Statements for the year ended 31st March 2020

Financial instruments – Fair values and risk management (contd.)

Major Actuarial Assumptions	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Discount Rate	6.87%	7.77%	6.87%	7.77%	6.87%	7.77%
Salary Escalation	8.00%	8.00%			8.00%	8.00%
Future Benefit cost inflation			7.00%	7.00%		
Attrition Rate	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Expected Return on Plan Assets	6.87%	7.77%	6.87%	7.77%	N.A	N.A
Investment pattern for Fund as on 31.03.2020	Insured Fund		Insured Fund		Not Funded	

The estimates of future salary increases, considered in actuarial valuation, take into account inflation, seniority, promotion and other element factors.

The expected return on plan assets is based on market expectations at the beginning of the periods, for returns over the entire life of the related obligation.

Investment Pattern for Fund	Gratuity - Funded		Post Retirement Medical - Funded	
	As at 31/03/2020	As at 31/03/2019	As at 31/03/2020	As at 31/03/2019
Category of Asset	%	%	%	%
Insurer Managed Funds	100	100	92	
Others - Fixed Deposit in nationalised banks			8	100

For the funded plans, the trust maintains appropriate fund balancing considering the analysis of maturities. Projected unit credit method is adopted for Asset-Liability Matching.

Sensitivity analysis

Sensitivity analysis for each significant actuarial assumption as stated above, showing how the defined benefit obligation would be affected, considering increase/decrease of 1% as at 31.03.2020 is as below:

₹ in Crore

Sensitivity analysis	Gratuity : Funded			
	31-Mar-20		31-Mar-19	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(5.77)	6.61	(5.01)	5.75
Future salary growth (1% movement)	1.14	(1.28)	1.21	(1.42)
Future Benefit Cost inflation (1% Movement)				
Future Employee Turnover (1% movement)	1.98	(2.21)	1.89	(2.12)

₹ in Crore

Sensitivity analysis	PRMB : Funded			
	31-Mar-20		31-Mar-19	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(17.00)	23.07	(8.34)	10.68
Future salary growth (1% movement)	22.98	(17.09)	10.71	(8.42)
Future Benefit Cost inflation (1% Movement)				
Future Employee Turnover (1% movement)	(9.19)	10.87	(4.76)	5.18

Notes to consolidated Financial Statements for the year ended 31st March 2020

Financial instruments – Fair values and risk management (contd.)

₹ in Crore

Sensitivity analysis	Resettlement Allowance : Non Funded			
	31-Mar-20		31-Mar-19	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(0.42)	0.49	(0.34)	0.40
Future salary growth (1% movement)				
Future Benefit Cost inflation (1% Movement)				
Future Employee Turnover (1% movement)	(0.47)	0.53	(0.38)	0.44

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation keeping all other actuarial assumptions constant.

Maturity analysis

The expected future cash flows as at 31st March 2020 were as follows:

₹ in Crore

Expected contribution	Gratuity - Funded	PRMB : Funded	Resettlement Allowance: Non Funded
Projected benefits payable in future years from the date of reporting			
1st following year	4.51	0.74	0.27
2nd following year	2.70	0.79	0.04
3rd following year	4.82	0.76	0.30
4th following year	3.44	0.83	0.14
5th following year	3.78	0.92	0.15
Years 6 to 10	37.28	7.45	2.63

Other details as at 31.03.2020

Particulars	Gratuity - Funded	PRMB : Funded	Resettlement Allowance: Non Funded
Weighted average duration of the Projected Benefit Obligation(in years)	10	25	11
Prescribed contribution for next year (Rs in Crores)	8.16	42.33	0.00

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at balance sheet date.

₹ in Crore

	31-Mar-20	31-Mar-19
Total employee benefit liabilities		
Non-current	6.67	3.65
Current	46.00	2.10

Notes to consolidated Financial Statements for the year ended 31st March 2020

Financial instruments – Fair values and risk management (contd.)

B. Provident Fund:

The Company's contribution to Provident Fund is remitted to Employees Provident Fund Organisation on a fixed percentage of the eligible employee's salary and charged to Statement of Profit and Loss.

47. Financial instruments – Fair values and risk management

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

₹ in Crore

As at 31 st March 2020	Note Ref.	Carrying amount				Fair value			
		Mandatorily at FVTPL	FVTOCI-designated as such	Amotised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets									
Investment in Debt Instruments- Mutual Funds	12	-			-	-			-
Investment in Government of India Securities/ Treasury Bills	7 & 12			-	-				-
Cash and cash equivalents	14	-		136.77	136.77				-
Bank Balances other than cash and cash equivalents	15	-		221.00	221.00				-
Loans - Non current	8	-	-	47.25	47.25		45.74		45.74
Loans - Current	16	-		19.92	19.92		7.90		7.90
Trade receivables	13	-		703.48	703.48				-
Other Non-current financial asset		-			-				-
Others- Current	17	-		28.09	28.09				-
		-	-	1,156.51	1,156.51	-	-	-	-
Financial liabilities									
Borrowings - Current	26			73.78	73.78				-
Borrowings - Non current	23			-	-				
Trade and other payables	27			728.61	728.61				
Other current liabilities	28			236.84	236.84				
Derivative Liability on forwards	28	-			-		-		
Other Non-Current financial liabilities	23			9.85	9.85				
		-	-	1,049.08	1,049.08	-	-	-	-

