

ANNUAL REPORT

2020-21



Growing Fast Forward

NUMALIGARH
REFINERY
LIMITED

A GOVERNMENT OF INDIA ENTERPRISE



ANNUAL REPORT

2020-21



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.

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 2020-21

CONTENTS

Chairman's Message	2	▼
Corporate Information	4	
Board of Directors	5	
Management Team	6	
Notice to the Members	7	▼
Performance profile	12	
Directors' Report	20	▼
Management Discussion and Analysis	44	
Annexures to Directors' Report	56	▼
Independent Auditors' Report on Standalone Financial Statements	95	
Comments of the C&AG	106	▼
Balance Sheet	107	
Statement of Profit & Loss	109	
Statement of Cash Flows	110	▼
Notes to Financial Statements for the year ended 31 st March, 2021	114	
Independent Auditors' Report on the Consolidated Financial Statements	161	▼
Comments of the C&AG	171	
Consolidated Balance Sheet	172	
Consolidated Statement of Profit & Loss	174	
Consolidated Statement Cash Flows	175	
Notes to consolidated financial statements for the year ended 31 st March, 2021	179	
Human Resource Accounting	228	



CHAIRMAN'S MESSAGE

Dear Stakeholders,

This is my first address to you as Chairman of NRL after Oil India acquired majority stake in the Company.

I am sure that NRL OIL partnership will be able to achieve tremendous synergy and contribute immensely towards ensuring energy security of the nation and achieve the targets set by the Ministry of Petroleum and Natural Gas. Presence of EIL as a stakeholder will further boost the technical expertise of the Company.

As you are aware, we had to traverse through innumerable adversities during the last financial year and it gives me immense pleasure to share with you that NRL have been able to seamlessly adapt to the situation.

During the year 2020-21, the refinery processed 2,707 TMT of Crude Oil, a 14% increase over the previous year with Sales Volume of 2,924 TMT, an increase of 24% over previous year. Besides, Assam Crude Oil, imported Crude Oil of 42 TMT was also processed in the refinery.

There was increase in production of HSD by more than 12% at 1,809 TMT and MS by 36% at 636 TMT over the previous year. The refinery also recorded highest ever Wax production of 47 TMT, 17% increase over previous year and highest ever LPG bottling at 57 TMT, an increase of 33% over previous year.

The Company posted revenue from operations at ₹18, 544 Crore which was higher by 31.77% as against ₹14, 073 Crore of the previous year, primarily on account of higher sales volume.

Higher crude throughput and increase in overall margins resulted in NRL posting record Profit before tax of ₹4,083 Crore, an increase of 135 % over previous year while the Profit after Tax has increased to ₹3,036 Crore, an increase of 120% over previous year. The Earning per Share (EPS) for the Financial Year 2020-21 stood at ₹41.27 as compared to ₹18.78 in 2019-20. Net worth of the Company has increased to ₹5596 crores as on 31st March, 2021 as compared to ₹5304 crores in the previous year. The outstanding financial performance has also led to the highest ever contribution to the Government exchequer at ₹6,468 Crore.

The Company continues to assiduously and aggressively pursue major ongoing projects in hand; namely, the Numaligarh Refinery Expansion Project, 2G Ethanol Project and India-Bangladesh Friendship Pipeline (IBFPL).

The Numaligarh Refinery Expansion Project (NREP), envisages enhancing capacity of the existing refinery from 3.0 MMTPA to 9.0 MMTPA, constructing a Crude Oil Import Terminal at Paradip port in Odisha and laying of a 1635 KM long cross country Crude Oil Pipeline from Paradip Port to Numaligarh, at an estimated cost of ₹28,000 Crore.

With this and several other ongoing projects undertaken during the Financial Year 2020-21, NRL recorded the highest ever standalone CAPEX of ₹924 Crore.

In a world which is driven and connected digitally like never before, NRL has been a frontrunner in adopting the latest and best practices in information technology. The financial year 2020-21 has seen NRL launch a number of noteworthy initiatives. The Paperless Office Solution, AAROHAN was launched in the month of August, 2020 and has resulted in total digital transformation of the procurement cycle to be eventually implemented for all business processes of the organization including HR, benefit management and other internal and external processes which are carried out through SAP. Another important development is the commencement of S/4 HANA (High Performance Analytical Appliance) migration project from December 2020 that would improve performance due to its ability to process data faster with embedded analytical capability. Other initiatives include cloud hosted Digital Capital Project Management Tools, Immersive VR Training for safety training and marketing operations etc.

At a time when the world is fighting the pandemic at every level, NRL joined hands with collectives to extend support in every way possible by ramping up facilities and provisions to tackle the situation. An amount of ₹32 Crore was earmarked to fight COVID-19; which included creating a 120 bedded COVID care with ICU facilities at Jorhat Medical College and Hospital. Oxygen plants are being installed at seven different hospitals including two in Assam. All these projects will be completed by the end of August 2021. Support facility in the form of setting covid centres, supply of oxymeters, masks, hand sanitizers etc. are being provided to all major operating areas. Vaccination has been provided free of cost to all the employees as well as to the workmen including the contract workers and the neighbouring people and this process is still continuing.

Your Company has been advocating and practicing the highest levels of integrity, transparency, accountability and ethics in all its spheres of business activities and ensure to continue it in its onward journey. During the year under review, your Company complied the Corporate Governance Guidelines issued by DPE to the extent applicable being a non-listed PSU. You will be glad to know that in the 20th edition of ICSI National Award for Excellence in Corporate Governance, NRL has been conferred as the Best Governed Company of the year 2020 in the unlisted segment: large category by the Institute of Company Secretaries of India (ICSI).

On behalf of the Board of Directors of the Company, I would like to put on record their sincere appreciation for the hard work and efforts put in by every employee despite challenges and adversities unleashed due to the pandemic. The Board also acknowledges the contribution of all the stakeholders including customers, dealers, contractors, suppliers and bankers for their unrelenting support and cooperation at all times.

I would also like to place on record, my sincere gratitude for the support extended by the Central Government, particularly the Ministry of Petroleum & Natural Gas, as well as assistance from the Government of Assam and other Government Departments. The Board would like to thank all the present and past shareowners of NRL i.e. Oil India Limited, Government of Assam, Engineers India Limited including the erstwhile promoter, Bharat Petroleum Corporation Limited for the trust reposed on the company in executing major projects.

I take this opportunity to extend my sincere gratitude to all my colleagues on the NRL Board for their wholehearted support, co-operation and focus in keeping the NRL flag flying high. I also wish to express my sincere gratitude for reposing your faith and confidence in the Company's Management.

We are on a path of rapid growth and progress and I am sure that with our collective efforts, we will be able to achieve the goals that we have set for ourselves.

Warm regards,

Sd/-

Date: 20th August, 2021
Place: Noida, UP

S C Mishra
Chairman

CORPORATE INFORMATION

Registered Office

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

Co-ordination Office

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

Kolkata Office

Bharat Bhavan
4th Floor, Plot No 31, KIT Scheme No 118
Prince Gulam Md Shah Road, Golf Green
Kolkata 700095, Ph: (033) 2429 3455

Refinery Unit

Pankagrang
Numaligarh Refinery Complex
Golaghat District, Assam
PIN – 785699

Marketing Office

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

Siliguri Office

Siliguri Marketing Terminal
(Near Railway Station)
Rangapani, Siliguri
Dist. - Darjeeling-734434

**NUMALIGARH
REFINERY
LIMITED**

A GOVERNMENT OF INDIA ENTERPRISE



Cost Auditor

M/s. A.C. Dutta & Co.
Cost Accountants
10, K. S. Roy Road, 2nd Floor
Kolkata- 700001, West Bengal
Phone: 033-22437850
Email: ac.dutta@yahoo.in

Secretarial Auditor

M/s. Biman Debnath & Associates
Company Secretaries
Flat No. 402, Block -C, Prasanti Pride
Prakash Choudhury Housing Complex,
Tarun Nagar, Guwahati-781005
Mobile: 8472815679
Email: csbimandebnath@gmail.com

Registrars & Share Transfer Agent

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: dsrscmd@vsnl.com

Statutory Auditors

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

Bankers

State Bank of India	HDFC Bank
Axis Bank	Indusind Bank
Canara Bank	Union Bank
ICICI Bank	Punjab National Bank



Sushil Chandra Mishra
Chairman
(w.e.f. 26-03-2021)

BOARD OF DIRECTORS



Shri S.K. Barua
Managing Director



Shri B.J. Phukan
Director (Technical)



Shri Indranil Mitra
Director (Finance)



Dr. Sylvanus Lamare
Independent Director



Shri Jaswant Singh Saini
Independent Director



Shri Gagann Jain
Independent Director
(w.e.f. 28-07-2021)



Shri R K Kureel
Director



Dr. K. K. Dwivedi
Director



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

Management Team

Shri Rajiv Kr. Gupta, IFS	Chief Vigilance Officer
Shri Nikunja Borthakur	Sr. CGM (CA)
Shri Aruni P Chakravorty	Sr. CGM (Project)
Shri Gopal Sarma	CGM (Operation)
Shri Hemanta Kumar Nath	CGM (Maintn)
Shri Monuj Kumar Pegu	HEAD (Project-Pipeline)
Shri Girish Kumar Borah	HEAD (Project-Refinery)
Shri Hamonta Kr. Sarmah	Company Secretary
Shri Prabir Kr. Talukder	CGM (HR)
Shri Bimlesh Kumar Gupta	CGM (TS)
Shri Nalini K Buragohain	CGM (Comml)
Shri Subrata Das	CGM (Marketing)
Shri Pallav Kumar Das	GM (Internal Audit)
Shri Kajal Saikia	GM (HRD)
Shri Pratul Kumar Saikia	GM (Finance)
Shri Anup Kumar Baruah	GM (ABRPL)
Shri Dhiren Handique	GM (Project)
Shri Samir Kundu	GM (Elect. Maintenance)

Shri Ghanashyam Hazarika	GM (Speciality Chemicals)
Shri Hemanta Neog	GM (Project)
Shri Monjit Kumar Borah	GM (Mech Maint)
Shri Sobhan Konwar	GM (Operations)
Shri Diganta Das	GM (Commercial)
Shri R M W Khongwir	Country Head-Bangladesh
Shri Sanjeev Dibragede	GM (IIS)
Shri Pranab Jyoti Sarma	GM (Project)
Shri Amar Jyoti Phukan	GM (Project-Pipeline)
Shri Abhijit C Bordoloi	GM (HR) - Corporate
Shri Mintu Kr. Handique	GM (ER/IR/PR)
Shri Sujeet Kumar Singh	GM (Project) - Siliguri
Shri Rajib Kr. Bhattacharyya	GM (IGGL)
Shri Jyoti Bhusan Sarmah	GM (Project) - Commercial
Shri Jayanta Goswami	GM (Marketing)
Shri Manoj Kumar	GM (SMT)
Shri Sujit Kumar Das	GM (IGGL)
Shri Syed Kaiumul Hussain	GM (Project Pipeline)

Notice to the Members

Notice is hereby given that the 28th Annual General Meeting of the Members of Numaligarh Refinery Limited will be held on Saturday, the 18th September, 2021 at 3.00 P.M. through Video Conference ('VC') facility or Other Audio Visual Means ('OAVM') 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, 2021; (b) the Audited Consolidated Financial Statement of the Company for the financial year ended 31st March, 2021; 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 Indranil Mittra, Director (DIN: 06883068) who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Shri Rajendra Kumar Kureel, Director (DIN: 05149486) who retires by rotation and being eligible, offers himself for reappointment.

B. Special Business:

4. Approval of Remuneration of the Cost Auditor for the financial year 2021-22

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

"RESOLVED THAT pursuant to the provisions of Section 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, 2022 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."

5. Approval for Enhancement of the Borrowing Powers

To consider and if thought fit, to pass with or without modification(s), the following Resolutions as a Special Resolution:-

"RESOLVED THAT the consent of the Company be and is hereby accorded pursuant to Section 180(1)(c) of the Companies Act, 2013 and other applicable provisions, if any of the Companies Act, 2013 to the Board of Directors of the Company, for borrowing from time to time for the purpose of the Company's business, any sum of moneys as it may deem proper notwithstanding that the money to

be borrowed or sums of money which together with the moneys already borrowed by the Company, if any, (apart from temporary loans obtained from the Companies Banker's in the ordinary course of business) may exceed the aggregate for the time being of the paid up share capital of the Company and its free reserves, provided that the moneys borrowed and to be so borrowed and outstanding at any time shall not exceed ₹19,000 Crore (excluding temporary loans obtained from the Companies Banker's in the ordinary course of business).

RESOLVED FURTHER THAT the consent of the Company be and is hereby accorded pursuant to Section 180(1)(a) of the Companies Act 2013, and other applicable provisions, authorizing the creation of charge on the fixed assets (moveable and immovable) of the company pertaining to the Project, both present and future, to provide security for repayment of the borrowings in favour of the lenders."

6. Appointment of Shri Gagann Jain as an Independent Director

To consider and if thought fit, to pass the following Resolution with or without modification(s), 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, read with Schedule IV of the Companies Act, 2013 as amended from time to time, **Shri Gagann Jain (DIN: 08516710)**, non-official Director Oil India Limited (OIL), who was nominated by the Government of India as a Non-official Director on the Board of the Company w.e.f. the date of notification i.e. 28th July, 2021 till 11th July, 2022 (on Co-terminus basis with the tenure as NoD on the Board of OIL) or until further orders, whichever is earlier and subsequently inducted as an Additional Director in terms of Section 161 of the Companies Act, 2013 (designated as Independent Director) 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 an Independent Director of the Company, not liable to retire by rotation till completion of his tenure."

By Order of the Board of Directors

Sd/-

H. K. Sarmah
Company Secretary

Registered Office:

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

Date: 20th August, 2021

Note:

1. In view of Covid-19 pandemic situation, the Ministry of Corporate Affairs ('MCA') has vide its General Circular dated May 5, 2020 read with General Circulars dated April 8, 2020, April 13, 2020 and January 13, 2021 (collectively referred to as 'MCA Circulars') permitted the holding of the Annual General Meeting 'AGM') through Video Conferencing ('VC') facility or other audio visual means ('OAVM') till 31st December, 2021. 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 28th 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.

In compliance with the MCA Circular dated 5th May, 2020, Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company / Depositories. Members may note that the Notice and Annual Report 2020-21 will also be available on the Company's website www.nrl.co.in.

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 authorized representatives pursuant to Sections 112 and 113 of the Act, as the case maybe, 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. This Notice is being sent pursuant to the provisions of Section 101(1) of the Companies Act, 2013.

7. 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.

8. Since the AGM will be through VC/OAVM, the route map of the venue of the meeting is not annexed 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 6 of the Special Business included in the Notice dated 20th August, 2021.

Item No. 4: Approval of Remuneration of Cost Auditor for the financial year 2021-22

M/s. A. C. Dutta & Co., Cost Accountants, Kolkata was appointed by the Board as the Cost Auditor of the Company for the year 2021-22 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.

Item No. 5: Enhancement of the Borrowing Powers of the Board of Directors.

The Board in its meeting held on 13th April, 2021, approved submission of proposal to MoP&G for approving the revised project cost of NREP at ₹28,026 Crore. Shareholders of the Company have also conveyed their in-principal approval towards subscribing to their respective share of equity, as and when the same is called for, by NRL. Representation to MoP&G was also made for revision in Project Cost to ₹ 28,026 Crore. Approval from Ministry is awaited as on date.

In order to implement NREP, the Company is projected to raise long term borrowings of ₹ 18,904 Crore, say ₹ 19,000 Crore. Accordingly, the Company is required to have sufficient approved borrowing limits in order to raise the mentioned quantum of debt.

The Resolutions set out in the Notice convening the meeting is intended to increase the existing borrowing limit of the Company pursuant to Section 180 (1) (c) and Section 180 (1) (a) of the Companies Act, 2013 so that the Board may be empowered to borrow moneys as and when considered necessary by the Company and to create charge on assets for securing the repayment of such borrowings, subject to the limit specified therein.

The Board accordingly recommends the passing of the proposed Special Resolutions 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 Special Resolutions.

Item No. 6: Appointment of Shri Gagann Jain as Independent Director

Shri Gagann Jain (DIN: 08516710), Non-official Director, Oil India Limited (OIL) was nominated by the Government of India as a Non-official Director on the Board of the Company w.e.f. the date of notification i.e. 28th July, 2021 till 11th July, 2022 (on Co-terminus basis with the tenure as NoD on the Board of OIL) or until further orders, whichever is earlier and subsequently inducted as an Additional Director in terms of Section 161 of the Companies Act, 2013 (designated as Independent Director) to hold office upto this Annual General Meeting.

The Company has received a Notice in writing pursuant to the provision of Section 160 of the Companies Act, 2013 from a Member proposing the candidature of Shri Gagann Jain for the office of Director of the Company. A brief resume of Shri Gagann Jain is provided separately in the Corporate Governance Report.

Shri Gagann Jain, if appointed, will not be liable to retire by rotation. Shri Gagann Jain has given a declaration to the Board that he meets the criteria of Independence as provided under the provision of Section 149 of the Companies Act.