As at 31 st March 2019	Note Ref.	Carrying amount				Fair value			
		Mandatorily at FVTPL	FVTOCI-designated as such	Amotised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets									
Investment in Debt Instruments- Mutual Funds	12	97.97			97.97	97.97			97.97
Investment in Government of India Treasury Bills	7 & 12			1,034.19	1,034.19				-
Cash and cash equivalents	14			0.21	0.21				-

Notes to consolidated Financial Statements for the year ended 31st March 2020

Financial instruments – Fair values and risk management (contd.)

₹ in Crore

As at 31 st March 2019	Note Ref.	Carrying amount				Fair value			
		Mandatorily at FVTPL	FVTOCI-designated as such	Amotised Cost	Total	Level 1	Level 2	Level 3	Total
Bank Balances other than cash and cash equivalents	15			103.88	103.88				-
Loans - Non current	8			49.35	49.35		45.23		45.23
Loans - Current	16			12.52	12.52		4.71		4.71
Trade receivables	13			1,220.53	1,220.53				-
Others - Current	17			31.62	31.62				-
		97.97	-	2,452.30	2,550.26				
Financial liabilities									
Borrowings - Current	26			3.28	3.28				-
Borrowings - Non current	23			-	-				
Trade and other payables	27			1,018.42	1,018.42				-
Other current liabilities	28			242.09	242.09				
Derivative Liability on forwards	28	0.81			0.81		0.81		
Other Non-Current financial liabilities	23			0.19	0.19				-
		0.81	-	1,263.98	1,264.78	-	-	-	-

B. Measurement of fair values

Valuation techniques

The following tables show the valuation techniques used in measuring Level 2 fair values, for financial instruments measured at fair value in the Balance Sheet.

Financial instruments measured at fair value

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Derivative instruments - forward exchange contracts	Forward pricing: The fair value is determined using quoted forward exchange rates at the reporting date.	Not applicable	Not applicable
Non current financial assets and liabilities measured at amortised cost	Discounted cash flows: The valuation model considers the present value of expected receipt/payment discounted using appropriate discounting rates.	Not applicable	Not applicable

C. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk

i. Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has established the Risk Steering Committee (the Committee), which is responsible for developing and monitoring the Company's risk management policies. The Committee reports annually to the Board of Directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The

Notes to consolidated Financial Statements for the year ended 31st March 2020

Financial instruments – Fair values and risk management (continued)

Company, through its procedures, aims to maintain a disciplined and constructive control environment in which all the roleholders listed in the Risk Management Charter understand their roles and obligations.

The Audit Committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit reviews the controls and procedures in place, the results of which are reported to the audit committee.

ii. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments. However the company has very limited exposure to credit risk as the major customers are OMCs. Sale to direct customers are generally against advance payment or LCs.

The maximum exposure to credit risk in case of all the financial instruments covered below is restricted to their respective carrying amount.

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

As at March 31, 2020, the Company's most significant customer accounted for ₹635.96 crore of the trade and other receivables carrying amount (March 31, 2019 : ₹1,094.15 crore).

The following table provides information about the exposure to credit risk and ECLs for trade receivables:

₹ in Crore

As at 31st March 2020	Gross carrying amount	Weighed average loss rate - range	Loss allowance
Neither past due nor impaired	702.89		-
Less than 90 days	(0.00)	-	-
More than 90 days	0.59	-	-
	703.48	-	-

₹ in Crore

As at 31 st March 2019	Gross carrying amount	Weighed average loss rate - range	Loss allowance
Neither past due nor impaired	1,219.79		-
Less Than 90 days	0.22		-
More than 90 days	0.52		-
	1,220.53	-	-

The company does not provide for any loss allowance on trade receivables where risk of default is negligible such as receivables from other oil marketing companies, if any. Loss rates are based on actual credit loss experience over the past three years.

Cash and cash equivalents

The Company held cash and cash equivalents of ₹136.77 crores at 31st March 2020 (31st March 2019 : ₹0.21 crores). The cash and cash equivalents are held with bank with good credit ratings and financial institution counterparties with good market standing.

Notes to consolidated Financial Statements for the year ended 31st March 2020

Financial instruments – Fair values and risk management (continued)

Derivatives

The derivatives are entered into with bank and financial institution counterparties with good credit ratings. Further exposure to counter-parties are closely monitored and kept within the approved limits.

Investment in debt securities

The Company limits its exposure to credit risk by generally investing in liquid securities that have a good credit rating.

Other than trade and other receivables, the Company has no other financial assets that are past due but not impaired.

iii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

As on 31st March 2020, the Company had working capital of INR 1,823.67 crores, including cash and cash equivalents of INR 136.77 crores, investments in term deposits (having original maturities of more than 3 months) of INR 221 crores.

As on 31st March 2019, the Company had working capital of INR 2,066.43 crores, including cash and cash equivalents of INR 0.21 crores, investments in term deposits (having original maturities of more than 3 months) of INR 100 crores, and investments in mutual funds INR 97.97 crores and investments in Government of India Treasury Bills of INR 625.24 crores.

Exposure to liquidity risk

₹ in Crore

2019-20	Carrying amount	Contractual cash flows				
		Total	Upto 1 year	1-3 years	3-5 years	More than 5 years
INR						
Non-derivative financial liabilities						
External Commercial Borrowings	-	-	-	-	-	-
Short Term Borrowings	73.78	73.78	73.78	-	-	-
Trade payables	728.61	728.61	728.61	-	-	-
Other Non-Current financial liabilities	9.85	9.85	9.85	-	-	-
Other financial liabilities	236.84	236.84	236.84	-	-	-
Financial guarantee contracts*	40.40	40.40	40.40	-	-	-
Derivative financial liabilities						
Forward exchange contracts	-	-	-	-	-	-
<i>Inflows</i>	-	-	-	-	-	-
<i>Outflows</i>	-	-	-	-	-	-

Notes to consolidated Financial Statements for the year ended 31st March 2020

Financial instruments – Fair values and risk management (continued)

₹ in Crore

2018-19	Contractual cash flows					
	Carrying amount	Total	Upto 1 year	1-3 years	3-5 years	More than 5 years
INR						
Non-derivative financial liabilities						
External Commercial Borrowings	34.59	34.59	34.59	-	-	-
Short Term Borrowings	3.28	3.28	3.28	-	-	-
Trade Payables	1,018.42	1,018.42	1,018.42	-	-	-
Other Non-Current financial liabilities	0.19	0.19	0.19	-	-	-
Other financial liabilities	208.31	208.31	208.31	-	-	-
Financial guarantee contracts*	52.55	52.55	52.55	-	-	-
Derivative financial liabilities						
Forward exchange contracts	-	-	-	-	-	-
Inflows	-	-	-	-	-	-
Outflows	-	-	-	-	-	-

* Guarantees issued by the Company on behalf of BCPL (associate company) is with respect to borrowings raised by the respective entity from OADB. This amount will be payable on default by the concerned entity. As on the reporting date, the associate company has not defaulted and hence, the Company does not have any present obligation for BCPL in relation to this guarantee.

iv. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. We are exposed to market risk primarily related to foreign exchange rate risk.

Currency risk

The Company is exposed to currency risk on account of its operating and financing activities. The functional currency of the Company is Indian Rupee. The exchange rate between the Indian Rupee and foreign currencies has changed substantially in recent periods and may continue to fluctuate substantially in the future. The Company uses derivative instruments, i.e, foreign exchange forward contracts to mitigate the risk of changes in foreign currency exchange rates.

Company do not use derivative financial instruments for trading or speculative purposes.

Exposure to currency risk

The currency profile of financial assets and financial liabilities as at 31st March 2020 and 31st March 2019 are as below:

₹ in Crore

	Total	2019-20	2019-20	2019-20
		INR	USD	EURO
Financial assets				
Cash and cash equivalents	136.77	136.77		
Bank Balances other than cash and cash equivalents	240.98	240.98		
Loans - Non current	47.25	47.25		

Notes to consolidated Financial Statements for the year ended 31st March 2020

	Total	2019-20	2019-20	2019-20
		INR	USD	EURO
Loans - Current	19.92	19.92		
Trade receivables	703.48	697.63	5.84	
Others - Current	28.09	28.09		
Net exposure for assets	1,176.49	1,170.65	5.84	-
Financial liabilities				
Borrowings - Current	73.78	73.78		
Trade and other payables	728.61	726.66	-	1.95
Others - Current	236.84	236.84	-	
Others - Non-Current	9.85	9.85		
	1,049.08	1,047.13	-	1.95
Net exposure for liabilities	1,049.08	1,047.13	-	1.95
Net exposure (Assets - Liabilities)	127.41	123.52	5.84	(1.95)

₹ in Crore

	Total	2018-19	2018-19	2018-19
		INR	USD	EURO
Financial assets				
Investment in Mutual Funds	97.97	97.97		-
Investment in Government of India Treasury Bills	625.24	625.24		-
Cash and cash equivalents	4.09	4.09		-
Bank Balances other than cash and cash equivalents	100.00	100.00		-
Loans - Non	49.35	49.35		-
Loans - Current	12.52	12.52		-
Trade receivables	1,220.53	1,191.50	29.03	
Others - Current	31.62	31.62		-
Net exposure for assets	2,141.32	2,112.28	29.03	-
Financial liabilities				
Borrowings - Current	3.28	3.28		
Derivative instruments - Forwards	0.81		0.81	
Trade and other payables	1,021.03	1,020.92	-	0.11
Others - current	239.47	204.88	34.59	
Other - Non-Current	0.19	0.19		
	1,264.78	1,229.28	35.39	0.11
Net exposure for liabilities	1,264.78	1,229.28	35.39	0.11
Net exposure (Assets - Liabilities)	876.53	883.00	(6.36)	(0.11)

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against US dollars at March 31 would have affected the measurement of financial instruments denominated in US dollars and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. In cases where the related foreign exchange

Notes to consolidated Financial Statements for the year ended 31st March 2020

fluctuation is capitalised to fixed assets or recognised directly in reserves, the impact indicated below may affect the Company's income statement over the remaining life of the related fixed assets or the remaining tenure of the borrowing respectively.