The Board recommends the passing of the proposed Ordinary Resolution for appointment of Shri Gagann Jain as Independent Director of the Company. Shri Gagann Jain is interested in the Resolution to the extent it concerns his appointment. None of the other 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

Registered Office:

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

Date: 20th August, 2021



PERFORMANCE **PROFILE**

Performance Profile

	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12
1 Crude Throughput (TMT) :	2707	2383	2900	2809	2683	2520	2777	2613	2478	2825
2 Capacity Utilisation (%) : [Installed capacity 3000 TMT]	90%	79%	97%	94%	89%	84%	93%	87%	83%	94%
3 Production Quantity (TMT) :	2740	2300	2882	2824	2652	2521	2754	2558	2379	2755
Light Distillates %	25.4%	21.8%	20.5%	23.5%	23.0%	21.7%	20.3%	20.5%	19.1%	19.0%
Middle Distillates %	70.6%	74.4%	75.7%	73.3%	74.0%	74.5%	76.2%	76.7%	78.0%	77.3%
Heavy Ends %	4.1%	3.8%	3.8%	3.2%	3.0%	3.9%	3.5%	2.8%	2.9%	3.7%
4 Refinery Fuel and Loss (%) :	10.26%	10.28%	9.73%	10.54%	10.81%	9.64%	9.74%	10.26%	9.33%	9.72%
5 Market Sales (TMT) :	2,924	2,361	2,978	2,912	2,679	2,619	2,695	2,550	2,410	2,728
6 Manpower (Nos.):	977	917	880	864	871	880	878	864	861	851
7 Sales and Earnings (₹ in Crore) :										
i) Revenue from Operations	18,543.59	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
ii) Profit Before Depreciation, Interest & Tax	4,439.54	2,215.04	3,261.50	3,341.74	3,333.62	2,109.06	1,342.37	783.42	520.90	518.15
iii) Depreciation	347.36	248.92	194.45	183.60	163.63	220.03	172.90	179.01	180.13	173.97
iv) Interest	9.21	2.05	12.62	15.80	22.42	23.32	36.34	41.91	59.40	38.58
v) Profit before Exceptional Items and Tax	4,082.97	1,964.07	3,054.43	3,142.34	3,147.57	1,865.71	1,133.13	562.50	281.37	305.60
vi) Exceptional Items	-	229.52	2.52	-	-	1.86	(1.12)	(0.15)	18.51	18.14
vii) Profit before Tax	4,082.97	1,734.55	3,051.91	3,142.34	3,147.57	1,863.85	1,134.25	562.65	262.86	287.46
viii) Tax Expense #	1,046.87	353.23	1,083.81	1,097.69	1,047.00	654.03	415.94	191.56	118.60	103.76
ix) Profit for the period	3,036.10	1,381.32	1,968.10	2,044.65	2,100.57	1,209.82	718.31	371.09	144.26	183.70
x) Other Comprehensive Income net of tax	14.17	(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.)	3,050.27	1,350.02	1,969.62	2,041.77	2,096.72	1,210.78	718.31	371.09	144.26	183.70
# Tax rate from the year 2019-20 onwards has been computed in line with the 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)	5,095.43	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
ii) Net Property Plant and Equipment (including Capital Work-in-Progress and Investment Property)	3,832.27	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
iii) Investment in Joint venture and Associate	373.71	267.92	234.45	187.34	186.65	171.01	170.39	170.39	170.39	170.39
iv) Net Current Assets (including investments)	1,469.25	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
v) Non-Current assets	206.03	119.42	489.74	61.99	63.04	55.78	54.33	75.75	81.64	76.56
Total Assets Net (ii+iii+iv+v)	5,881.26	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
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	4,860.40	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
iii) Total Equity (i)+(ii)	5,596.03	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
iv) Borrowings	0.45	73.78	3.28	162.63	353.10	497.94	668.64	768.30	392.97	283.39
v) Deferred Tax Liability (net)	266.11	267.51	337.13	271.31	229.44	110.69	144.23	191.91	213.56	203.86
vi) Non-Current Liabilities	18.67	21.65	8.25	180.99	126.54	482.37	281.82	165.02	172.49	171.12
Total Funds Employed (iii+iv+v+vi)	5,881.26	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
10 Internal Generation (₹ in Crore)	3,392.56	1,580.54	2,233.48	2,331.87	2,439.03	1,594.93	979.81	542.50	396.72	334.79

	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12
11 Ratios:										
i) Profit before Depreciation/Amortisation, Interest & Tax as % age of Net Revenue from operations & Other income	32.08%	18.08%	20.04%	25.01%	28.70%	20.73%	13.51%	8.42%	6.30%	3.85%
ii) Profit after Tax as % age of Average Net Worth.	55.71%	25.45%	37.15%	39.99%	44.41%	31.69%	22.64%	12.91%	5.29%	6.93%
iii) Profit after Tax as % age of Share Capital	412.72%	187.77%	267.54%	277.95%	285.55%	164.46%	97.65%	50.45%	19.61%	24.97%
iv) Average Net worth as % age of Share Capital	741%	738%	720%	695%	643%	519%	431%	391%	371%	360%
v) Gross Profit before Depreciation/Amortisation, Interest & Tax as % age of Average Capital Employed.	94.76%	51.35%	81.72%	74.90%	73.04%	53.21%	40.52%	25.07%	17.38%	17.96%
vi) Profit Before Tax as % age of Average Capital Employed	87.15%	40.21%	76.47%	70.43%	68.97%	47.02%	34.24%	18.01%	8.77%	9.96%
vii) Profit After Tax as % age of Average Capital Employed (ROCE)	64.80%	32.02%	49.31%	45.83%	46.03%	30.52%	21.68%	11.88%	4.81%	6.37%
viii) Long Term Debt Equity Ratio	-	-	-	0.03	0.06	0.12	0.16	0.18	0.02	0.03
12 Earning Per Share (₹)	41.27	18.78	26.76	27.80	28.56	16.45	9.76	5.04	1.96	2.50
13 Book Value Per Share (₹)	76.07	72.11	75.46	68.57	70.43	58.17	45.61	40.66	37.48	36.69
14 Dividend Declared										
i) per Equity share of ₹10/- each	37.50	15.00	17.00	18.50	18.60	7.00	4.00	1.60	1.00	1.00
ii) Amount (₹ in Crore)	2,758.62	1,103.45	1,250.57	1,360.92	1,368.27	514.94	294.25	117.70	73.56	73.56
15 SOURCES AND APPLICATION OF FUNDS (₹ In Crore)										
SOURCES OF FUNDS										
OWN :										
Profit after Tax	3,050.27	1,350.02	1,969.62	2,041.77	2,096.73	1,210.78	718.31	371.09	144.26	183.70
Depreciation/Amortisation	347.36	248.92	194.45	183.60	163.63	220.03	172.90	177.24	159.97	179.57
Deferred Tax provision	(6.18)	(59.08)	65.00	43.41	120.79	(44.01)	(47.68)	(21.64)	9.69	(34.59)
Investments		1,098.69				89.79		-	10.73	-
BORROWINGS :										
Loans (Net)		70.50						375.33	109.58	71.47
Decrease in Working Capital	636.53		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	41.16	107.70	12.62	13.66	19.46	5.37	5.57	3.93	99.27	65.43
	4,069.14	2,830.15	2,961.00	2,945.59	2,400.61	1,682.51	984.46	911.89	534.87	630.50
APPLICATION OF FUNDS :										
Capital Expenditure	828.99	641.33	420.66	432.69	462.62	259.00	297.80	450.64	197.69	141.11
Adjustment for Misc. Expenditure / Intangible Assets	88.14	9.40	6.12	2.03	-	0.09	0.12	3.14	0.04	3.53
Dividend	2,758.62	1,324.14	1,213.79	1,809.66	993.10	551.72	294.25	117.70	73.56	73.56
Tax on distributed profits	-	272.18	249.50	368.40	202.16	112.33	59.91	20.00	12.50	11.93
Repayment of Loans (Net)	73.33		159.35	190.47	144.84	171.19	99.66	-	-	-
Investments (Net)	314.11		725.17	142.34	181.70		197.36	35.48	-	61.22
Changes in long term liabilities & provisions	2.98		172.73		355.83			7.47		
Increase in Working Capital		551.41			52.22	586.78	35.36	277.46	242.72	339.15
Changes in Non-Current assets & Provisions	2.97	31.69	13.68		8.14	1.40	-	-	8.36	-
	4,069.14	2,830.15	2,961.00	2,945.59	2,400.61	1,682.51	984.46	911.89	534.87	630.50

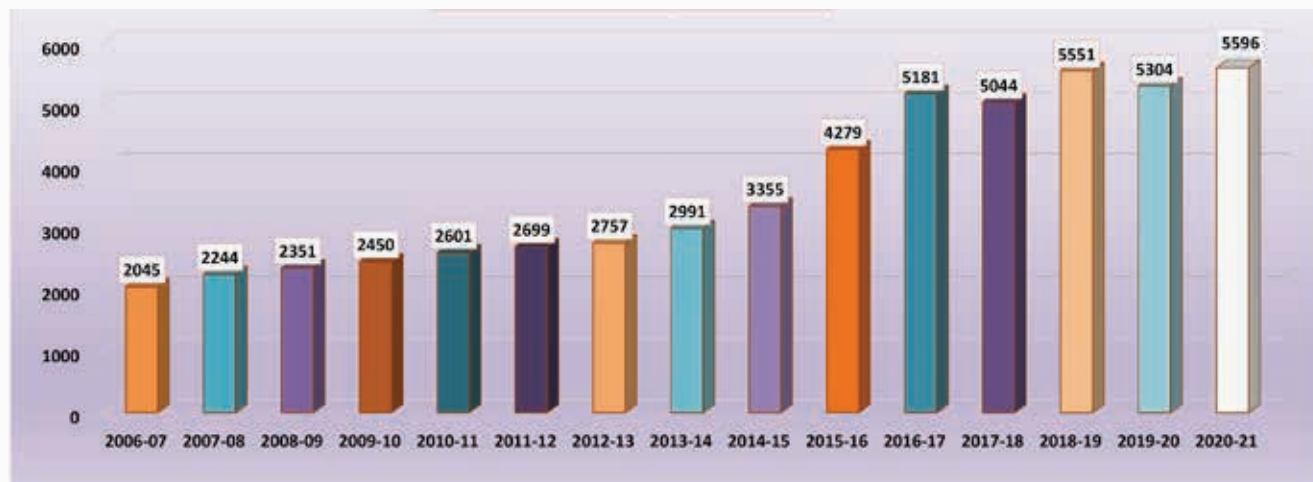
	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12
16 Changes in Working Capital (₹ in Crore) :										
A) Current Assets :										
Inventories	185.02	271.26	(290.96)	178.97	572.99	(542.95)	248.68	142.28	(807.97)	383.33
Trade Receivables	553.73	(517.05)	204.42	212.60	(15.80)	(417.57)	958.52	(428.34)	(93.72)	44.82
Cash & Bank Balances	(356.19)	273.66	(716.73)	(656.48)	(259.64)	683.20	88.59	962.52	2.51	(201.55)
Loans & Advances, Others	13.36	129.80	(10.41)	14.04	(14.73)	(89.39)	0.76	(108.60)	210.48	9.27
	395.92	157.67	(813.68)	(250.87)	282.82	(366.71)	1,296.55	567.86	(688.70)	235.87
Less:										
B) Current Liabilities & Provisions										
Current Liabilities	1,045.64	(310.54)	(258.84)	431.38	215.23	(865.20)	888.33	279.31	(915.64)	(16.93)
Provisions	(13.19)	(83.20)	164.47	(75.63)	15.37	(88.29)	372.86	11.09	(15.78)	(86.35)
	1,032.45	(393.74)	(94.37)	355.75	230.60	(953.49)	1,261.19	290.40	(931.42)	(103.28)
C) Working Capital (A - B)	(636.53)	551.41	(719.31)	(606.62)	52.22	586.78	35.36	277.46	242.72	339.15

Value Added

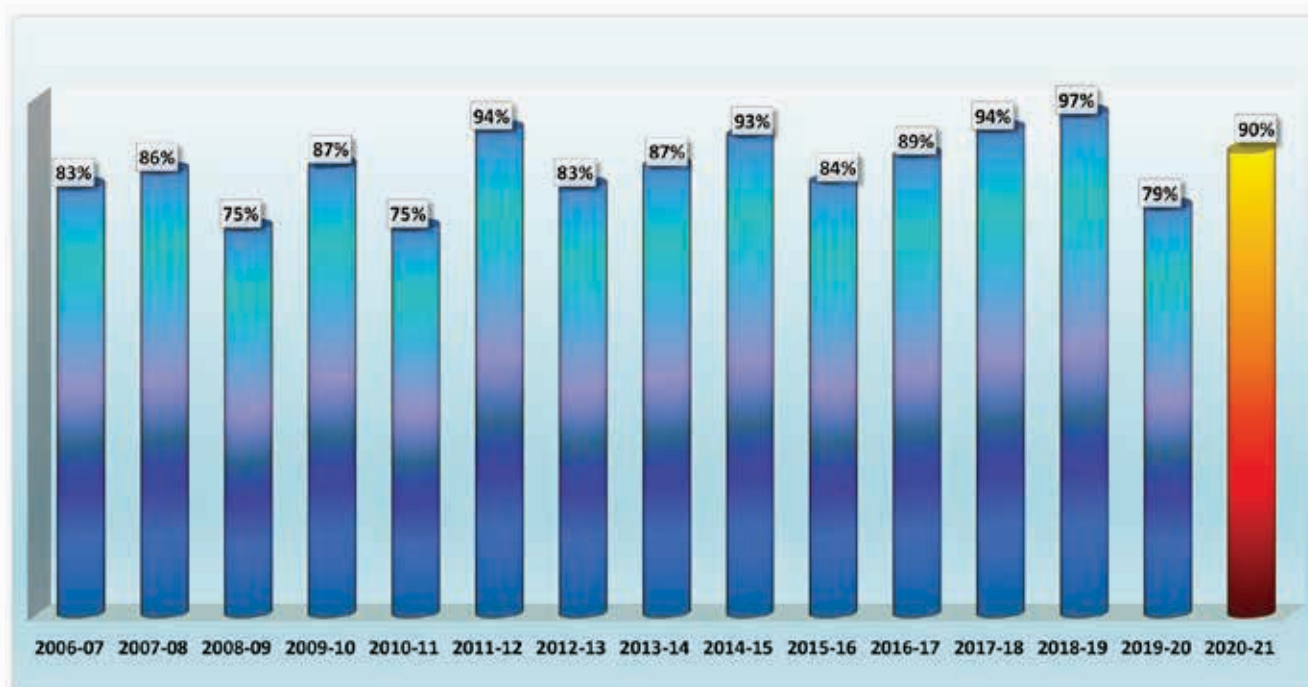
	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12
HOW VALUE IS GENERATED (₹ in Crore) :										
Value of Production :	13,552.64	12,036.79	15,650.94	13,092.28	11,416.58	9,632.41	10,074.11	9,268.47	7,601.63	13,659.35
Less : Direct Materials Consumed :	8,004.08	9,205.62	11,524.73	8,834.98	7,680.06	6,764.52	7,935.63	7,933.91	6,622.87	12,503.09
Value Added	5,548.56	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
Add : Other Incomes	107.11	140.33	122.49	126.65	366.44	140.09	74.90	48.87	64.83	16.55
Total Value Generated	5,655.67	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
HOW VALUE IS DISTRIBUTED (₹ in Crore) :										
A) Operation :										
Employees' Benefits	344.50	297.84	300.19	308.08	212.99	187.81	178.60	144.53	129.92	143.28
Other Costs	866.67	721.49	688.01	737.01	560.20	712.00	691.29	455.33	411.28	529.53
	1,211.17	1,019.33	988.20	1,045.09	773.19	899.81	869.89	599.86	541.20	672.81
B) Providers of Capital										
Interest on Borrowings	-	-	12.62	15.80	22.42	23.32	36.34	41.91	59.40	38.58
Dividend	2,758.62	1,103.45	1,250.57	1,360.92	1,368.27	514.94	294.25	117.70	73.56	73.56
	2,758.62	1,103.45	1,263.19	1,376.72	1,390.69	538.26	330.59	159.61	132.96	112.14
C) Taxation:										
Corporate Tax	1,053.05	412.31	1,018.81	1,054.28	926.21	698.05	463.62	213.20	108.91	138.35
Tax on distributed profits	-	227.25	256.99	277.05	278.54	104.84	59.91	20.00	12.50	11.93
	1,053.05	639.56	1,275.80	1,331.33	1,204.75	802.89	523.53	233.20	121.41	150.28
D) Re-investment in Business										
Depreciation/ Amortisation	347.36	248.92	194.45	183.60	163.63	220.03	172.90	179.01	180.13	173.96
Deferred Tax	(6.18)	(59.08)	65.00	43.41	120.79	(44.01)	(47.68)	(21.64)	9.69	(34.59)
Retained Profit	291.65	19.32	462.06	403.80	449.91	591.00	364.15	233.39	58.20	98.21
	632.83	209.16	721.51	630.81	734.33	767.02	489.37	390.76	248.02	237.58
Total Value Distributed	5,655.67	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

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

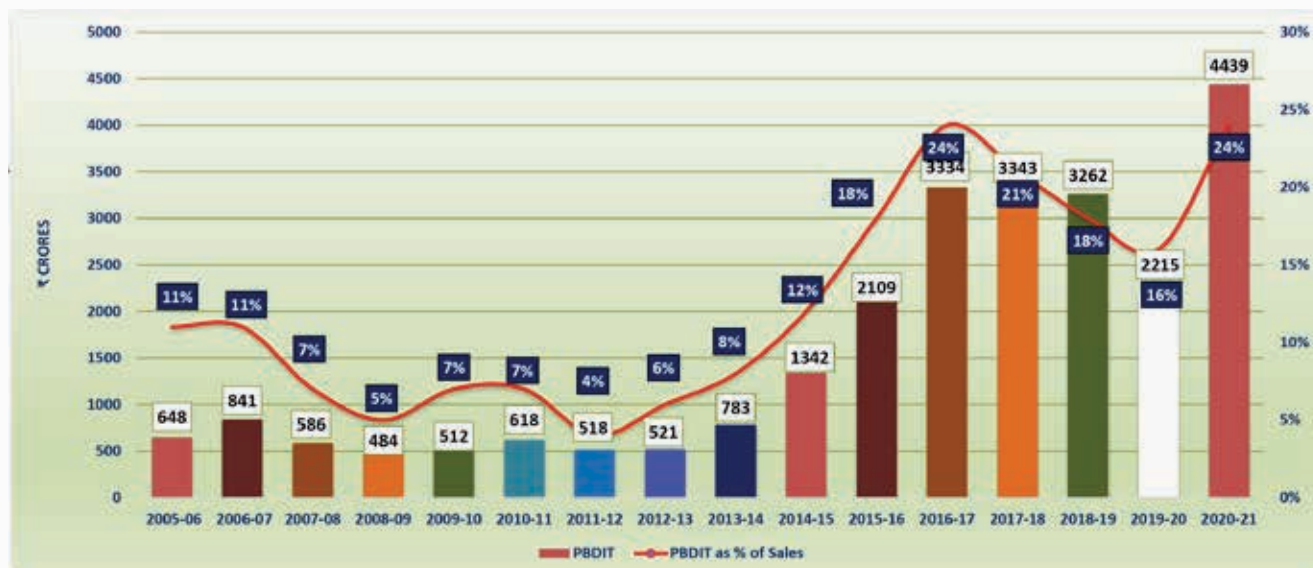
Net Worth in ₹ crore (CAGR 9.95 %)