	Profit or loss	
Effect in INR (before tax)	Strengthening	Weakening
2019-20		
1% movement		
USD	(0.35)	0.35
EUR	-	-
	(0.35)	0.35

	Profit or loss	
Effect in INR (before tax)	Strengthening	Weakening
2018-19		
1% movement		
USD	(0.25)	0.25
EUR	-	-
	(0.25)	0.25

Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates, in cases where the borrowings are measured at fair value through profit or loss. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

Company's interest rate risk arises primarily from borrowings. The interest rate profile of the Company's interest-bearing financial instruments is as follows :

	₹ in Crore	
	2019-20	2018-19
Fixed-rate instruments		
Financial assets - measured at fair value through profit or loss		
Financial assets - measured at amortised cost	-	-
Financial liabilities - measured at amortised cost	-	-
Variable-rate instruments		
Financial liabilities - measured at amortised cost(ECB)	-	34.59
Financial liabilities - measured at amortised cost (Working capital loans from banks - Cash credit)	68.60	3.19
Financial liabilities - measured at amortised cost(Buyers Credit)	-	
Total	0.59	37.78

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased/ (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant. In cases where the related interest rate risk is capitalised to fixed assets, the impact indicated below may affect the Company's income statement over the remaining life of the related fixed assets.

Notes to consolidated Financial Statements for the year ended 31st March 2020

₹ in Crore

Cash flow sensitivity (net)	Profit or loss	
	100 bp increase	100 bp decrease
2019-20		
Variable-rate instruments	-	-
Cash flow sensitivity (net)	-	-
2018-19		
Variable-rate instruments	(3.05)	3.05
Cash flow sensitivity (net)	(3.05)	3.05

48 Related party transactions

The disclosure of related party transactions is presented on an aggregate basis for shareholders and companies controlled by shareholders, joint ventures and associates. In addition, there may be additional disclosures of certain significant transactions (balances and turnover) with certain related parties.

a) Names of the Related parties

Joint Venture Company:

Assam Bio Refinery Pvt. Ltd.
Indradhanush Gas Grid Ltd.

Joint Venture of Holding Companies:

Bharat Oman Refineries Limited

Key Management Personnel :

Shri S.K. Barua Managing Director Appointed (w.e.f. 31.01.2018)
Shri B.J. Phukan Director (Technical) Appointed (w.e.f. 01.02.2017)
Shri S.K. Barua, Managing Director holding additional charge of Director (Finance) w.e.f. 31.01.2018 to 11.10.2018
Shri Indranil Mittra Director (Finance) Appointed (w.e.f. 12.10.2018)
Shri D. Rajkumar Chairman Appointed (w.e.f. 07.10.2016)
Shri Ravi Capoor, Director (representing Govt. of Assam) (upto 31.07.2019)
Dr. K. K. Dwivedi, Director (representing Govt. of Assam) (w.e.f. 16.08.2019)
Dr. Praphullachandra Sharma (representing Govt. of India) upto 13.02.2019
Shri Rajendra Kumar Kureel (representing Govt. of India) (w.e.f. 26.03.2019)
Shri Utpal Bora, Director (representing Oil India Limited) (upto 30.09.2019)
Shri Sushil Chandra Mishra, Director (representing Oil India Limited) (w.e.f. 04.11.2019)
Shri Raj Kumar Sharma, Independent Director (upto 30.01.2020)
Smti Sneha Lata Kumar, Independent Director (w.e.f. 08.09.2017)
Dr. Sylvanus Lamare, Independent Director (w.e.f. 16.07.2019)
Shri Jaswant Singh Saini, Independent Director (w.e.f. 29.11.2019)

Notes to consolidated Financial Statements for the year ended 31st March 2020

Following are the related party transactions entered by the Company during the year:

₹ in Crore

	2019-20	2018-19
	Joint Venture/Joint Venture of Holding Companies:	Joint Venture/Joint Venture of Holding Companies:
Revenues and income		
Sale of goods		
Dividend income received		
Services given	8.10	4.42
Lease rental received	2.45	
Finance income		
Other income		
Costs and expenses		
Production and operating expenses		
Purchases of goods	115.05	75.12
Financial expenses		
Other expenses		
Other operations		
Investment in equity shares	79.50	26.50
Advance for investment pending allotment of shares	-	20.00
Loans given		
Loans repaid		

b) Outstanding balance with related parties

₹ in Crore

	2019-20		2018-19	
	KMPs	Others	KMPs	Others
Loans given	0.18	-	0.08	-
Loans taken	-	-	-	-
Receivable at the year end	-	5.40	-	0.90
Payable at the year end	-	-	-	-

c) In the course of its ordinary business, the Company enters into transactions with other Government controlled entities. The Company has transactions with other government-controlled entities, including but not limited to the followings:

- Sale and purchases of goods and ancillary materials;
- Rendering and receiving services;
- Lease of assets;
- Depositing and borrowing money; and
- Uses of public utilities.

These transactions are conducted in the ordinary course of business on terms comparable to those with other entities that are not government controlled entities.

d) Key management personnel compensation

₹ in Crore

	31-Mar-20	31-Mar-19
Short-term employee benefits	2.05	1.52
Post-employee benefits	0.26	0.18
Total	2.31	1.70

Notes to consolidated Financial Statements for the year ended 31st March 2020

49 Dues from officers is ₹1.33 crs (31st March 2019 : ₹ 1.38 crs)

50 During the FY 2019-20, provision has been made under employee benefit in respect of pay revision dues (including retiral dues) to employees (unionised staff) w.e.f. 01st January 2017 at an estimated amount of ₹15.87 crore (previous year ₹14.76 crore) based on the available information and judgement.

51 Contingent Liabilities and Capital Commitments

	₹ in Crore	
	31-Mar-20	31-Mar-19
(a) Contingent Liabilities :		
Claims against the Company not acknowledged as debts :		
Excise matters	194.40	225.36
Service Tax matters	-	3.67
Sales tax matters	-	23.37
Entry Tax Matters	6.89	19.55
Claim by contractors Arbitration cases / Other extra claims on capital account	26.18	21.79
Others	11.25	11.25
(b) Capital Commitments :		
i) Estimated amount of contracts remaining to be executed on capital account and not provided for	327.40	268.01
(c) Guarantees:		
i) Guarantees in favour of Oil Industry Development Board (OIDB) for long term loans for capital project extended to BCPL Ltd. by OIDB	40.40	52.55
ii) Bank Guarantee	44.36	28.01
(d) Letter of Credit	7.51	33.03

The Company currently does not have any Contingent Assets

52 In compliance of Ind AS 37 on "Provisions, Contingent Liabilities and Contingent Assets", the required information is as under:

	₹ in Crore				
Nature	Opening balance	Additions during the year	Utilisation during the year	Reversals during the year	Closing balance
Excise	18.12		-	18.12	-
Service Tax	2.38		-	2.39	-
VAT/ Sales Tax/ Entry Tax	126.33		42.23	66.62	17.48
Legal cases	5.25	4.05	-		9.30
Total	152.08	4.05	42.23	87.13	26.77
Previous year	244.74	8.41	-	101.07	152.08

The above provisions are made based on estimates and the expected timing of outflows is not ascertainable at this stage.

Notes to consolidated Financial Statements

₹ in Crore

53 Disclosure in respect of Expenditure on Corporate Social Responsibility Activities

₹ in Crore

	2019-20	2018-19
a) Unspent CSR Expenditure carried forward from previous year (Opening Provision)	-	4.96
b) Amount required to be spent by the company during the year	62.25	54.36
c) Amount spent during the year (on purpose other than construction / acquisition of assets controlled by the company)	87.61	54.85
d) Provision created for balance amount (Closing Provision)	-	-

* Including payables of ₹1.22 crores (Previous Year ₹5.99 crores) as on 31.03.2020.

54 Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders.

The Board of Directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position. The weighted-average interest rate computed as interest expense on interest-bearing borrowings (excluding liabilities with imputed interest) was 7.94% (31st March 2019: 8.15%).

The Company monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings as reduced by cash and cash equivalents. Adjusted equity comprises all components of equity.

The Company's policy is to keep the ratio below 2.00. The Company's adjusted net debt to equity ratio at 31st March 2020 was as follows :

₹ in Crore

	As at 31 st March 2020	As at 31 st March 2019
Total Liabilities	1,570.09	1,949.53
Less : Cash and Cash equivalent	136.77	0.21
Adjusted net debt	1,433.32	1,949.32
Total equity	5,392.00	5,486.17
Adjusted net debt to adjusted equity ratio	0.27	0.36

55 Segment Reporting

A. Basis for segmentation

NRL has one reportable segment. Details of the segments is as follows:

- Downstream Petroleum engaged in refining and marketing of petroleum products.

B. Geographic information

The geographic information analyses NRL's revenue and non-current assets by the country of domicile and other countries. In presenting the geographical information, segment revenue has been based on the geographic selling location and segments assets were based on the geographic location of the respective non-current assets.

Notes to consolidated Financial Statements for the year ended 31st March 2020

₹ in Crore

Geography	31-Mar-20	31-Mar-19
I Revenue		
India	14,072.66	18,511.15
Other Countries	-	-
Total Revenue	14,072.66	18,511.15
II Non-current Assets *		
India	3,454.70	3,565.84
Other Countries	-	-
Total Non-current Assets	3,454.70	3,565.84

*non-current assets other than financial instruments, deferred tax assets, post-employment benefit assets and rights arising from insurance contracts

C. Information about major customers

Revenues from one customer (BPCL) of the Downstream Petroleum segment represented approximately ₹11,892.28 Crores (previous year - ₹15,829.10 Crores)

56 The Company has numerous transactions with other oil companies. The outstanding balances [included under trade payables/trade receivables] from them including certain other outstanding credit and debit balances are subject to confirmation /reconciliation. Adjustments, if any, arising therefrom are not likely to be material on settlement and are accounted as and when ascertained.