Capacity Utilisation (%)



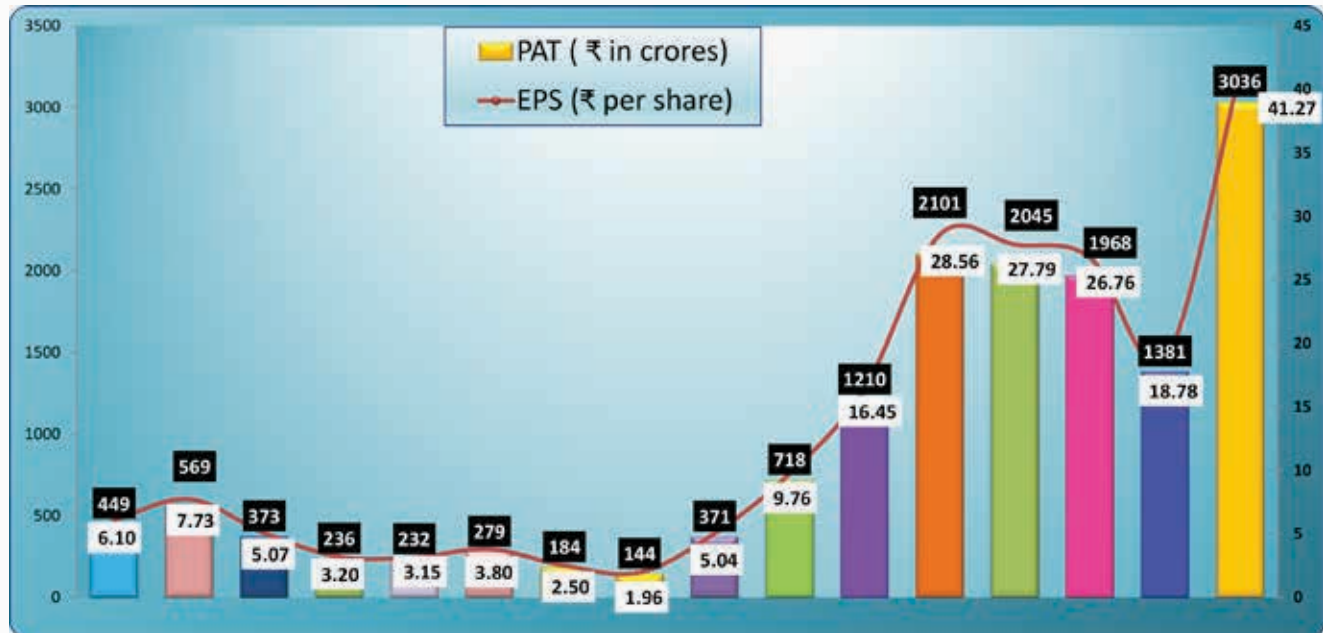
PBDIT as a % of Sales



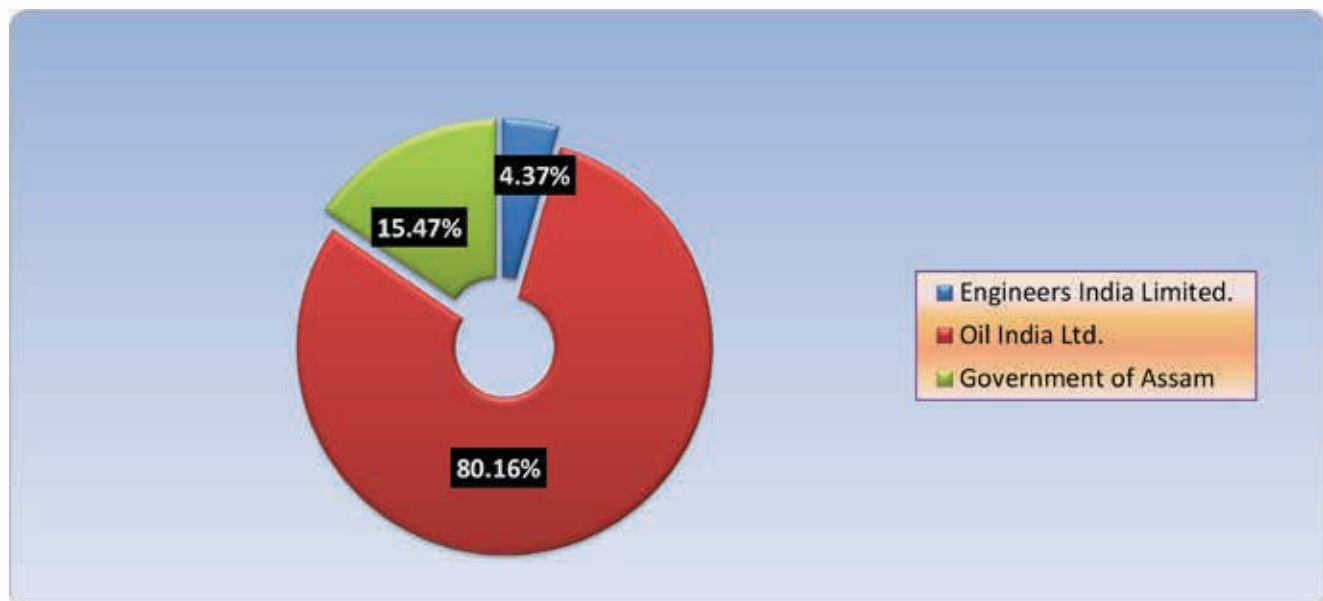
Turnover & PAT (₹ Crore)



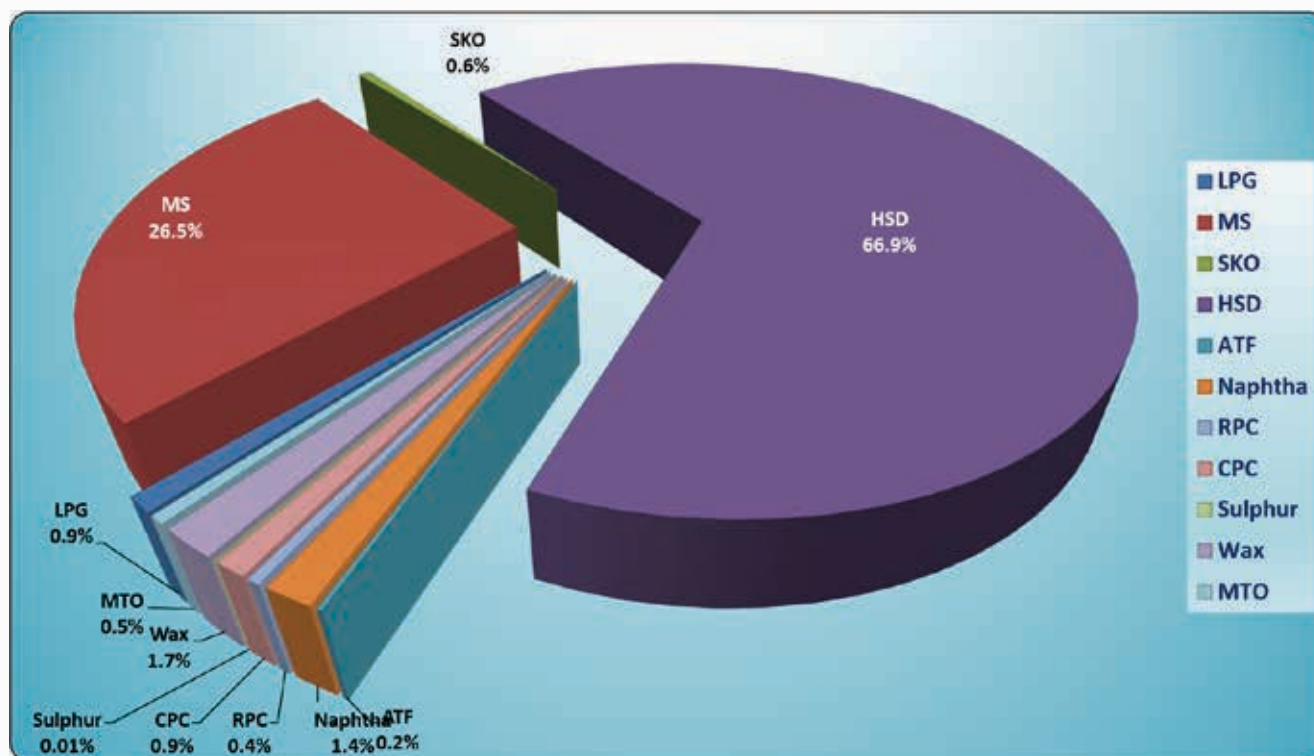
PAT & EPS



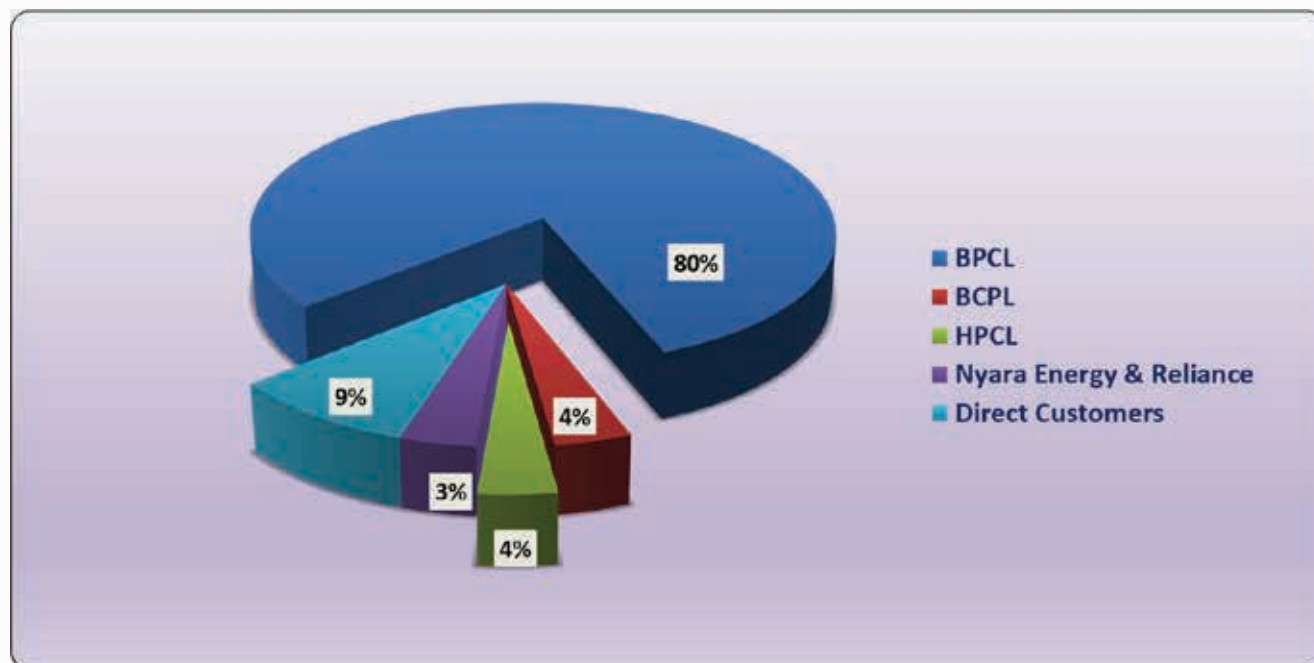
Shareholding Pattern (%)



Product wise Sales (%)



Party wise Sales (%)





DIRECTORS' REPORT

Directors' Report to Shareholders

Your Directors take pleasure in presenting the 28th Annual Report of the Company together with audited financial statement for the financial year ended 31st March, 2021.

1. Financial Performance

1.1 Consolidated Results

The Consolidated financial results of the Company and its Joint Venture Companies DNP Limited, Assam Bio Refinery Private Ltd., Indradhanush Gas Grid Ltd. and Associate Company Brahmaputra Cracker and Polymer Limited for the year 2020-21 compared to that of the previous year are summarized below:-

₹ in Crore

	2020-21	2019-20
Revenue from operations	18,543.59	14,072.66
Profit from continuing operation before share of profit of equity accounted investee and income tax	4,082.97	1,734.55
Share of profit of equity accounted investee (net of income tax)	79.96	152.28
Profit from continuing operations before Income Tax	4,162.93	1,886.83
Tax Expense	1,046.87	353.23
Profit for the period after tax	3,116.06	1,533.60

Other comprehensive income, net of tax	14.00	(31.45)
Total comprehensive income for the period	3,130.06	1,502.15
Earnings per share (₹ per share)	42.36	20.85
Net Worth	5,763.44	5,392.00

The brief highlights of the consolidated financial results are as under:

- Revenue from Operations** during the financial year 2020-21 increased to ₹18,543.59 crore as compared to ₹14,072.66 crore of the previous financial year. The increase is mainly attributable to increase in sales volume.
- Profit from continuing operation before Income Tax** for the year ended 31st March 2021 was higher by ₹2,276.10 crore at ₹4,162.93 crore as compared to ₹1,886.83 crore of the previous financial year. The higher Profit is mainly on account of increase in sales volume and increase in overall gross margins.
- Profit after Tax (PAT)** for the year ended 31st March 2021 was higher by 103.19 % at ₹3,116.06 crore as compared to ₹1,533.60 crore of the previous financial year and correspondingly



Share Purchase Agreement signed on 25th March 2021 in New Delhi

Earnings per share for the year increased to ₹42.36 per share from ₹20.85 per share during the previous financial year.

- d) **Net worth** has increased by 7% from ₹5,392.00 crore as on 31st March 2020 to ₹5,763.44 crore as on 31st March 2021.

1.2 Standalone Results

Financial Results

During 2020-21, the refinery processed 2,707.35 TMT of crude oil with sales volume of 2,924.31 TMT. Besides Assam crude, imported crude of 42.34 TMT was also processed in the Refinery. In the year 2020-21, the Company posted Revenue from Operations at ₹18543.59 crore which was higher by 31.77% as against ₹14,072.66 crore of the previous year, primarily on account of higher sales volume.

Profit before tax (PBT) for the year ended 31st March 2021 was higher by ₹2348.42 crore at ₹4082.97

crore, as compared to ₹1734.55 crore of the previous financial year. This was mainly due to higher crude throughput and increase in overall margins. Accordingly, the Company posted record profits for the year 2020-21 with Profit after Tax (PAT) of ₹3,036.10 crore as compared to ₹1,381.32 crore of the previous year registering an increase by more than 100%. The Earning per Share (EPS) for the year 2020-21 stood at ₹41.27 as compared to ₹18.78 in 2019-20.

Total comprehensive income for the year 2020-21 stood at ₹3050.27 crore as against ₹1350.02 crore in 2019-20. The Compound Annual Growth Rate (CAGR) for PAT stood at 27.94% since commencement of commercial production.

The financial results of the Company for the year 2020-21 as compared to those of the previous year are summarized below:

	₹in Crore	
	2020-21	2019-20
Physical Performance		
Crude Throughput (TMT)	2,707.35	2,383.34
Sales (TMT)	2,924.31	2,361.40
Financial Performance		
Gross Revenue from Operations	18,543.59	14,072.66
Profit before Depreciation & Amortization, Interest and Tax	4,439.54	2,215.04
Interest	9.21	2.05
Depreciation, Amortization and Impairment	347.36	248.92
Profit before exceptional items and tax	4,082.97	1,964.07
Exceptional Items	-	229.52
Profit before tax	4,082.97	1,734.55
Tax Expense		
(1) Current Tax	1,053.05	412.31
(2) Deferred Tax	(6.18)	(59.08)
Profit for the period	3,036.10	1,381.32
Other comprehensive income, net of tax	14.17	(31.30)
Total comprehensive income for the period (comprising Profit and Other Comprehensive Income for the period)	3,050.27	1,350.02
Earnings per Equity Share		
Basic (₹ per share)	41.27	18.78
Diluted (₹ per share)	41.27	18.78
Net worth	5,596.03	5,304.38

	2020-21	2019-20
Apportionment of profits for dividend and dividend tax :		
Dividend paid	2,758.62	1,103.45
Corporate Dividend tax	-	226.82
Summarized Cash Flow Statement :		
Cash Flows :		
Inflow/(Outflow) from operations	3,632.42	1,246.80
Inflow/(Outflow) from investing activities	(913.61)	514.34
Inflow/(Outflow) from financing activities	(2,771.56)	(1,695.08)
Net Increase/(decrease) in cash & cash equivalent	(52.75)	66.06

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

1.3 Dividend and Transfer to General Reserve

Interim Dividend of 375% (₹37.50 per fully paid equity share of ₹10.00 each) was paid during the year 2020-21 as against 150% (₹15.00 per fully paid equity share of ₹10.00 each) paid in FY 2019-20. The amount of dividend paid by the Company in FY 2020-21 has been the highest dividend paid by the Company ever.

The Interim Dividend paid has absorbed a sum of ₹2,758.62 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. The Board also transferred an amount of ₹291.65 crore from the Profit and Loss account to General Reserve during the year leaving a

balance of ₹1.00 crore in the Profit and Loss account.

The Net Worth of the Company has increased from ₹5,304.38 crore as on 31st March 2020 to ₹5,596.03 crore as on 31st March 2021.