57 The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing and closure of non-essential services have triggered significant disruptions to business worldwide, resulting in an economic slowdown. On 24th March 2020, the Government of India had ordered a nationwide lockdown for 21 days which got further extended subsequently. Further, during March 2020/April 2020, there has been significant volatility in oil prices, resulting in reduction in oil prices. On account reduction in prices, the writedown of inventories to net realisable value has been disclosed as Exceptional Items in the financial results. Impact of the same for the year ended 31 March 2020 is ₹ 229.52 crores [Refer note no 41].

In assessing the recoverability of Company's assets such as Investments, Loans, Trade Receivable, Inventories etc. the company has considered internal and external information upto the date of approval of these financial results. The company has evaluated impact of this pandemic on its business operations and based on its review and current indicators of future economic conditions, expects to recover the carrying amount of the assets.

58 Derivative Instruments and unhedged foreign currency exposure:

A. Derivatives outstanding as at the reporting date

Particulars	Purpose	31-Mar-20		31-Mar-19	
		USD million	₹ Crore	USD million	₹ Crore
Forward contracts to buy USD	ECB Loan (short term) Repayable within 12 months	-	-	5.00	34.59

B. Particulars of unhedged foreign currency exposures as at reporting date

Particulars	USD million	₹ Crore	USD million	₹ Crore
External Commercial Borrowing	-	-	-	-

C. Mark-to-Market losses

Particulars	USD million	₹ Crore	USD million	₹ Crore
Mark-to-Market losses provided for		-		0.81

59 Research and Development Expenditure

₹ in Crore

Particulars	2019-20	2018-19
Revenue Expenditure	3.30	-

60 Equity accounted Investees

Information of interest of the Company in its equity accounted investees:

	Name of the Investes	Country of Incorporation	31-Mar-20	31-Mar-19
Interest in Joint Venture	DNP Ltd.	India	26.00%	26.00%
Interest in Associate	Brahmaputra Cracker and Polymer Ltd. (BCPL)	India	10.00%	10.00%
Interest in Joint Venture	Assam Bio Refinery (P) Ltd. (ABRPL)	India	50.00%	50.00%
Interest in Joint Venture	Indradhanush Gas Grid Ltd. (IGGL)	India	20.00%	20.00%

The principal place of business of all the entities listed above is the same as their respective country of incorporation.

Note (i) DNP Limited, a Joint Venture Company with AGCL and OIL as the other co-promoters, was set up in 15th June, 2007 in India with an authorised capital of ₹170 crores for implementing the project for transportation of Natural Gas (NG) from Duliajan to Numaligarh. The paid up share capital of the Company is ₹167.25 crores. NRL invested ₹43.49 crores in DNP Limited for 26% stake in its equity. DNP Limited is not a listed Company.

Note (ii) BCPL was incorporated on 8th January 2007 in India, for producing petrochemical products using natural gas, naphtha or any petroleum products as feedstock and devising an effective distribution system for the same in North-east region of India. The company has an authorised capital of ₹2,000 crores and paid up capital of ₹1,417.67 crores. GAIL (India) Limited is the main promoter having 70% of equity participation and the rest 30% is equally shared by Oil India Ltd (OIL), Numaligarh Refinery Limited (NRL) and Government of Assam. NRL's equity investment in BCPL currently stands at ₹141.77 crores.

Note (iii) ABRPL was incorporated on 04th June 2018 in India, to carry on the business of develop, build, own and operate integrated bio refinery complex to produce fuel grade Ethanol and other platform chemicals viz, acetic acid and furfural alcohol using ligno-cellulosic non-food grade biomasses as feedstock, together with Bio-coal for producing power and Stillages (dry basis) to be used as fertilizer. The company has an authorised capital of ₹150 crores and paid up capital of ₹135 crores. ABRPL is a joint venture company comprising stakeholders viz.. Numaligarh Refinery Ltd.(50%), M/s Fortum 3V, Neitherland (28%) and M/s Chempolis Oy, Finland (22%). NRL's equity investment in ABRPL currently stands at ₹67.50 crores.

Note (iv) Indradhanush Gas Grid Ltd. (IGGL) was incorporated on 10th August 2018 in India, to create infrastructure of Gas pipelines in North East India, thereby creating a Gas Grid, for easy transmission of Gas from Gas Fields to the consumers. The company has an authorised capital of ₹500 crores and paid up capital of ₹60 crores. IGGL is a joint venture company comprising stakeholders viz.. Numaligarh Refinery Ltd.(20%), Indian Oil Corporation Ltd. (20%), Oil India Ltd. (20%), Oil and Natural Gas Corporation Ltd. (20%) and Gas Authority of India Ltd. (20%). NRL's equity investment in IGGL currently stands at ₹12.00 crores.

The following table comprises the financial information of the Company's material Joint Venture and Associate with their respective carrying amount.