Transfer of Shares in NRL by BPCL to OIL, Government of Assam and EIL

As a part of the BPCL's disinvestment process, BPCL's 61.65% shareholding in NRL was purchased by Oil India Limited (54.16%), Government of Assam (3.12%) and Engineers India Limited (4.37%) on 26.03.2021. Accordingly, as on 31.03.2021, Oil India Limited was holding 80.16% equity shares in NRL while Government of Assam and Engineers India Limited were holding 15.47% and 4.37% shares respectively. With the aforesaid transfer, Oil India Limited, became the Holding Company of NRL w.e.f. 26th March, 2021.



Interim dividend cheque to Govt. of Assam for the FY 2020-21

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 ₹40.55 crore during the year (Previous Year ₹95.36 crore) at an average rate of return of 3.57% (previous year 6.79%) 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 Financial Risk Management Policy, the foreign currency exposures were hedged through derivative instruments. The Company undertook comprehensive review of its Financial Risk Management Policy of 2015 and revised the same considering changing business scenario, statutory guidelines and increase in volumes of forex transaction of the Company.

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 99.81% in e-payment and 99.99% in e-collection mechanisms respectively.

1.5 Deposits from Public

The Company did not accept any deposit from the public during the financial year 2020-21.

1.6 Capital Expenditure

The total amount of Capital Expenditure incurred during the year 2020-21 was ₹923.60 crore as compared to ₹602.21 crore during 2019-20. Capital expenditure including investment in joint venture and associate company during the year 2020-21 was ₹1,028.99 crore as compared to ₹ 655.21 crore in the previous year.

1.7 Contribution to Exchequer

Your Company has contributed in the form of taxes,

duties and dividend a total of ₹5,863.02 crore to the Central Exchequer and ₹604.53 crore to the State Exchequers as compared to ₹2,971.16 crore and ₹389.34 crore respectively in the previous year. The increase is primarily on account of higher sales recorded by the Company and increase in excise duty rates.

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 of fuel and loss, conservation of energy, improvement in distillate yield, optimization of product mix, etc. to maximize returns.

1.9 COVID-19 Pandemic

The year 2020-21 was a turbulent year for global oil and gas industry as COVID-19 related restrictions lowered demand from transport and other sectors. The demand is expected to recover, though resurgence in COVID-19 cases during the second wave is slowing the rebound.

As the COVID-19 pandemic continues to pose constraints and challenges, NRL's focus remains on ensuring safety for its people and assets, timely delivery of ongoing projects and uninterrupted production operations.

The operation of the Company falls within the purview of essential services. This required ensuring the continuity of refinery operations along with taking utmost care of all the employees, workers and staffs. The Company was able to quickly adapt to the sudden change in the way of working, supported and sustained by digital collaboration platforms. COVID-19 made it imperative for the organisation to embrace certain practices, including social distancing, remote working etc. and all these, in turn, led to significant dependence on and increased usage of digital technologies.

The Company's robust financial and operating performance despite COVID-19 induced restrictions and economic challenges is reflective of its inherent strengths and sound strategy. The Company is also optimistic that the post-COVID world will see India bounce back as one of the fastest growing economies in the world.

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 community 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 as well as 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 2021 are attached with Statutory Auditors' Report as Annexure. We are pleased to report that the C&AG has no comments and issued no supplement to Statutory Auditors' report under section 143 (6)(b) of the Companies Act, 2013.

1.11 Consolidated Financial Statement

The Consolidated Financial Statements are prepared in accordance with Indian Accounting Standards



Janandolan activities undertaken for COVID-19 awareness

(Ind AS) notified under section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act and Rules thereunder. In accordance with the Act and applicable standards, the audited consolidated financial statement is provided in the Annual Report.

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, 2021.

Information relating to Associate and Joint Venture companies 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).

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 various risks faced by the organization and steps taken for minimizing the risks. During the financial year, the Company has reviewed and amended its Risk Management Charter & Policy to make it aligned with updated international standards like COSO, ISO etc. The Company has also deployed IT tool for monitoring its risk management activities. Risk Framework and Governance Charter has been revised

taking into cognizance of the changing business needs of the Company. Digitization of risk management will help in unifying different levels of information on documentation, workflow, assessment and analysis, reporting, visualization, and remediation of risks. Risks faced by the organization, have been identified and assessed and adequate risk mitigations steps are being taken for addressing these risks.

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

Particulars of investments made, loans and guarantees given by the Company are provided in the standalone financial statement (Please refer to Note 7, 8, 11,15 and 50 to the standalone financial statement).

1.14 Contracts and Arrangements with Related Parties

All contracts / arrangements / transactions entered into 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 C** to the Director's Report.

Your Directors draw attention of the members to Note 47 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 2707 TMT of crude oil during the year, which includes 2665 TMT of domestic crude and 42 TMT of imported crude. Crude oil processed during the month of Apr'20 and May'20 was less due

to demand destruction in the market as a result of COVID19 outbreak. However, with improvement in domestic demand since June'20, refinery throughput could be increased. The refinery continued to process imported crude oil from Malaysia and Brunei positioned through Haldia port using a multi modal logistics.

The refinery maintained a Distillate Yield of 86.36%, which is better than the excellent MOU target of 86.0%. Volumetric Expansion Index (VEI) of 91.6% achieved during the year is also better than excellent MoU target of 91.5%.

The refinery continued to show impressive performance with respect to Specific Energy Consumption (SEC) and Energy Intensity Index (EII). Specific Energy Consumption (SEC) at 64.37 MBN is better than the MoU target of 64.58 MBN and has improved further from 64.97 MBN of previous year. Energy Intensity Index (EII) of the refinery during the year is 86.99. A number of schemes were implemented during the last refinery turnaround to improve the performance of the refinery with respect to energy consumption. Energy performance has also improved due to higher capacity utilization of units and uninterrupted operation of the refinery. Operational availability of the refinery was 98.5%. Initiatives were taken to improve the reliability of the refinery and maintain operational availability at a higher level.

Specific Fresh Water Consumption in the refinery during the year was 152.50 MTN against an excellent MoU target of 158.64 MTN.

MS production was maximized during the year in response to growth in market demand since Q2. The refinery could achieve highest ever MS production of 636 TMT in the year. Capacity of the MS plant was augmented during the last refinery turnaround and MS production from the plant was maximized to the extent of 323 TMT in addition to 313 TMT of MS produced through blending. Production of HSD was also maximized to the extent of 1809 TMT, which is in line with crude processed by the refinery. Total production of finished products during the year was

2740 TMT which includes 47 TMT of LPG, 12 TMT of Naphtha, 636 TMT of MS, 11 TMT of ATF, 49 TMT of SKO, 17 TMT of Mineral Turpentine Oil (MTO), 1809 TMT of HSD, 47 TMT of Paraffin Wax, 38 TMT of RPC, 68 TMT of CPC and 4 TMT of Sulphur.

The refinery manufactured 47 TMT of Paraffin Wax and 17 TMT of MTO during the year, which is the highest ever production achieved so far. In order to maximize utilization of the LPG bottling plant as well as to meet increase in demand of packed LPG in the NE market, your Company started bottling of externally sourced LPG and produced 57 TMT of packed LPG against an excellent MoU target of 55 TMT. During the year, externally sourced LPG was 10 TMT.

3. Safety

NRL 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 and Occupational Health & Safety Management Systems. NRL has a well-defined Health, Safety and Environment (HS&E) Policy that gives direction and impetus to all the activities carried out to safeguard the environment and ensure the health and safety of its employees, contractors, contractors' employees and members of the local community.

All employees work together to ensure safety in their respective areas. Area Safety Committees with ten members from Management and Non-Management

staff are constituted to take up safety issues in their designated areas. The Area Safety Committees play a vital role in improving safety standards of the Company. The recommendations made by these committees to enhance safety are periodically reviewed 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.

Safety Audit plays an important role in testing and ensuring effectiveness of all the components of its safety systems. Internal Safety Audits are conducted on a regular basis by in-house multi-functional teams. Experienced officers from BPCL Group Refineries are also invited to participate in the audit as guest auditors. All the audit recommendations and suggestions found feasible are thereafter implemented through special drives. The last Internal Safety Audit was conducted during December 2020.

NRL also 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 IS14489 was conducted by a certified third party from 16th to 19th of March 2021. Another External Safety Audit was carried out by OISD at Refinery site from 22nd to 26th Feb' 2021.

NRL has also taken following new initiatives during the year in order to enhance safety:

- Unit Wise Technical-Cum-Safety Quiz for employees;



Mock drill as part of safety preparedness



Pragati Dwar, inaugurated by Secretary, MoPNG, Shri Tarun Kapoor, IAS



Secretary DPE, GoI, Shri Sailesh, IAS visits NRL Corporate Office

- Tab based Safety Quiz for all contract workers during safety training. Gate passes can be issued only if a worker scores pass marks in this quiz.
- Commissioning of Fire Extinguisher Management System;
- GIS Mapping of plant equipment & facilities;
- Commissioning of Satellite Fire Station at NRMT on 23.01.2021;
- HAZOP Training as part of Process Safety Management. 50 officers were certified for conducting HAZOP study through the training.

NRL observes various events to spread awareness on safety. National Safety Week was observed at NRL from 4th March, 2021 to 10th March, 2021. Road Safety Month was observed from 18th January 2021 to 17th February 2021 with active involvement of NRL employees and general public in and around NRL. A Walkathon was organized to spread awareness on Road Safety. Training programmes for POL & LPG Tank Truck drivers were organized with support from District Transport Officer and Motor Vehicle Inspector, Golaghat. Social distancing and Covid 19 protocols were ensured during all the events conducted.

Mock-Drills on Minor Fire, Major Fire, Onsite Disaster and Offsite Disaster were conducted at Refinery premises as well as Marketing Terminal at Siliguri and recommendations for improvement have been documented and implemented in a phased manner.

4. Health

Ensuring occupational and personal health of all employees and contract workers has been considered as an important factor for overall performance of the organization. The Occupational Health Centre (OHC) inside the refinery and the 100 bedded Vivekananda Kendra NRL (VKNRL) Hospital at Township provide all the required emergency medical services to the personnel engaged in 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 are communicated to individual employee by the Doctors of OHC. Annual targets for health check-up are included in the business plan. During the year , periodic health check-up was conducted for 88% of NRL employees and 75% of contract workers.





Pledge taking on World Environment Day 2021

OHC personnel equipped with Thermal Scanners and PPE were stationed at all entry points of Refinery and NRMT for checking temperature of employees, workers, security staff and visitors. Persons with abnormal body temperature were identified and redirected to VKNRL Hospital for testing. Awareness on Covid-19 Prevention Protocols was also imparted to employees and contract workers from time to time by OHC.

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

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 2020-21.

- **Water consumption:**

- Fresh water consumption during year was average 800 m³/hr against a permissible limit of 1200 m³/hr.
- Specific Fresh Water Consumption of the refinery during the year was 152.5 MTN (M³ per TMT crude per NRGF) against a MOU target of 158.64 MTN, which is 4.83% reduction over previous year.

- **GHG emission:**

NRL is focusing on energy efficiency and building carbon sink to minimize GHG emission.

- NRL continues to monitor Green House Gas emission. The GHG footprint stands at 0.212 MTCO₂e per Ton of crude processed during the year 2020-21 as compared to 0.228 MTCO₂e per Ton of crude processed in the previous year.
- NRL is aggressively pursuing tree plantation in the refinery area and nearby areas. Plantation of around 10,000 saplings was completed in a sustainable model during 2020-21 which is equivalent to 60 Ton of Carbon absorption.
- NRL has taken up a flagship initiative for plantation under afforestation drive. In a significant development, an MoU was signed on 14.09.2020 between NRL and Golaghat Social Forestry Division, Government of Assam, for plantation of 1 lakh tree saplings (equivalent to 600 Ton of Carbon absorption), towards compensatory afforestation of 40 Hectares of degraded land in Nak-Kati Chapori under Khumtai Revenue Circle of Golaghat.

- **Stack emission:**

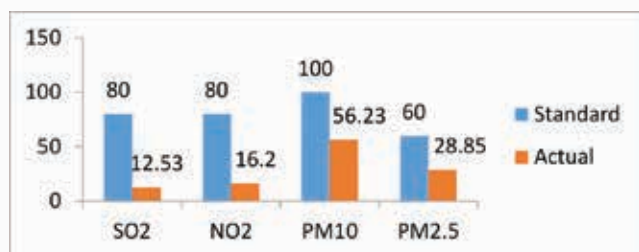
- As a result of the best practices followed, SO₂ emission could be contained at 95 kg/hr average against allowable limit of 256 kg/hr.
- NRL is implementing Tail Gas Treating Unit along with a new Sulfur Recovery Train with

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. In order to monitor air quality, NRL installed 5 ambient air quality monitoring stations including one CAAQMS (Continuous Ambient Air Quality Monitoring Station) inside refinery. A new CAAQMS was installed inside the refinery during the year.

AMBIENT AIR QUALITY AT REFINERY PREMISES			
Sl. No.	PARAMETERS	STANDARD (µg/m ³)	AVG. (µg/m ³)
1	SO ₂	80	12.53
2	NO ₂	80	16.2
3	PM 10	100	56.23
4	PM 2.5	60	28.85



- 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.

TREATED EFFLUENT POLLUTANT LEVELS			
Sl.No.	PARAMETERS	STANDARD (mg/lit)	AVG (mg/lit)
1	BOD ₃	15	10.5
2	COD	125	69.93
3	Oil & grease	5	4.03
4	Phenol	0.35	0.22

- 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 analysers. Real time emission and effluent data is being transmitted to CPCB server with remote alert facility.
- Connectivity for communication of all data to SPCB server is under progress.

- Waste management

- Hazardous waste generated during the year 2020-21 is as follows:

Type of waste	Quantity Generated (MT)
Spent Catalyst	NIL
Chem & Oily sludge from ETP	70
Tank bottom sludge	45

- NRL is pursuing Bioremediation of oily sludge generated in the tanks. Bioremediation of 600 MT tank bottom sludge was initiated during Feb'21.
- An additional bioremediation facility has been constructed in order to dispose-off the hazardous oily sludge within the stipulated time as per HWM Rules 2016. Selling of oily sludge becomes an issue because of non-availability of CPCB approved recycler in NE region. It poses a challenge in disposing off the huge quantity of sludge within the refinery premises. Bioremediation is a better option to dispose-off oily sludge in the current scenario.
- NRL intend to dispose off spent catalyst generated during RTA to CPCB approved recyclers.

- Important Environmental monitoring:

- Manual stack flue gas monitoring, noise monitoring, fugitive and VOC survey, work environment monitoring carried out as per MoEF guideline.

6. Marketing Performance

During 2020-21, against total production of 2740 TMT, total sales was 2924 TMT. Sales increased by



Flagging off Mobile Dispensing Vehicle branded **Photonz**

23.9% compared to 2361 TMT of products sold in the previous year. HSD sales increased to 1835 TMT against 1541 TMT, while MS sales during the year was the highest ever at 647 TMT against 458 TMT in the previous year. Wax sales was also the highest ever at 48 TMT, which was a 26% increase over 38 TMT sales a year ago. NRL continues to remain the market leader in terms of Wax sales in the country. Wax export increased to 5.2 TMT from 3.4 TMT in the previous year.

The total sales comprised 54 TMT (by 24 railway rakes) of Gas Oil exported to Bangladesh and 106 TMT petrochemical grade Naphtha sold to Brahmaputra Cracker and Polymer from external sources.

Sale of MTO during the year was the highest ever at 16 TMT. This is a quantum jump from the previous highest MTO sales of 7 TMT recorded in 2018-19.

The LPG bottling plant achieved its highest ever capacity utilization during the year at 135% with 57 TMT packed LPG production during the year.

Category-wise sales during 2020-21 comprised 87% to PSU OMCs, 9% to direct customers and export and 4% to private oil companies. BPCL remains NRL's predominant customer with 2338 TMT product upliftment during the year which accounted for 80% of total sales.

Sales from NRL's terminal at Numaligarh was 1054 TMT while that from the Siliguri terminal was 1764 TMT. Total sales within Northeast was 817 TMT (28% of total sales).

In this financial year, NRL launched a mobile door-to-door delivery program under the brand name 'Photonz'. Two dedicated vehicles of 6 TMT capacity each have been earmarked for the purpose. This initiative is primarily meant for direct delivery of HSD to customers located in the neighborhood of the refinery.

As a part of NRL's continuous endeavour towards enhancing customer satisfaction, an elaborate web-based Customers' meet was organized on 25th August, 2020 which enticed wide scale participation.

7. Projects

A. On-going Projects

i) Numaligarh Refinery Expansion Project (NREP):

The project is being implemented to augment capacity of Numaligarh Refinery from 3 to 9 MMTPA. The project also includes laying a cross country crude oil pipeline from Paradip in Odisha to Numaligarh in Assam. The Cabinet Committee on Economic Affairs (CCEA) of the Government of India has accorded investment approval for the project on 16.01.2019. Environmental Clearance for setting up the new train of refinery of 6 million capacity was accorded by the MoEFCC on 27.07.2020.

The project is being executed using a mix implementation model comprising EPC, EPCM, PMC and BOO contracts. Process units like CDU-VDU, DHDT, MS Block, SRU etc. are planned to be set up through EPC contracts. Few critical and complex units like RPTU and PFCC are planned to be set up in EPCM mode. The Hydrogen Generation Unit (HGU) will be set up in BOO mode.

In terms of project progress and achievement of major milestones, process licensors for all the major process units of the new 6 million refinery have been finalized and engineering details are under final stages of completion. With regard to the crude oil pipeline, order worth ₹2,597 Crore has been placed through GeM portal to procure

line pipes for 1,155 km length of the pipeline. RoU sharing agreements have been signed with GAIL (533 km) and IGGL (386 km) for the portion where pipeline route is common. For the crude import terminal, 230 acres of land have been acquired in Paradip from Paradip Port Trust. Besides, land acquisition for Sectionalizing Valve (SV) stations and Intermediate Pumping (IP) stations are in progress. Out of 3,777 crossing permissions required for railway lines, highways & roads, river, canal, forest; 1,696 permissions have so far been obtained.

As on 30th June 2021, overall progress of the integrated project has reached 6.2% with actual expenditure of ₹691 Crore against total financial commitment of ₹5260 Crore. The project is targeted to be completed by 2024-25.

ii) **India Bangladesh Friendship Product Pipeline (IBFPL):**

NRL is constructing 129.50 km long India Bangladesh 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 revised to ₹377.08 crore. The project is

being implemented with Grant-in-aid support of ₹285.24 crore from the Government of India for the Bangladesh portion of the pipeline. For Indian portion of 5.16 KM long pipeline from Siliguri, cost will be ₹91.84 Crore. Pipe Procurement has been completed and Pipeline laying & Terminal construction works are in progress. As on 30th June 2021, overall progress of the project was 73.80%.

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) with participating interest of 80%, who is also the operator. Assam Hydrocarbon and Energy Company Ltd (AHECL) had applied for 10% of participating interest from the 80% participating interest being held by OIL in Namrup Block. Accordingly, amended participating ratio for Namrup Block stands as OIL (Operator):70%, NRL:20% and AHECL:10%.

In the West Mechaki Block, NRL has 10% participating interest along with Oil India Limited (60% and operator), IOCL (20%) and BPRL(10%). Total



India Bangladesh Friendship Pipeline (IBFPL) work in progress

investment earmarked by NRL in these two oil blocks are estimated at ₹90 crore over a period of three years. Both 2D and 3D Seismic Data acquisition, as per committed work, is progressing well. In Namrup Block land acquisition for initiating the drilling activity is being pursued. In West Mechaki analysis on Geographical and Geological Data is being carried out in order to identify exploratory drilling location.

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 2021, the paid up share capital of DNP Limited is ₹167.25 Crore. The present share holding of the Company as on 31st March 2021 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. NRL had contributed ₹43.49 Crore towards equity in this joint venture. The company started transportation of natural gas from Oil India Limited's installation in Duliajan to Numaligarh Refinery from March, 2011 onwards.

The main object of DNP Limited is transportation of natural gas through pipeline having a design capacity of 1.2 MMSCUM of natural gas per day from Madhuban at Duliajan to NRL Refinery. During the year 2020-21, the Company transported 3,00,136 TSCM of natural gas as against 2,68,655 TSCM of natural gas in 2019-20 utilizing nearly 75% of its designed capacity.

DNP's total revenue for the year 2020-21 stood at ₹100.83 crore as against ₹87.95 crore in the previous year. During the year, the company earned a profit after tax of ₹40.56 Crore as against ₹35.42 Crore in the

previous year. Earnings per Share (EPS) for the year 2020-21 stands at ₹2.42 as against ₹2.12 in 2019-20.

Assam Bio Refinery Private Limited (ABRPL):

Assam Bio Refinery Private Limited was incorporated on 4th June, 2018 as a joint venture company promoted by NRL with 50% equity and balance 50% by Fortum 3.B.V Netherland and Chempolis Oy, Finland for producing ethanol from cellulosic feedstock 'Bamboo' which is available in abundance in North-Eastern (NE) states of India. The authorized and paid up share capital of the Company is ₹300 Crore and ₹247.84 Crore respectively. As on 31st March, 2021, NRL has contributed its 50% share of equity amounting to ₹123.92 crore.

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, Furfuryl/Furfuryl 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 coproduction of multiple products. It shall produce approx. 49,000 Tones Per Annum (TPA) of bio-ethanol, 11,000 TPA of acetic acid and 18,000 TPA of furfural alcohol. Bamboo residue shall be used as fuel to produce steam and electricity.

The Project Construction activity at the site was started in late 2018 and is continuing with major civil and structural works going on. Engineers India Limited (EIL) has been appointed as the Engineering, Procurement and Construction Management (EPCM) consultant on August 24, 2018. Civil & Structural works at the site is continuing in full swing and manufacturing works at vendors' locations are also progressing well.

Overall physical progress of the project as on 31st March, 2021 was 31.1%. Due to travel restrictions as well as uncertainties for COVID-19 pandemic situation, scheduled engineering activities were delayed and accordingly, the Project schedule has been revised with mechanical completion by June, 2022 and commissioning by September, 2022.



MoU with Paradip Port Trust (PPT) and Dredging Corporation of India (DCI)

Indradhanush Gas Grid Limited (IGGL):

Indradhanush Gas Grid Limited (IGGL) was incorporated on 10th August, 2018 as a joint venture Company among NRL, OIL, Oil and Natural Gas Corporation Limited (ONGC), Indian Oil Corporation Limited (IOCL) and GAIL(India) Limited (GAIL) with equity participation of 20% each for establishing gas grid connectivity in the eight North-Eastern States, viz. Assam, Arunachal Pradesh, Meghalaya, Manipur, Mizoram, Nagaland, Tripura and Sikkim with the National Gas Grid through the Barauni-Guwahati Gas Pipeline.

As on 31st March 2021, the paid up share capital of IGGL was ₹305 crore of which NRL had contributed ₹61.00 crore towards 20% share of its equity in the project.

Brahmaputra Cracker and Polymer Limited (BCPL):

BCPL is a joint venture company incorporated on 8th January, 2007 as a Central Public Sector Enterprise under the Department of Chemicals & Petrochemicals, Government of India 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 main promoter having 70% of equity participation while Numaligarh Refinery

Limited (NRL), Oil India Ltd (OIL) and Government of Assam are holding 10% share each. The plant was commissioned on 2nd January 2016 and dedicated to the nation by the Hon'ble Prime Minister, on 5th Feb'2016. As on 31st March, 2021, paid up share capital of the Company was ₹1417.67 crore of which NRL's share of contribution was ₹ 141.77 crore.

The principal end products of the Company are High Density Polyethylene (HDPE) and Linear Low Density Polyethylene (LLDPE). The other products include Hydrogenated Pyrolysis Gasoline and Pyrolysis Fuel Oil.

Despite the ongoing COVID-19 pandemic situation, Brahmaputra Cracker and Polymer Limited (BCPL) has been able to successfully and safely operate at more than 100 per cent capacity during the year 2020-21. BCPL produced 2.86 lakh MT of polymers and 60145 MT liquid hydro-carbons during year 2020-21 which were marketed to downstream industries achieving Polymer sales of 3.06 lakh MT.

BCPL's Revenue for the year 2020-21 stood at ₹2,902.62 Crore as against ₹ 2,731.38 Crore in the previous year. For the year 2020-21, BCPL has registered a Profit after Tax of ₹739.90 crore as against ₹1,507.60 crore in the previous year. The decrease in PAT in FY 2020-21 is primarily because of accounting of feedback subsidy approved by Government for

earlier years in FY 2019-20. Earnings per Share (EPS) for the year 2020-21 accordingly decreased to ₹5.22 as against ₹ 10.62 in 2019-20.

The Board of Directors of BCPL has recommended a maiden dividend of ₹ 0.50/- per fully paid equity shares of ₹ 10/- each to the shareholders for the year 2020-21.

10. Public Procurement

Policy for Micro and Small Enterprises(MSEs) Order 2012

NRL has been keeping pace with trends in public procurement. NRL has adopted best industry practices in compliance with Government of India guidelines.

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 a sub-target of 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 the year was as under:

F.Y. 2020-21	₹/ Cr.	% of Total Procurement
Total Procurement	634.58	100.00%
Procurement from MSEs	215.85	34.01%
Procurement from SC/ST MSEs	10.02	1.58%
Procurement from MSEs owned by Women	4.66	0.73%

The deficits under the sub-targets were 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 2021-22 has been put up in the NRL website. It can be viewed at <http://www.nrl.co.in/upload/NRLAnnualProcurementPlan2021-22.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.

Target for total annual procurement of Goods and Services for the Financial 2021-22 is estimated to be ₹507.07 Crore.

Weekly report on procurement target Vs procurement made and status of payment etc. are uploaded in DPE portal "MSME support and Outreach campaign".

Monthly reporting of procurement from MSEs, SC/ST MSEs, MSEs owned by women, Vendor Development Program etc. are uploaded in MSME "Sambandh" portal.

NRL is on boarded in the MSME "Samadhaan" portal, a Payment Monitoring System against Delayed Payments to Micro and Small Enterprises under MSME Development Act, 2006. During the financial year 2020-21 there was no complaint lodged against NRL, for delayed payment by any MSE entrepreneur.

11. Government e-Marketplace (GeM):

In line with Government directives to maximize purchases from GeM, NRL has adopted a policy where procurement from GeM has been made as mandatory mode of purchase of common use goods and services which are available in GeM. During the financial year 2020-21, NRL has placed orders for goods worth ₹276.98 crore (against 326 nos. of orders) in the GeM portal which is 311% higher than MoU target of ₹89 crore. The GeM procurement comprises 44% of the total procurement as against the 3.06% in the previous year. Progress of GeM procurement was regularly reported to Ministry meetings and directives as circulated were adhered to.

Procurement of CS Line-pipe for Paradip - Numaligarh Crude Oil Pipeline (PNCPL) Project was successfully concluded in GeM portal. Orders for ₹252 crore were placed in March'21. Rest of the orders were placed in current financial year. The procurement covers a pipeline stretch of 1164 KM from Barpeta to Paradeep at a total price of ₹2597 crore.

12. Digital Initiatives:

In the FY 2020-21, NRL has adopted Paperless e-Office system in its procure-to-pay cycle. Existing internal practice of hardcopy documentation, physical file movement and manual approval process has been transformed to digital platform by implementing the new e-office system. All new procurement proposals have since been processed on “Paperless” mode with marked improvement in efficiency and transparency. The Paperless e-Office environment has enabled NRL Commercial team to free up from conventional way of working with physical files and from a geographically centralized office set up.

NRL has exercised Reverse Auction mechanism on some of the open e-tenders. A broad guideline has been adopted for conducting reverse auction. Reverse auction is opted for procurement of bulk items and high value materials where sufficient number of bidders can be expected. NRL has also conducted reverse auction in some procurements done through GeM.

13. Contribution to Atmanirbhar Bharat

NRL has implemented PP-LC (Make in India) Policy' 2017 (*revised in 2020*) with focus on incentivizing local suppliers and service providers and maximising local content.

Further, it is pertinent to mention that during the pandemic, to support the indigenous suppliers and service providers, NRL has taken significant steps like waiver of Bid security (which was earlier ranging from ₹7,000 to ₹1.00 lakh) and reduction of Performance security from earlier rate of 10% to 3% in line with government policy.

14. Implementation of Official Language

NRL continued its focused attention towards promoting and implementing 'Hindi' as official language as per the directives of Official Language Department, Government of India, Ministry of Home



Hindi workshop in progress

Affairs, New Delhi. To achieve the annual target set by Official Language Department, 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 ₹4.79 Lakh was paid as a cash incentive to 282 employees for using Hindi in official work during the year 2020-21. “Hindi Fortnight” was celebrated from 14th September'2020 to 27th September,2020 with various competitions involving employees, their family members, School Children & CISF personnel with strict maintaining the COVID-19 guidelines with a view to increase interest in Hindi and its propagation. An annual Hindi Magazine “Prayas” (10th Edition) and Special Hindi E-Bulletin was released by Director(Technical), on 14th September,2020. To increase Hindi Correspondence through email, competition in every quarter has been organized amongst employees during the year. To meet the target set by Official Language Department, Government of India for acquiring 100% working knowledge in Hindi, employees were given Hindi training under Central Hindi Teaching Institute, Ministry of Home Affairs and 15 employees were successfully passed out the Probodh, Praveen and Pragya Course in December,2020. Numaligarh Refinery has achieved prestigious PRSI National Award for its publication of Hindi annual magazine “Prayas” (10th edition) and also owned Commendable Certificate from TOLIC(PSUs), Guwahati. Besides, Numaligarh Refinery achieved Commendable Certificate for the best implementation of official language for the year 2020-21 by the TOLIC (PSUs), Guwahati on 07.12.2020.

15. Right to Information Act

Your Company continues to champion the objectives of transparency and accountability enshrined in the Right to Information Act 2005. A structured system has been put in place in order to ensure timely, judicious and factual replies to RTI petitions received by the Company from citizens of India in accordance with the Act. RTI queries 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; ensuring information accessibility in public domain. Not only that, it has been the Company's endeavour to put more and more information in public domain through the Company website in order to minimise queries. RTI replies are uploaded in the official website on a monthly basis, thereby preserving 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.

16. Vigilance

NRL Vigilance function was headed by Shri Sunil Jain, IRTS, who was the Chief Vigilance Officer of NRL as well as BPCL during 2020-21. The objective of the vigilance function is to ensure maintenance of the highest level of integrity throughout the Company. Vigilance in NRL has been given importance to 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.

NRL Vigilance complied with all government guidelines with respect to furnishing information to CVC and to concerned Ministry. 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.

With an objective to keep a check on the implementation of prescribed procedures and practices, technical inspections (13 nos.) were carried out during the year at a few of the operative locations of Refinery and Corporate office of the Company. Further, the department undertook investigations of complaints received to safeguard the interests of stakeholders and recommended suitable actions including system improvements to the management. A summary of complaints handled by Vigilance during 2020-21 is tabled below:

Opening (01.04.2020)	Received during the year	Total	Disposed during the year	Closing (31.03.2021)
16	9	25	11	14

"Vigilance Awareness Week -2020" was observed at all locations of the Company from 27th October to 2nd November, 2020 with the theme 'Vigilant India, Prosperous India' in line with directives from Central Vigilance Commission. The functions and various activities of the week were conducted virtually in view of current pandemic COVID-19. Competitions like debate, essay writing, slogan etc., were organized for NRL employees and their family members, stakeholders and students of nearby schools adhering to extant Covid-19 prevention guidelines issued from time to time by the competent authority.

During the year, the vigilance journal 'Chaitanya' (2020 edition) was released covering various kinds of vigilance initiatives undertaken during 2020-21 with a view to enhance mass awareness.

17. Integrated Information System(IIS)

NRL has accelerated digital transformation of operations and business functions to address the challenges posed by Covid-19 pandemic across the Company.

Significant ones are being the multitude of communication and collaborative tools provided to the employees to work from home.



First Board meeting of NRL after OIL taking over

With the go-live of e-office project “AAROHAN” from August 2020, business process of commercial department as well as benefit administration have greatly benefited by adopting workflow-based approval, thereby doing away with the paper, and enabling employees to deliver enhanced productivity.

Another digital initiative that went online was the Operations Management Solution (OMS) to ensure safe, efficient, and compliant operations of its industrial sites. OMS adoption helps the company create a digital shift logbook and digitalize shift operations. OMS combines the data collected by the employees with the information from historians, providing NRL’s Operations team with a single source of truth for Operations. This will improve shift-to-shift communication and help operation team to reduce the risk of hazardous incidents, equaling industry-wide shift hand over recommendations by experts.

Mobility access has been extended to SAP Plant Maintenance for planning and scheduling for field users. The solution is used by the planners to plan, schedule work orders and assign technicians. Technicians and field engineers are able to access the work orders, notifications on their hand-held devices, capturing data for direct upload from the point of work to SAP thus improving accuracy of data captured.

E-invoicing was successfully implemented from 1 October 2020 by integrating with SAP digital compliance platform for GST.

Asset tracking using Quick Response (QR) codes has been implemented for IT assets for better management, accounting, and traceability. The solution is integrated with SAP while a mobile app version is used for easy physical verification and updation.

Continuing with the road map for adoption of industry 4.0 technologies, many digital transformations for operation excellence and safety are at various stages of implementations. Significant is the migration of SAP ECC6 to S/4 HANA, which will bring in best practices in business processes and will enhance

the user experience. Implementation of predictive analytics for plant equipment using AL/ML is under progress.

A vehicle tracking system using GPS technology has been put in place for multiple use cases viz. tracking of fire tenders, emergency ambulance, cranes/ forklifts etc., pool vehicles operating in the plant premises. Re-fuelling of the vehicles as well as billing has been integrated with SAP.

Investment approval application (“Poonjee Nivesh”), part of treasury operation based on DPE guidelines was made paperless and online from October 2020.

The enterprise communication infrastructure has been replaced with latest generation wireless technology along with deployment of software defined wide area network (SD-WAN) to leverage cheaper internet connectivity and deliver uninterrupted connectivity.

On the adoption of digital tools of execution of refinery expansion project, a multitude of tools has been implemented for seamless project execution and digital hand over after completion. The notable ones are smart engineering tools like Smart P&ID, Electrical, Instrumentation, Tekla and Project Portfolio Management, ArcGIS for pipelines and SDX for digital hand over.

18. e-Governance

The IT applications change management system has been made online providing faster approval for development, testing and production deployment.

Awareness programmes for events like safety week, environment day, cyber security month etc. are being conducted by online quiz platform developed in house. The quiz platform is also used for refresher training for plant unit technicians to increase the overall safety awareness.

Online evaluation of worker safety training has been implemented to improve the training effectiveness for issuing safety training certificate.

In order to secure your company's information assets, regular audits are being carried out on the systems, processes, and digital infrastructure. Adhering to the standard of Information Security Management System (ISMS-ISO:27001), periodic audits (Internal/ External) was carried out during the year. Additionally, Vulnerability Assessment and Penetrating Testing (VAPT) was carried out on NRL website and it hosted applications and compliance was ensured on identified vulnerabilities.

All guidelines/circulars issued by GOI/Ministry on cyber security has been implemented. Significant one was the implementation of TRAI regulatory framework on UCC (Unsolicited Commercial Communication – SMS messages). The new regulation will help to reduce fraudulent messages and protect our users/customers/vendors etc. from unsolicited commercial messages.

National Cyber Security Month October '20 was observed to increase cyber security awareness among employees, CISF security staff and school

children. Banners were put up along with circulation of awareness messages and organised various competitions (quiz/slogan) to update on cyber security requirements with a view to educate and increase cyber resilience of the nation.

NRL also got registered with “**Cyber Coordination Centre (CyCord)**”, under Ministry of Home Affairs, Government of India. **CyCord** is a platform that would help Law Enforcement Agencies coordinate their efforts to solve all cyber crime/ cyber incident related issues.