	As at 31/03/2020 (₹ in Crores)			
	DNP Ltd.	Brahmaputra Cracker and Polymer Ltd. (BCPL)	Assam Bio Refinery (P) Ltd.	Indradhanush Gas Grid Ltd.
Percentage ownership interest	26%	10%	50%	20%
Summarised financial information				
Non Current Assets	236.40	7,502.36	162.55	19.42
Current Assets (excluding cash and cash equivalent)	63.49	3,075.53	24.24	20.45
Cash and cash equivalent	15.87	42.92	0.07	13.66
Less:				
Non Current liabilities (non current liabilities other than trade payables, other non current liabilities and provisions)	39.04	6,701.70	37.71	1.22
Current liabilities (current liabilities other than trade payables, other current liabilities and provisions)	4.09	1,152.12	14.07	8.91
Trade Payables, other current liabilities, other non-current liabilities and provisions	4.19	693.91	1.54	0.83
Net Assets	268.43	2,073.08	133.55	42.57
Groups share of net assets	69.79	207.31	66.77	8.51
Carrying amount of interest in Investees	69.79	207.31	66.77	8.51
	For the year ended 31.03.2020 (₹ in Crore)			
Revenue	87.96	2,947.65	1.83	1.69
Less:				
Cost of materials consumed	-	1,788.54	-	-
Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	-	(102.50)	-	-
Employee Benefits Expense	3.53	171.03	1.63	6.14
Finance Costs	0.27	252.43	-	0.16
Depreciation and Amortisation	13.60	390.85	0.12	0.58
Other Expenses	26.15	305.26	0.60	1.98
Exceptional items	-	(1,705.35)	-	-
Income tax expense	8.99	339.79	-	-
Other Comprehensive Income	-	(1.49)	-	-
Total Comprehensive Income	35.42	1,506.11	(0.51)	(7.18)
Groups share of profit	9.21	150.76	(0.26)	(1.44)
Groups share of OCI	-	(0.15)	-	-
Groups share of total comprehensive Income	9.21	150.61	(0.26)	(1.44)
Dividend received from the Investees	6.00	-	-	-

31-Mar-19	As at 31/03/2019 (₹ in Crore)			
	DNP Ltd.	Brahmaputra Cracker and Polymer Ltd. (BCPL)	Assam Bio Refinery (P) Ltd.	Indradhanush Gas Grid Ltd.
Percentage ownership interest	26%	10%	50%	20%
Non Current Assets	235.14	7,935.17	33.52	0.96
Current Assets (excluding cash and cash equivalent)	43.93	864.33		16.22
Cash and cash equivalent	24.37	1.40	52.69	4.16
Less:				
Non Current liabilities (non current liabilities other than trade payables, other non current liabilities and provisions)	39.24	7,010.03	40.37	

31-Mar-19	As at 31/03/2019 (₹ in Crore)			
	DNP Ltd.	Brahmaputra Cracker and Polymer Ltd. (BCPL)	Assam Bio Refinery (P) Ltd.	Indradhanush Gas Grid Ltd.
Percentage ownership interest	26%	10%	50%	20%
Current liabilities (current liabilities other than trade payables, other current liabilities and provisions)	3.13	566.09	3.22	6.75
Trade Payables, other current liabilities, other non-current liabilities and provisions	4.18	656.24	0.55	1.71
Net Assets	256.89	568.54	42.06	12.88
Company's share of net assets	66.79	56.85	21.03	2.58
Carrying amount of interest in Investees	66.79	56.85	21.03	2.58
For the year ended 31.03.2019 (Rs in Crores)				
	Unaudited	Unaudited	Unaudited	Unaudited
Revenue	92.58	2,958.21	0.01	0.58
Less:				
Cost of materials consumed	-	1,748.08	-	-
Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	-	100.48	-	-
Employee Benefits Expense	3.38	98.52	0.05	2.45
Finance Costs	0.33	267.25	-	-
Depreciation and Amortisation	12.86	386.65	0.01	0.00
Other Expenses	22.37	345.46	0.89	10.25
Income tax expense	6.86	(59.19)	-	-
Other Comprehensive Income	-	(0.40)		
Total Comprehensive Income	46.77	70.57	(0.94)	(12.12)
Groups share of profit	12.16	7.10	(0.47)	(2.42)
Groups share of OCI		(0.04)		
Groups share of total comprehensive Income	12.16	7.06	(0.47)	(2.42)
Dividend received from the Investees	5.09			

61 Previous year figures

Previous year figures have been reclassified / regrouped to conforms to current year's classification.

Signature to Notes '1' to '61'

As per our report of even date

For M C Bhandari & Co
Chartered Accountants
ICAI FRN : 303002E

Sd/-
CA. Neeraj Jain
Partner
Membership No. 064393
UDIN :20064393AAAAIQ4889

Place: Kolkata
Date : 22nd May 2020

For and on behalf of the Board of Directors

Sd/-
S. K. Barua
Managing Director
DIN: 06503943

Sd/-
H. K. Sarmah
Company Secretary

Sd/-
Indranil Mittra
Director (Finance)
DIN: 06883068

Place: Guwahati
Date : 22nd May 2020

Human Resource Accounting

Human resources is being considered by NRL as the key to the organisation's success. Development of human resources is a continuous process and gets the top priority to meet new challenges. The value of human assets who are committed to achieve excellence in all fronts is being recognised by NRL. The Human Resource profile, as given in the table below, shows that NRL is a youthful Company.