19. Social Media Presence

NRL has leveraged the social media space in order to create a strong online presence for enhancing the Company's brand visibility while strategically engaging with its digital audience with a wide reach and impact ; enabling a dialogue between the Company and its internal and external audience. NRL has a vibrant and interactive official Facebook Page, Twitter handle and YouTube account with a dedicated and loyal set of digital audience cutting across geographical boundaries. Feedback in social



₹ 5 Crore Contribution to CM's Relief Fund from NRL

media platforms are a real-time means to engage with its audiences and gauge public perceptions about the company and has emerged as the most perceptible tool of two way communication between the company and its stakeholders and public at large. The social media platforms are actively used by NRL to communicate information about the Company's developments, happenings, announcement of major initiatives, Corporate Social Responsibility initiatives, enhancing brand visibility and brand image multifold. The various initiatives of the Government of India, specifically under the Ministry of Petroleum and Natural Gas are also propagated through NRL Social Media handles by way of shares from NRL Facebook page and re-tweets from NRL Twitter handle. Innovative Social media campaigns are rolled out to increase awareness about important information and subjects with hash tags such as #IndiaFightsCorona #FuellingIndiasGrowth #SafeSaturday #TuesdayTrivia #JanAndolan #Saksham2021 #InternationalYogaDay #SwachhataPakhwada #NRLcares reflecting Company's ethos and sensitivity towards key issues engaging a large section of people and important stakeholders.

20. 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.

21. 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.

22. Foreign Exchange Earnings & Outgo

The Company earned foreign exchange of ₹180.86 crore on export of Diesel to Bangladesh and Paraffin Wax to various countries during 2020-21. Foreign exchange outgo during the year was ₹123.78 crore mainly on account of purchase of materials, know-how, professional consultancy fees, travelling, etc.

23. 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, Government 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.

24. 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.

25. 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.

26. Audit Committee

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

27. Number of Board Meetings held during the year

Seven nos. of Board meetings were held during the year 2020-21, the details of which are provided in the Corporate Governance Report that forms part of this Report.

28. Annual Return

As required under the provisions of the Companies Act, 2013, the Annual Return is hosted on the Company's Website and can be accessed from the link <https://nrl.co.in> under the heading Annual Return.

29. 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 2020-21 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.



Newly inaugurated Refinery Main Gate

30. Cost Auditors

M/s. A. C. Dutta & Co., Cost Accountants, Kolkata was appointed as the Cost Auditor of the Company for the financial year 2019-20 in accordance with the provisions of Section 148(3) of the Companies Act, 2013. Cost Audit Report for the year 2019-20 was filed with the Ministry of Corporate Affairs on 2nd December, 2020 in Form CRA-4 as specified by MCA as per requirements of the Companies (Cost Records and Audit) Rules, 2014.

For the financial year 2020-21, 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 2020-21 within the stipulated time i.e. within 30 days of receipt of the same.

31. Secretarial Auditors

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. Biman Debnath & Associates, Practicing Company Secretaries, Guwahati were appointed by the Board as Secretarial Auditor to conduct the Secretarial Audit of the Company for the year 2020-21.

The Secretarial Audit Report for the financial year ended 31st March, 2021 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.

32. 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, 2021.

33. Directors' Responsibility Statement

In accordance with the provisions of Section 134(3) (c) 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, 2021, applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period;
- (c) The Directors have 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 have prepared the annual accounts on a 'going concern' basis;
- (e) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

34. 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.

35. Appointment and Cessation of Directors since the last Annual General Meeting

Shri Gagann Jain, Independent Director of Oil India Limited, who has been nominated by the Government

of India as a non-official Director on the Board of the Company was appointed by the Board as Additional Director w.e.f. 28th July, 2021. 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.

Shri D. Rajkumar, erstwhile C&MD, Bharat Petroleum Corporation Limited (BPCL) ceased to be Director as well as Chairman on the Board of NRL w.e.f. 1st September, 2020 on attaining his superannuation in BPCL.

Smt. Sneha Lata Kumar, Independent Director ceased to be Director on the Board of the Company and as Chairman of the Audit Committee and member of Nomination and Remuneration Committee etc. with effect from 8th September, 2020 on completion of her three years tenure.

Shri K. Padmakar, C&MD, BPCL who was appointed as Additional Director and Chairman on the Board of NRL w.e.f. 16th September, 2020 had resigned from the Office of Chairman and Directorship of the Company in the 7th Board meeting held on 26th March, 2021 subsequent to transfer of entire BPCL's stake in NRL to OIL, EIL and Government of Assam in line with the Share Purchase Agreement signed on 25th March, 2021.

The Board placed on record their sincere appreciation of the valuable contributions made, guidance and support provided by Shri D. Rajkumar, Smt. Sneha Lata Kumar and Shri K. Padmakar for the development and progress of the Company's business during their tenure as Director.

In accordance with provisions of section 152 of the Companies Act, 2013, Shri Indranil Mittra, Director (Finance) and Shri R. K. Kureel, Director 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.

36. Acknowledgment

Your Directors take this opportunity to express their gratitude to all employees for achieving robust financial and operating performance despite Covid induced restrictions and challenges and are confident that they will continue to contribute their best 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 NRL's associates, namely, VKNRL Hospital, DPS-Numaligarh, CISF, VKNRL School of Nursing, Contractors 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 (present and past), viz. M/s. Bharat Petroleum Corporation Limited, M/s. Oil India Limited, Government of Assam and M/s. Engineers India Limited for reposing their confidence and continued support to the management.

For and on behalf of Board of Directors

Sd/-

S. C. Mishra
Chairman

Dated: 20th August, 2021

Place: Noida, UP



Site development work for ongoing Refinery Expansion Project

Management Discussion and Analysis

Industry Structure and Developments

The extraordinary disruption triggered by the Covid-19 pandemic has caused a significant rupture in the global economy; a key uncertainty is the extent to which changes lead to structural shifts or temporary disruption especially in India's energy sector. To avoid the spread of the virus, the Indian government has put in place a series of lockdown starting in late March 2020, with varying levels of stringency. The latest estimates released by the International Monetary Fund (IMF) show a contraction in India's GDP in 2020. This has also reflected in India's primary energy demand and consumption of petroleum products in the country has fallen by around 9% from the previous year, due to far-reaching restrictions on mobility and a reduction in economic activity. Natural gas demand has been resilient with a contraction of around 5%, as low prices have offset some of the forces driving down demand.

There is an 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 Asian Development Bank (ADB), it is projected that India's gross domestic product (GDP) will rebound strongly by 11% in FY 2021-22 due to continued economic recovery boosted by increased public investments, vaccine rollout, and a surge of domestic demand. The projection assumes that vaccines are deployed extensively across the country and the 2nd wave of the COVID-19 pandemic is contained.

Energy trends

Global energy demand in 2020 fell by 4%, the largest decline since World War II and the largest ever absolute decline. As per IEA projections for 2021, as Covid restrictions are lifted and economies recover, energy demand is expected to rebound by 4.6%, pushing global energy use in 2021 to 0.5% above pre-Covid-19 levels. Energy demand for remainder of 2021 will depend on vaccine rollouts, the size and effectiveness of stimulus packages.

In Indian oil and gas scenario, domestic crude oil production during 2020-21 was 32(MMT) whereas crude oil processed by refineries was 222 MMT. Crude oil import during the year was 198.1 MMT amounting to around USD 62.7 billion. Consumption of petroleum products was 194.6 MMT against production of 233



Petroleum Secretary Shri Tarun Kapur, IAS reviewing the progress of Project activities in Numaligarh

MMT. Net export of petroleum products during the year 2020-21 was 56.8 MMT amounting to around USD 21.4 billion.

Natural gas consumption during 2020-21 was recorded at 60,646 MMSCM against domestic production of 28,672 MMSCM. During the year, 32,861 MMSCM of LNG was imported to meet the demand-supply gap.

On a year-on-year basis, production of petroleum products fell by 11.2% and consumption of petroleum products fell by 9.1%. HSD demand registered de-growth of 12% during the year, whereas, MS also fell by 6.7% largely due to travel restrictions and slowing economic activity.

The average FOB price for Indian crude basket reduced to USD 44.82 per barrel in 2020-21 from USD 60.47 per bbl in the previous year. Average FOB price of major products like petrol and diesel were USD 47.68 per bbl and USD 47.86 per bbl respectively.

Though the COVID-19 pandemic has disrupted the oil market like no other, price of WTI crude oil stood at USD 59.16 dollars per barrel on 31st March 2021 compared to USD 20.09 on 30th March 2020. With restrictions and lockdown defining the 2nd wave of COVID19 pandemic, shocks were felt in both supply side as well as demand side, resulting in a compounding effect.

Strengths

NRL has strong regional presence in Northeast India which is a key strength of the organisation. After

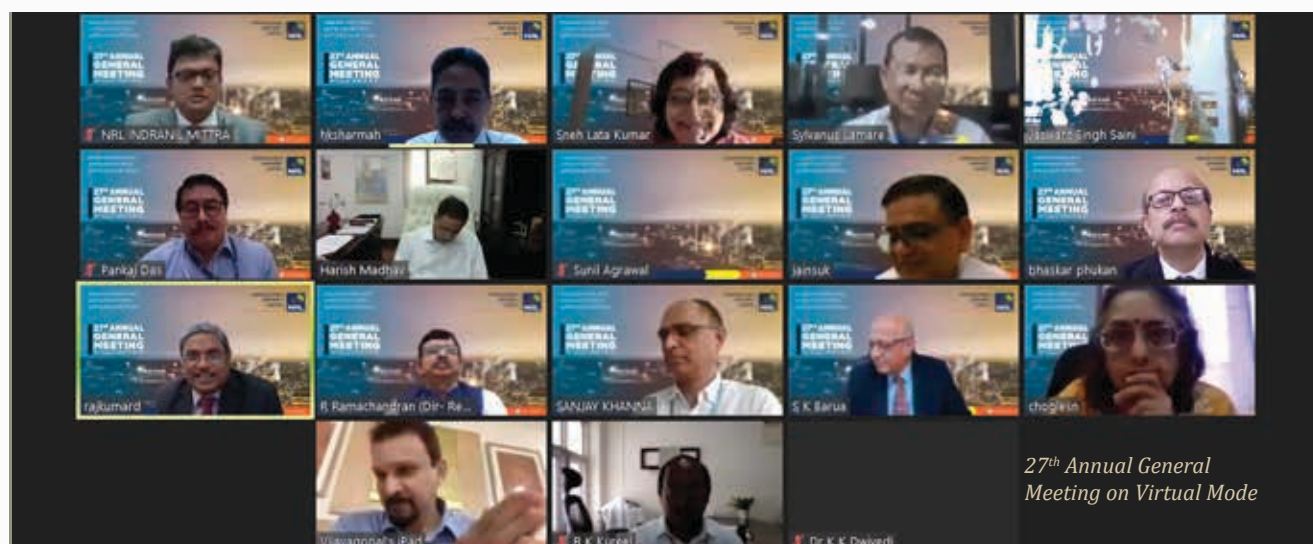
acquisition of majority share holding in NRL by Oil India Limited (OIL), another strong oil and gas PSU rooted in the Northeast, there is an enhanced feed stock security for the organization.

The Company has a healthy balance sheet. The net worth has progressively risen to the level of ₹ 5,596 Crore as on 31st March 2021. The Company's financial position and favorable credit ratings augur well for the ongoing 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 capable of producing high quality food grade wax, which has high demand in domestic as well as export markets. Its high-quality paraffin wax is exported to more than 35 countries including neighbouring countries in the South East Asian region.

The Company enjoys unstinted support from stakeholders particularly from its holding company, OIL, Government of Assam and the administrative Ministry, MoP&NG, thus providing the needed inspiration to forge ahead towards achieving challenging objectives. Also, NRL has a robust socio-economic impact strategy which includes regular CSR



activities as well as an active Startup funding program which is helping NRL to build a strong brand value in the region.

Weaknesses

The major weakness of NRL is its sub-economic refinery size at 3.0 MMTPA. Coupled with this, the logistical bottlenecks for importing limited quantity of crude oil to saturate existing refining capacity results in relatively higher operating cost per unit of crude processed. Demand of petroleum product in North East is not adequate to absorb entire production of four NE refineries, which has forced NRL to send its products outside the NE region at additional freight cost. However, in recent years, MS and HSD demand in Northeast 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. With an eye on the emerging '**New Refineries of the Future**' which will consist of Petrochemical and specialty chemicals, NRL has its focus on such emerging key opportunity areas with the new train of 6 MMTPA refinery. Integration into petrochemicals will yield high margins for the organization is another step towards staying relevant and build a sustainable future. 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 like Furfural Alcohol (FA).

Threats

In the immediate term, slow recovery from the impact

of COVID-19 is a major threat. Capacity utilization in the first two months of FY 2020-21 had to be reduced to around 60-70% following contraction of automotive fuel demand in the country. Crude processing was restored to normal level in subsequent months with the ease in COVID-19 restrictions and eventually closing the year at 90% capacity utilization. The second wave COVID-19, in first quarter of current financial year, has once again impacted refinery operation, though at a lesser level as only partial lockdown have been enforced in select states.

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 2020-21 was 2,740 TMT compared to previous year's 2,300 TMT. The production was restored to pre 2019 level as a scheduled Refinery Turn Around (RTA) was done last year in 2019-20 after a gap of four years. The total sales was 2924 TMT which has increased by 23.9% compared to 2361 TMT of products sold in the previous year. HSD sales increased to 1835 TMT against 1541 TMT, while MS sales during the year was the highest ever at 647 TMT against 458 TMT in the previous year. Wax sales was also the highest ever at 48 TMT, which was a 26% increase over 38 TMT sales a year ago. NRL continues to remain the market leader in terms of Wax sales in the country. Wax export increased to 5.2 TMT from 3.4 TMT in the previous year

The total sales comprised 54 TMT (by 24 railway rakes) of Gas Oil exported to Bangladesh and 106 TMT



Govt. of Assam hands over cheque to OIL for enhancement of equity stake in NRL

petrochemical grade Naphtha sold to Brahmaputra Cracker from external sources.

Sale of MTO during the year was the highest ever at 16 TMT. This is a quantum jump from the previous highest MTO sales of 7 TMT recorded in 2018-19.

The LPG bottling plant achieved its highest ever capacity utilization during the year at 135% with 57 TMT packed LPG production during the year.

Category-wise sales during 2020-21 comprised 87% to PSU OMCs, 9% to direct customers and export and 4% to private oil companies. BPCL remains NRL's predominant customer with 2338 TMT product upliftment during the year which accounted for 80% of total sales. Sales from NRL's terminal at Numaligarh was 1054 TMT while that from the Siliguri terminal was 1764 TMT. Total sales within Northeast was 817 TMT (28% of total sales).

In this financial year, NRL launched a mobile door-to-door delivery program under the brand name 'Photonz'. Two dedicated vehicles of 6 TMT capacity each have been earmarked for the purpose. This initiative is primarily meant for direct delivery of HSD to customers located in the neighborhood of the refinery.

Outlook

The significant risks to public health due to COVID-19 if brought under control gradually over the course of 2021, it will allow for a steady recovery in economic

activities. In most countries across the globe, focus remains on containment of the virus through social distancing measures, for which, lockdown and restrictions are put in place. Early deployment of vaccines and finding a cure will be key to resumption of economic activities.

Besides, renewables, electric vehicles and green hydrogen etc. are gaining popularity and are being pushed through policy initiatives due to stringent emission norms adopted globally. Further, petrochemical demand in the country is expected to see a robust growth in tandem with economic growth of the country.

With above scenario in consideration, NRL needs to foray into emerging petrochemicals and alternate energy sector like hydrogen energy to build resilience in addition to maintaining business continuity. There is a 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.

The year 2021-22 will continue to be challenging in terms of executing projects at hand given the 2nd wave of COVID-19 affecting the whole country. The three major projects, viz., 9 MMTPA Refinery Expansion, Indo-Bangla Pipeline and the Bio-Refinery which will be in active implementation stage need to be monitored closely and proper protocols needs to adhered to address issues arising out of lockdown, travel restrictions, supply chain disruptions, migrant worker woes etc.

Risks and Concerns

Major risks and associated concerns for 2021-22 will be the sharp decline in demand of petroleum product in the country if pandemic related adversity increases, and lockdown 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 lockdown 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 2020-21, the refinery processed 2,707 TMT of crude oil compared to 2,383 TMT in 2019-20 which is an increment of 13.6% over the previous year during which throughput was lower mainly due to Refinery Turn Around (RTA). Distillate yield was 86.36% compared to 82.96% of previous year. Specific Energy Consumption (SEC) during the year was recorded at 64.4 MBN compared to 64.9 MBN in the previous year.

Product sale during the year was 2,924 TMT against production of 2,361 TMT. Gross Refinery Margin (GRM) during the year was recorded at \$4.09 per bbl as compared to \$7.99 per bbl in 2019-20. Lower GRM during the year was mainly due to lower crack spreads during the year as against previous year on

account of volatility in international prices of crude oil and product.

The revenue from operations was ₹18,544 crore as compared to ₹14,073 crore in the previous year, registering a growth of 31.8%. Profit before tax (PBT) recorded in 2020-21 was ₹4,083 Crore from ₹1,735 crore in the previous year. Consequently, Profit after tax (PAT) also increased to ₹3,036 crore during 2020-21 as compared to ₹1,382 crore in the previous year.

The Earning per Share (EPS) for the year 2020-21 stood at ₹41.27 as compared to ₹18.78 in 2019-20.

Internal Control Systems and their adequacy

The Company has robust internal control systems (including Internal Financial Controls over Financial Reporting) that facilitate efficiency, reliability and completeness of accounting records and timely preparation of reliable financial and management information. The internal control system ensures compliance with all applicable laws and regulations, facilitates in optimum utilization of resources and protect the Company's assets and investor's interests.

The Company has a clearly defined organizational structure, delegation of authority, manuals and operating procedures for its business units and service entities to ensure orderly and efficient conduct of its business. 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 of the transactions. The Company also has a whistle blower policy and fraud prevention policy to address fraud risk.

Further, the Company continuously monitors the processes and work flows which can be digitized and has undertaken automation and digitization in all facets of business operation. The Company implemented Aarohan, which aims to digitize the entire procure to pay process and make its paperless. Such initiatives has resulted in increasing transparency and bringing robustness in the business process.

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 audit reports published by the Internal Audit Department are shared with the Independent Auditors who review the efficacy of internal financial controls. 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 report of the statutory auditor on Internal Financial Controls under Clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act") is placed as an Annexure to the Statutory Auditors Report in the printed Annual Accounts of the Company.

Award and Accolades

During the Financial Year 2020-21, your Company was honoured with the following prestigious awards in recognition of its accomplishments in different spheres of activities:

- i) ICSI National Award for Excellence in Corporate Governance instituted by the Institute of Company Secretaries of India (ICSI) in the following categories a) Best Governed Company 2020 (Unlisted Segment: Large Category); and



Award for Best Governed Company 2020 by ICSI

b) Governance Professional of the Year, 2020 to Mr. H K Sarmah, Company Secretary, NRL.

- ii) PRSI National Awards 2020 instituted by Public Relations Society of India in three Categories: a) Social Media for PR & Branding b) Best use of Social Media for COVID-19 and c) Hindi Journal PRAYAS

Human Resource

Human Resource team of NRL constantly gives effort to strategically manage its employees as business resources and to maximize their performance in line with the strategic objectives of your Company. This starts from recruiting and hiring employees with specific skill sets to meet the Company's current and future goals, providing employee benefits, compensation and a robust performance management system at par with the best in the industry, and constantly upgrading employee skill sets through training and developmental strategies. Your Company is always committed to bring out the highest level of productivity while ensuring a healthy work-life balance. Your Company also maintains cordial public relations to generate healthy relationships with its stakeholders and the society at large.

The manpower strength of NRL as on 31st March, 2021 was as detailed below:

Group	Total	SC	ST	OBC	Female	Minority	PwD
A	520	64	36	141	52	17	5
B	NIL	NIL	NIL	NIL	NIL	NIL	NIL
C	454	39	64	164	14	27	15
D	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Total	974	103	100	305	66	44	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 online & inhouse training programs. Due to the pandemic situation in current financial year maximum training program was imparted in online mode.

During the year, 2716 sessions of training were imparted to employees comprising 1597 Management staff and 75 Non-Management staff. Total 187 Numbers of online /in-house training programmes were conducted. As a part of these training programmes, 87 officers & 6 GETs were nominated for training in center of excellence institute like IIMs/ XLRI/IIT/IIP/ISB.

10 Nos. officers were continuing M. Tech. at Kaziranga University during FY 2020-21.

2 Nos. GETs & 4 Nos. Non- management trainees & staff have newly joined in FY 2020-21 were also exposed to various functional and developmental areas through a well-structured module.

151 apprentice trainees have joined for one year training period during the year.

72 employees have registered at various web learning courses during this year.

112 nos. of students from various institutes of India have undergone for Winter Internship training through online mode at NRL during this year.

SC/ST/OBC 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/OBC

Your Company follows the Presidential Directives & Guidelines issued from time to time in respect of

providing reservation, concessions, relaxations to the candidates belonging to Scheduled Castes (SCs), Scheduled Tribes (STs), Other Backward Classes (OBCs) and Economically Weaker Section (EWS) in matters of recruitment. The reservation percentages are ensured through maintenance of Post Based Roster system as prescribed by the Government of India. The Rosters are being followed/ consulted in every recruitment before issue of advertisement/ notification.

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

Your Company has a SC/ST and an OBC Cell under direct control of Head of HR who is appointed as Liaison Officer. The current SC/ST and OBC cell comprises of representatives from SC/ST & OBC community and officials of HR Dept. to ensure compliance of various guidelines pertaining to the SC/ST/OBC employees. The SC/ST & OBC Cell takes care of grievances, if any, with the Management.

During the year 2020-21, 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 to the Persons with Benchmark Disabilities since inception for appointments, based on Government guidelines. Accordingly, 4% of the post in Group A, Group C & Group D are reserved for PwD candidates. The nos. of posts reserved for PwDs and their actual placement are as below:

Group	No. of Posts reserved for PwD	No. of PwD employees in place
A	7	3
C&D	18	17

The Company ensures to achieve the desired percentage for PwDs in recruitment and is also conducting special recruitment drives for PwD in direct recruitment. The Company has an approved 'Equal Opportunity Policy' in terms of Section 21(1) of Rights of Persons with Disabilities Act, 2016 for equal opportunity to PwD employees. Besides, as a corporate body, various initiatives have been undertaken as a part of CSR activities to give benefits to PwDs.

Gender Friendly Work Place

Your Company has provided a gender friendly work place with equal opportunity for men and women. A

committee is in place to look into representations from both men and women employees. The Committee, among other tasks, look into complaints on sexual harassment, if any, and recommends appropriate course of action.

Communication to Employees

The COVID-19 pandemic necessitated a re-look at the Communication Strategy of the Company. Soon after the pandemic unfolded in beginning of the year 2020, Work from Home policy was implemented in the Company for the first time. This paradigm shift could be made effective after ensuring that all channels of virtual communication were opened up to employees by leveraging optimally on digital technology and tools such as VPN, MS Teams, Zoom meetings etc. One year down the line, virtual communication has become more of a norm with employees especially in administrative and service roles functioning seamlessly and most meetings including COVID review, Business plan review, Functional Coordination meeting, intra departmental meetings, cross functional meetings etc. being held in virtual platforms despite easing of COVID situation in the latter part of 2020 and the first few months of 2021. Not only that, Company events are seamlessly being organised in Webinar mode involving larger audiences.



Women employees in shift duty



Foundation stone laying ceremony of Dhansiri Nagar Township at Refinery site

The Company continues to pursue a policy of clear, direct and effective communication with its employees by adopting and imbibing best practices and communication strategies. Easy to access and timely dissemination of information related to HR policies, company performance and operational issues has been able to create 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 among all employees. Under the ambit 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 house journal 'Rodali' encapsulates all developments with the organisation and its associate entities for the benefit of employees. The Annual Report documents major developments during the Financial Year including performance highlights of the Company, supplemented by figures and facts. Other publications such as 'Chaitanya'- the Vigilance newsletter, Safety Newsletter, 'Prayas'- the Hindi magazine are efforts to connect employees at all levels so that they are abreast with the latest updates and developments.

Managing Director directly addresses employees, extending his greetings on special occasions, sharing his thoughts and vision and the road map carved out for the future. 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 was revamped and launched during December 2020 with major improvement in aesthetics, technical features and navigability. The website is updated regularly, with Company highlights, news, views, mandatory disclosures, links to important Government website services, and a gamut of information on different facets of the Company, which caters to both internal as well as external audience. The monthly Functional Coordination Meeting (FCM) simplifies 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) deliberates on day to day operational issues and aims at resolve them suitably. Apart from this, Departmental Review Meetings and Meetings with collectives are regularly held within teams and across functions for information and knowledge exchange for smooth operations; to promote team coordination, timely planning of activities and participative management. Most of these meetings have now graduated to virtual or hybrid mode as discussed in the first para.

Industrial Relations

Industrial peace and harmony was maintained throughout 2020-21 by engaging the various Unions and other stakeholders through regular meetings and discussions. Issues of employees, contract workers and others were identified and resolved with a focus on improving the overall work experience in the Refinery.

Corporate Social Responsibility and Sustainability

NRL, since its inception, has been continually working for the upliftment of the society through its persistent CSR efforts. CSR and Sustainability activities of NRL are pursued in line with the activities specified under Schedule VII of the Companies Act 2013. NRL formulated a 'CSR and Sustainability Policy' conforming to stipulations under Section 135 of the Companies Act 2013, the CSR Rules issued by the Ministry of Corporate Affairs and applicable Guidelines on CSR and Sustainability issued by the DPE. 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 expenditure amounting to ₹32.69 crore in the thematic area programmes covering 'Health and Nutrition' which also included an amount of ₹25.00 Crore contributed to Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) to fight the COVID-19 pandemic. The amount was contributed to PM CARES Fund on 31st March, 2020 in the FY 2019-20. However, in

line with the clarification provided by the Ministry of Corporate Affairs, the contributed amount to PM CARES Fund is set off against the CSR budget of 2020-21. Additionally, an amount of ₹6.11 crore was spent on Swachhta Action Plan covering sanitation, safe drinking water and awareness campaign against our target of ₹5.49 crore as intimated to MoP&NG at the beginning of the Financial Year.

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

During the year, NRL has spent an amount of ₹53.00 crore towards CSR & Sustainability activities against the budget allocation of ₹52.80 crore and there is no carry forward amount to the next financial year. This total spent amount includes the amount spent towards PM CARES Fund.

Some of the key CSR and sustainable initiatives undertaken by your Company during the year 2020-21 including the focus areas of the policy are:

- i) **Health Care:** As per notification issued by Ministry, on 'Health & Nutrition' being the thematic area of CSR activities for FY 2020-21, NRL had extensively focused on improving Community Healthcare in the region. Some of the noteworthy projects are as below:



Donation of Ambulance under CSR initiatives



Dedication of 120 bedded Covid-19 Care facility with 20 bedded ICU at Jorhat Medical College and Hospital

- Association with B Barooah Cancer Institute, Guwahati to develop a Paediatric Oncology Ward with modern set of medical equipment to treat children suffering from Cancer.
- NRL supported a charitable organisation, to set up an ICU unit in the hospital by providing Medical equipment like ICU Beds, Central Monitoring Software and PC system. The institution is the only facilitator of ICU infrastructure in the district of Dima Hasao.
- NRL's association with a cancer care foundation for setting up a Radiation Block coming up as an annexe to Barpeta Medical College Hospital during FY 2019-20 has given a favourable impact to the region. Sophisticated equipment for cancer treatment has been procured and are presently under installation and is expected to be very much helpful for the cancer patients.
- NRL CSR has collaborated with an NGO working for children with developmental disabilities in their birth or early age.
- 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.
- Two numbers of ambulances were provided to Sub-Divisional Office (Civil), Bokakhat and another to an NGO having headquarter at

Guwahati which will cover patients of Golaghat and Guwahati and Manipur respectively.

ii) **Education and Skill Development**

Few projects that impacted the society during the year are:

- Construction of 19 numbers of schools completed in Golaghat and Karbi Anglong district.
- NRL supported Vivekananda Kendra Rock Memorial & Vivekananda Kendra for construction of boundary wall at Vivekananda Kendra Vidyalaya, Bokakhat.
- Under the flagship projects - **"Gyandeep Scholarship"** scheme, 269 nos. of students were benefitted based on their performance in Class X and XII, **"Prerona scholarship"** scheme for promoting girl education has been provided to 281 nos. of top three girl students of class VII to X, 35 numbers of schools have been awarded with **'Dhronacharyya Award'** for providing proper training and guidance to the students to come with flying colours. Apart from the above, 37 nos. of meritorious children of **'Contract workers'** were provided scholarship for their good result in class X examination.
- Under project "Uttoran", 180 numbers of girls were trained and certified in various sectors such as Aviation, Medicine, Tailoring and

Beautician, 8 students enrolled in paramedical course in Downtown University in the session 2018-19 had completed the course in 2021 and are placed in hospitals of Guwahati, Golaghat and Nagaon.

- Skill development initiatives undertaken in Welding, Fitter and Hospitality sector are being continued through Golaghat ITI and presently there are 88 number of students.
- VKNRL School of Nursing enrolled its 4th batch of 40 students to pursue GNM course from Oct, 2020. 4 numbers of new faculties were also appointed with a total of 12 faculty presently working in the School.

iii) **Swachhta Action Plan:** Under this programme mandated by MoPNG, an amount of ₹6.11 crore was spent under different heads of expenditure.

- Under Project '**Swachh Vidyalaya Abhijan**', construction of school toilets including maintenance for 5 years has been taken up.
- Safe and Clean Drinking Water Purification Plants with ATM facility including maintenance for 3 years have been provided to nearby villages and community places. Reviving and strengthening of 4 nos. of Piped Water Supply System (PWSS) in nearby villages through Public Health Department has also been accomplished. A pilot project for Arsenic removal from the source of drinking water in 4 arsenic affected villages has been initiated in collaboration with Department of Chemical Science, Tezpur University. Installation and distribution of dust bins at various schools and market places have been done during the period.

iv) Livelihood Generation

- Under project "Swanirbhar", 18 Self Help groups, Joint Liability Groups and Individuals have been financially supported for livelihood generation.
- During COVID pandemic, Financial Assistance have also been provided through Deputy Commissioner, Golaghat for Livelihood Generation project for the Reversed Migrants.
- Tractor & Implements were provided to Samabai Samitis dealing with Agriculture produce for enhancement of livelihood under the same project "Swanirbhar".

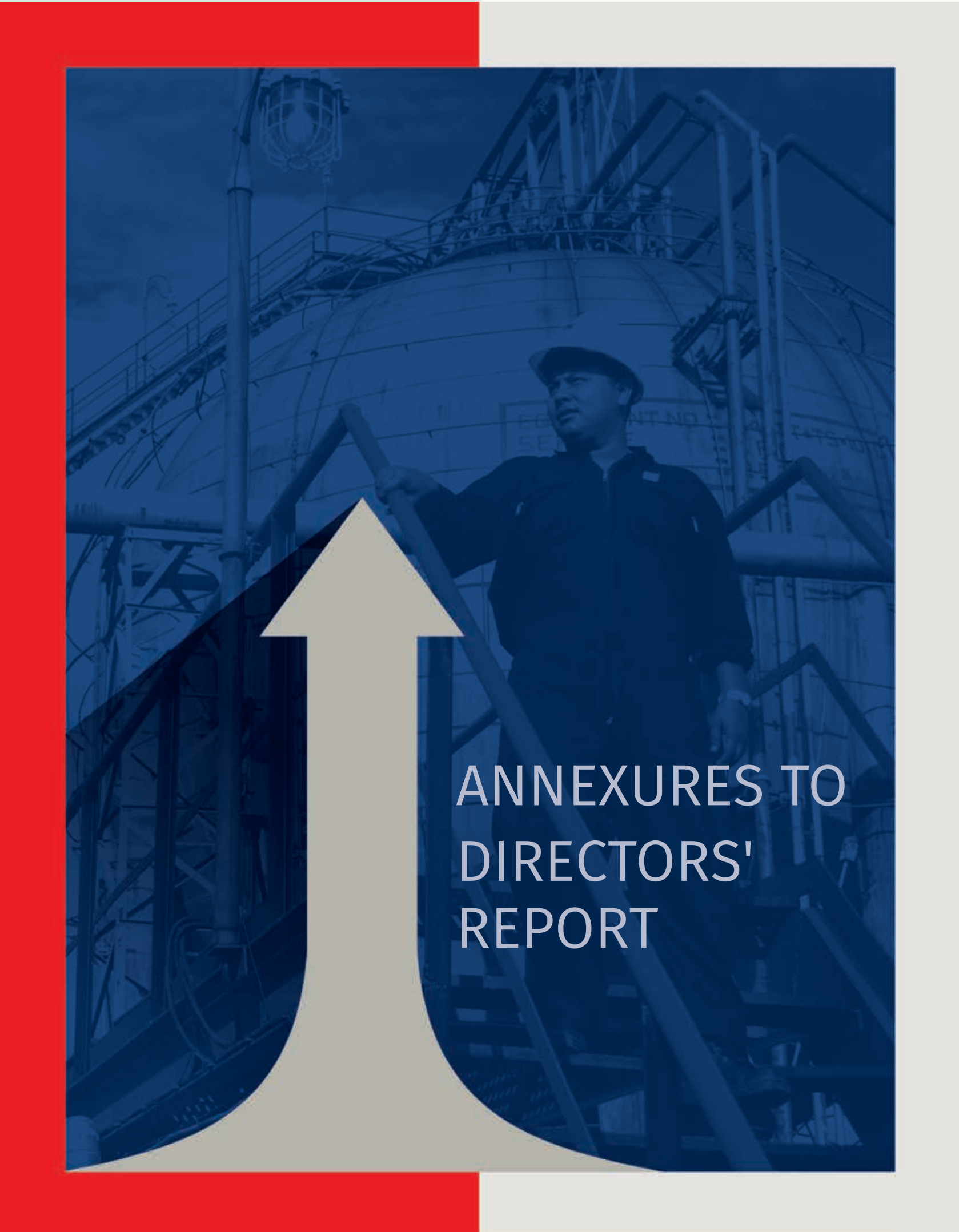
v) Infrastructure Development

- Several developmental works were taken up in and around NRL during the Financial Year which included projects for infrastructure development in rural areas, such as construction of bridges, road development and installation & commissioning of solar streetlights etc.

vi) Promotion of Arts, Sports, Literature and Culture

- Provided financial assistance to preserve and carry forward the traditional art forms among the new generations by developing the infrastructure and teaching the new generations.
- Activities of NRL Football academy continued with highest rating in the Northeast.

Details of CSR activities are uploaded and continuously updated in NRL's website www.nrl.co.in. In accordance with the Companies (Corporate Social Responsibility Policy) Amendment Rules 2021, Annual Report on CSR and Sustainability activities of NRL for the year 2020-21 forming part of Directors Report is enclosed as **Annexure - F**.

The background image is a blue-tinted photograph of an industrial worker wearing a hard hat and safety vest, standing on a platform and holding a vertical pipe. Behind the worker is a large, cylindrical industrial storage tank with various pipes and ladders. A large, light-colored arrow points upwards from the bottom left towards the center of the image. The text 'ANNEXURES TO DIRECTORS' REPORT' is written in white, sans-serif capital letters, positioned to the right of the arrow's shaft.

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 puts outmost emphasis on reduction of energy consumption and greenhouse gas emission. Unit performance is monitored closely on a continual basis and efforts are made to incorporate best in class technology and global best practices. In the FY 2020-21, achievement against the Key Performance Indicators for energy consumption, Specific Energy Consumption (SEC) at 64.37 and Energy Intensity Index (EII) at 86.99, continued to be impressive.

NRL has a portfolio of 1.05 MW of Solar Photovoltaic Capacity, which is 0.4% of the total captive power generation. The total generation of solar power during 2020-21 is 1031MWh which resulted in greenhouse gas emission mitigation of 24 thousand metric ton of CO₂ equivalent.