Category	Age				Total
	20-30	30-40	40-50	Over 50	
Technical					
Executives	19	124	129	57	329
Workmen	14	22	106	55	197
Sub Total	33	146	235	112	526
Others					
Executives	30	25	40	57	152
Workmen	14	65	116	44	239
Sub Total	44	90	156	101	391
Grand Total	77	236	391	213	917
Average age 44 Years					

The human resources have been valued by adopting Lev and Schwartz model with the following assumptions :

- (I) Continuity of present pattern of employee compensation, both direct and indirect.
- (ii) Continuity in career growth as per present policy of the company.
- (iii) The future earnings have been discounted at the risk free rate of return 6.87% (previous year 7.77%)

Value of Human Resources

	in ₹ Crore				
	2019-20	2018-19	2017-18	2016-17	2015-16
Executives	1,981.53	1,909.15	1,956.84	1,319.17	1,194.25
Workmen	833.25	752.09	839.60	832.34	967.77
	2,814.78	2,661.24	2,796.44	2,151.51	2,162.01
Human Assets vis-à-vis Total Assets					
Value of Human Assets	2,814.78	2,661.24	2,796.44	2,151.51	2,162.01
Net Property Plant and Equipment	3,382.54	3,105.44	2,891.20	2,664.60	2,386.24
Net Current Assets	1,823.67	2,066.42	2,364.02	2,662.98	2,610.77
	8,020.99	7,833.10	8,051.66	7,479.09	7,159.02
Profit before tax	1,734.55	3,051.91	3,142.34	3,147.57	1,863.85
Value Added	2,971.50	4,248.70	4,383.95	4,102.96	3,007.98
Ratio of :					
Profit (before tax) to Human Resources	62%	115%	112%	146%	86%
Value Added to Human Resources	106%	160%	157%	191%	139%
Human Resources to Total Resources	35%	34%	35%	29%	30%

Social Accounts

in ₹ Crore

	2019-20	2018-19	2017-18	2016-17	2015-16
I. SOCIAL BENEFITS AND COSTS TO EMPLOYEES					
a) Social Benefits to Employees					
1 Welfare facilities	7.23	3.79	4.37	3.75	3.11
2 Ex-gratia/Awards	20.14	35.81	51.53	17.84	13.82
3 Medical facilities	29.44	27.30	24.10	18.12	19.15
4 Retirement Benefits	17.99	23.78	44.62	14.96	11.29
5 Training and career development	2.25	3.55	3.64	2.71	1.34
6 Holiday Facilities	8.52	6.72	8.69	3.55	5.16
7 Transport Facilities	6.53	6.00	5.82	5.11	4.60
8 Insurance	2.38	1.90	1.81	0.92	1.20
9 Educational Facilities	1.69	4.33	1.00	1.50	1.00
10 Township Costs	4.89	4.63	3.43	5.24	5.79
11 Others	34.99	26.65	21.98	37.33	32.52
Total (a)	136.05	144.46	170.99	111.03	98.98
b) Social Cost to Employees :					
1 Out of pocket expenses surrendered	2.05	1.76	1.74	1.30	0.67
Total (b)	2.05	1.76	1.74	1.30	0.67
Net Social Income to Employees (a-b)	134.00	142.70	169.25	109.73	98.31
II SOCIAL BENEFITS TO COMMUNITY					
1 Local Taxes	1.45	1.64	1.09	1.93	0.53
2 Environment Improvements	0.93	0.19	0.32	0.09	0.42
3 Expenditure on Corporate Social responsibility	87.61	54.85	46.25	20.70	11.51
4 Generation of job potential to local people	34.90	33.55	21.15	20.37	16.57
5 Generation of business	477.08	493.51	474.37	562.32	404.74
Total Social income to community	601.97	583.74	543.18	605.41	433.77
III SOCIAL COST AND BENEFIT TO THE GENERAL PUBLIC					
a) Benefits to the General Public					
1 Taxes paid to State Government	225.86	254.76	236.03	483.60	258.68
2 Dividend paid to State Government	163.48	149.86	223.42	122.61	68.12
3 Taxes and Duties paid to Central Government	2,971.16	3,754.55	4,212.43	3,747.26	2,757.75
Total (a)	3,360.50	4,159.17	4,671.88	4,353.47	3,084.55
b) Costs to the General Public :					
1 Purchase of Power	7.34	9.45	5.41	4.87	4.48
Total (b)	7.34	9.45	5.41	4.87	4.48
Net Social Income to the General Public (a-b)	3,353.16	4,149.72	4,666.47	4,348.60	3,080.07
Net Social Income to Employees, Community and General Public (I+II+III)	4,089.13	4,876.16	5,378.90	5,063.74	3,612.15



08.12.20