During 2020-21, the energy savings out of the executed ENCON schemes in during last RTA and in 2020-21 is outcome of internal initiatives as well as audit recommendations. The total energy savings is 11210 SRFT and monetary savings of ₹34 Crore. GHG emissions reduction by means of energy conservation projects is 0.37 Lac TCO₂e. GHG emissions evaded through pipelines transportation is 16 MTCO₂e.

I. Following ENCON measures implemented during the year 2020-21:

S. N.	ENCON Schemes	Saving in SRFT
1.	Feed effluent exchangers (Shell & Tube type) have been replaced by Plate Type Heat Exchangers in Sulphur Recovery Block.	1600
2.	Installation of electrical tracing in Solvent De-oiling Unit and offsite of Wax Plant replacing the steam tracing.	615
3.	Optimization of excess air in furnaces of Crude Distillation Unit, Vacuum Distillation Unit and Hydrocracker Unit.	500
4.	Condensate recovery scheme in Delayed Cocker Unit and Captive Power Plant.	450
5.	Replacement of electrical motors and pumps with energy efficient motors and pumps.	590
6.	Improvement in stream trap performance rate to 99% in working condition.	150
	Total	3905

II. Schemes planned for 2021-22:

1. Boiler Blow Down and condensate recovery scheme commissioning
2. Installation of Tubacoated tubes and elbows in DCU Furnace.
3. Improvement of thermal insulation in DCU Coke Chambers.

III. Energy conservation measures planned beyond 2021-22:

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
2. Replacement of existing pumps and motors with energy efficient motors and pumps in all process units
3. Vapour Absorption Machine for low heat recovery /reduce waste steam energy
4. Pressure energy recovery from PRDS with turbo Generator
5. Pressure Reducing Turbine arrangement in motor to reduce waste energy

IV. Continuing Energy Management system certification since year 2014

Post implementation of EnMS ISO 50001:2011 in 2014, NRL successfully migrated from 2011 version to 2018 version and thereafter completed the first periodic audit in March-2021.

B. Technology Absorption

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

- a. NRL is augmenting its refining capacity from 3.0 MMTPA to 9.0 MMTPA, by setting up a new refinery train of 6.0 MMTPA in the premises. Technology for different units under Numaligarh Refinery Expansion Project (NREP) is sourced from different technology providers:

Refinery Unit	Technology Provider
Diesel Hydrotreater Unit	M/s UOP LLC, USA
Motor Spirit Plant	M/s Axens, France
Gasoline Desulphurisation Unit	M/s Axens, France
Residue Processing & Treating Unit	M/s Chevron Lummus Global LLC, USA
Petro FCC Unit	M/s Lummus Technology LLC, USA
Sulphur Recovery Unit	M/s Engineers India Limited

NRL is implementing the project (NREP) by engaging a combination of PMC, EPC, EPCM and other supporting consultants. Basic Engineering & Design Package for all the major units are complete and overall progress made is 4.7%.

- b. NRL is setting up a 50 TMTA 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 all long lead items are ordered. Physical progress of the project is 35%.

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

- a. Capacity expansion of NRL from 3.0 MMTPA to 9.0 MMTPA will ensure additional availability of petroleum products primarily LPG, MS and HSD in the NE and Eastern region of India and meet the growing energy demand in the region.
- b. 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
Motor Spirit Plant capacity augmentation	2017-18
Bio Refinery	2017-18
Technology imported for NREP	
Diesel Hydrotreater Unit	2020-21
Motor Spirit Plant	2020-21
Gasoline Desulphurisation Unit	2020-21

Technology imported	Year
Residue Processing & Treating Unit	2020-21
Petro FCC Unit	2020-21
Sulphur Recovery Unit	2020-21
Technology absorbed	Year
Diesel Hydrotreater Unit:	2017-18
Flare Gas Recovery System (FGRS):	2017-18
Motor Spirit Plant capacity revamp	2019-20
Tail Gas Treating Unit	2020-21

C. Research and Development:

NRL took a few initiatives to strengthen research and development capability of the organization through partnership with academia and research organizations. R&D activities presently pursued by NRL are as follows:

1. NRL Centre of Excellence for Sustainable Material at IIT Guwahati

NRL had set up 'NRL Centre of Excellence for Sustainable Material' at IIT Guwahati to take up R&D activities for development of environmentally sustainable materials from various refinery and bio refinery streams. Presently the centre is carrying out research activities on "Development of Biodegradable Plastics from Oil and Bio-Refinery Streams".

The objective of the project is pilot-scale development and production of blown-film grade bio-degradable plastic (poly ϵ -caprolactone) from both oil and bamboo based bio-refinery streams like oily sludge, wax and furfural, through an efficient and environment-friendly approach.

2. R&D Collaboration with CSIR NEIST Jorhat

NRL is collaborating with CSIR NEIST for Identification of critical research areas pertinent to microbial remediation, soil chemistry, functionalization of low grade hydrocarbons and subsequent up-gradation, training of scientists, technologist and officials in specialized areas. As part of this collaboration a project for "Removal of Phenol from sour & strip water, it's re-use and value addition" has been taken up with the aim to reduce water foot print and to produce value added chemicals.

3. R&D Collaboration with CSIR IIP Dehradun

A project titled "Studies for Efficient Utilisation of UCO stream generated from upcoming Ebullated Bed (EB) Resid Hydrocracker under Numaligarh Refinery Expansion Project" has been taken up to carry out studies to convert un-converted oil (UCO) into value added products or speciality products like Bitumen.

4. Projects taken up in collaboration with BPCL Corporate R&D Centre (CRDC), Noida

NRL is currently collaborating with BPCL CRDC, Noida in two R&D projects:

- 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.

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. **Technology for removal of Phenol from sour water and strip water:** Development of indigenous technology to remove phenol from sour and strip water will reduce water foot print and produce value added chemicals.
3. **Technology for conversion of UCO into value added products:** Development of indigenous technology to produce value added speciality products from unconverted oil.
4. **Production of Furfural Alcohol (FA) and Tetra Hydro Furan (THF):** Development of 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 other 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 2020-21 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 a Government Company i.e. Bharat Petroleum Corporation Limited (BPCL) till 25.3.2021 and thereafter, Oil India Limited w.e.f. 26th March, 2021. In terms of the Articles of Association of the Company, the number of Directors shall not be less than three and more than fifteen.

As on 31st March, 2021, the Board of NRL comprised of three Whole Time Directors including the Managing Director, two Independent Directors, one part-time (Ex-Officio) Director from Govt. of India and one Part-time (Ex-Officio) Director each from Promoters, namely, Oil India Limited and Govt. of Assam.

The Chairman and Managing Director, BPCL continued as Chairman of the Company till the 7th Board meeting of NRL held on 26th March, 2021 where he had resigned from the office of Chairman and Directorship of the Company due to transfer of entire shareholding of BPCL in NRL to OIL, EIL and Govt. of Assam on 26.3.2021 and thereafter, in the same Board meeting, Board members elected Chairman and Managing Director, OIL as 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, except for the sitting fee payable to the Independent Directors for attending meetings of the Board and Committees thereof.

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 there at, other Directorship held by the Directors, are as under:

Board Meetings:

Seven nos. of Board Meetings were held during the financial year 2020-21 on the following dates :-

22 nd May, 2020	8 th July, 2020	10 th August, 2020	27 th October, 2020
2 nd February, 2021	22 nd March, 2021	26 th March, 2021	

Particulars of Directors including their attendance at Board/ Shareholders' Meeting during the financial year 2020-21:

Sl. No.	Name of the Directors	Academic Qualifications	Date of joining as Director of the Company	Attendance out of 7 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 31.03.2021)
(a)	Whole Time Directors :			No. of Meetings Attended	%		
1.	Shri S. K. Barua Managing Director	ACMA and LLB from Dibrugarh University	01.05.2013	7	100	Attended	Director: 1. BCPL
2.	Shri B. J. Phukan Director (Technical)	BE (Mechanical Engineering) from Assam Engineering College	01.02.2017	7	100	Attended	Chairman : 1. ABRPL Director: 1 DNP Ltd.
3.	Shri Indranil Mitra Director (Finance)	CA & ACMA and PG Diploma from S P Jain Institute of Mgt. & Research, Mumbai	12.10.2018	7	100	Attended	Director: 1. ABRPL
(b)	Part-time (Ex-Officio)						
1.	Shri D. Rajkumar Chairman & Managing Director Bharat Petroleum Corpn. Limited and Chairman, NRL [Upto 31.08.2020]	B. Tech (Elect) from IIT, Madras and PGDM from IIM, Bangalore	07.10.2016	3	100	Attended	---
2.	Shri K. Padmakar, Director(HR) holding additional charge of Chairman & Managing Director Bharat Petroleum Corpn. Ltd. and Chairman, NRL [From 16.09.2020 to 26.03.2021]	Graduate in Agriculture and postgraduate in Personnel Management & Industrial Relations from TISS (1984 batch).	16.09.2020	4	100	NA	---
3.	Shri Sushil Chandra Mishra Chairman & Managing Director Oil India Limited and Chairman, NRL [w.e.f. 26.03.2021]	BE (Electronics) and MBA (Finance)	04.11.2019	5	71	Absent	C&MD 1. Oil India Ltd. Director 1. Oil India (USA) Inc.
4.	Shri Rajendra Kumar Kureel Director (Exploration-II) MOP&NG, Govt. of India New Delhi -110001	Graduate in Science	26.03.2019	7	100	Attended	Nil
5.	Dr. Krishna Kumar Dwivedi, IAS Principal Secretary to the Govt. of Assam, Industries and Commerce Department etc.	MA and Ph. D. in Modern Indian History	16.08.2019	4	57	Attended	Director: 1. AIDC 2. BCPL 3. ATPO

Sl. No.	Name of the Directors	Academic Qualifications	Date of joining as Director of the Company	Attendance out of 7 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 31.03.2021)
C.	Part-Time (Non-Official)/ Independent Directors			No. of Meetings Attended	%		
1.	Smt. Sneha Lata Kumar, IAS (Retd) Former Secretary to the Govt. of India, Dept. of Border Management. Chandigarh -160101 [Up to 07.09.2020]	B.A. in English (Hons) from Chandigarh College for Women and M.A. (Economics) from Punjab University	08.09.2017	3	100	Attended	Nil
2.	Dr. Sylvanus Lamare Principal, St. Edmund's College, Shillong, Meghalaya	M.A. in Khasi and Ph.D in Socio-linguistics	16.07.2019	7	100	Attended	Nil
3.	Shri Jaswant Singh Saini Advocate Saharanpur, Uttar Pradesh	M.A and LLB from Meerut University	29.11.2019	7	100	Attended	Nil

BCPL: Brahmaputra Cracker and Polymer Limited; **ABRPL:** Assam Bio Refinery Pvt. 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 reconstituted on 07.10.2020 during the FY 2021 after expiry of tenure of Smt. Sneha Lata Kumar, Independent Director as Chairman (w.e.f. 07.09.2020) and in her place, Dr. Sylvanus Lamare, Independent Director was appointed as Chairman of Audit Committee along with Shri Jaswant Singh Saini, 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 were invited to attend the Audit Committee meeting of the Company held during the year 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:

- 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.
- 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 2020-21, seven nos. of meeting of the Audit Committee were held on the following dates:

21 st May,2020	26 th June,2020	6 th August,2020	26 th August,2020	27 th October,2020
21 st December,2020	2 nd February,2021			

Attendance at the Audit Committee Meetings during the financial year 2020-21:

Name of the members	No of Meetings attended	% age thereof [out of 7 nos. meeting held]	Attendance at the last Annual General Meeting
Smt. Sneha Lata Kumar [upto 7 th September,2020]	4	100	Attended
Dr. Sylvanus Lamare	7	100	Attended
Shri Jaswant Singh Saini [w.e.f. 7 th October,2020]	3	100	Attended
Shri B. J. Phukan	7	100	Attended

* 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 reconstituted on 07.10.2020 with Dr. Sylvanus Lamare, Independent Director as Chairman, Shri R. K. Kureel, Director and Shri Jaswant Singh Saini, Independent Director as Members.

Director (HR), BPCL and all three functional Directors including Managing Director of the Company were 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 2020-21, there was one meeting of the 'Nomination and Remuneration Committee' held on 7th September,2020 which was attended by all the Members and Invitees.

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 and Sustainability for CPSEs issued on 21.10.2014, during the year 2020-21, NRL had a three member CSR and Sustainability Committee of the Board 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 shall act as the Secretary to the CSR and Sustainability Committee.

During the financial year 2020-21, four nos. of CSR and Sustainability Committee meetings were held on the following dates:

26 th June,2020	6 th November,2020	24 th November,2020	30 th March,2021
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Attendance at the CSR and Sustainability Committee Meetings during the financial year 2020-21:

Name of the members	No of Meetings attended	% age thereof [out of 4 nos. meeting held]	Attendance at the last Annual General Meeting
Dr. Sylvanus Lamare	4	100	Attended
Shri B. J. Phukan	4	100	Attended
Shri Indranil Mittra	4	100	Attended

* 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 are entitled to receive 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.

Details of remuneration paid/payable to the Whole-time Directors during the financial year 2020-21 are given below:

Name of Directors	All elements of remuneration package of the Directors i.e. salary, benefits, bonuses, pension etc.	Details of fixed component, Performance Related Pay (PRP)	Other benefits	Service Contracts, notice period, severance fees.
	(In ₹.)	(In ₹.)	(In ₹.)	
Shri S. K. Barua Managing Director	75,33,742.20	Fixed Com : 53,77,481.95 PRP : 15,03,713.00	6,52,547.25	Appointed till date of his superannuation i.e. 31.01.2022 or until further orders whichever is earlier.
Shri B. J. Phukan Director (Technical)	62,08,358.07	Fixed Com: 46,42,048.42 PRP : 11,05,233.00	4,61,076.65	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 earlier.
Shri Indranil Mittra Director(Finance)	58,20,130.05	Fixed Com : 44,43,512.04 PRP : 9,67,077.00	4,09,541.01	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(₹)
Smt. Sneh Lata Kumar	3,80,000/-
Dr. Sylvanus Lamare	9,60,000/-
Shri Jaswant Singh Saini	6,20,000/-
Total=	19,60,000/-

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
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.
27 th Annual General Meeting	10 th August, 2020 at 2.30 P.M.	Through Video Conferencing facility.

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

	Date, Time & Venue of the Meeting	Purpose
26 th Annual General Meeting	16 th August, 2019 at 3.00 P.M. at the Registered Office 122A, G. S. Road, Christianbasti, Guwahati-781005	1. To increase Authorised Share Capital of the Company from ₹1000 crore to ₹5000 crore. 2. To amend Clause V of the Memorandum of Association of the Company

c) Voting through Electronic means/ Postal Ballot

The number of Members being 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 under:-

Shri Indranil Mittra:

Shri Indranil Mittra is a Chartered Accountant and a CMA with PG Diploma from S P Jain Institute of Management & Research, Mumbai. He is an astute finance professional with rich and varied experience spanning around 32 years in the oil industry in diverse areas of Finance such as Corporate Finance, Indirect Tax, Business Finance, including exposure in upstream, etc. Besides, he has garnered rich experience in handling Commercial and ERP (Enterprise Resource Planning) roles. Mr. Mittra started his professional journey in Price Waterhouse, where he spent a little more than a year before joining Bharat Petroleum Corporation Limited (BPCL) Corporate Finance in December 1989. Thereafter, he has been associated with BPCL and its subsidiaries and has held various key positions. Prior to joining as Director (Finance), NRL w.e.f. 12.10.2018, he was working as CGM(Finance) in NRL on deputation from BPCL.

Shri Indranil Mittra 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.

Shri Rajendra Kumar Kureel:

Shri Rajendra Kumar Kureel, Director (Exploration –II), MOP & NG, Govt. of India is a senior Government Official belongs to the Central Secretariat Service (CSS) cadre and joined the Government of India in 1987. Shri Kureel is a Graduate in Science. During his tenure, he served in various responsible positions under the Government. Prior to joining the Ministry of Petroleum & Natural Gas as Director, he was Deputy Secretary, Department of Expenditure under Ministry of Finance looking after staffing studies, Public Accounts Committee matters, RTI as Nodal Officer etc.

Shri Kureel who had joined the Board of NRL as Additional Director w.e.f. 26th March, 2019 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.

Shri Gagann Jain:

Shri Gagann Jain, Non-official Director, Oil India Limited was appointed by the Board as an Additional Director (designated as Independent Director) w.e.f. 28th July, 2021 in terms of his nomination by the Govt. of India for the period from 28th July, 2021 till 11th July, 2022 (on co-terminus with his tenure as NoD on the Board of OIL) or until further orders, whichever is earlier.

Shri Gagann Jain is a Chartered Accountant and BSc. Degree holder from North Eastern Hill University. He joined General Electric (GE) in India and was earmarked for an Action Leadership Program which transferred him to GE Appliances in Louisville, Kentucky USA and to GE Capital in Stamford, Connecticut USA. Shri Gagann Jain is an expert in Six Sigma methodology and has won several accolades for his work in GE in the realm Financial Planning and Analysis. Shri Jain has also worked briefly with Ocwen Financial Solutions in Florida, USA.

On his return from USA, Shri Jain has been working actively towards the welfare of the youth of his home State Meghalaya and became the Founder Director of Shillong Centre of Sikkim Manipal University and continuing to work for the upliftment of Rural School for Tribal Children.

Being an Additional Director, Shri Jain will hold office upto the date of the ensuing Annual General Meeting. The Company has received a Notice under Section 160 of the Companies Act, 2013 from a Member proposing his name as 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 was no instances of non-compliance of any provisions of Law, guidelines issued by any regulatory authorities as well as no penalties was imposed on the Company during the last three years.
- c. An expenditure amounting to ₹53.00 crore was spent on CSR & Sustainability activities during the year (includes an amount of ₹25 crore contributed to PM CARES Fund to fight COVID 19 pandemic incurred during 2019-20 which was set off in the year 2020-21).
- d. During the year, no expenses was 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 was 7.19% 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. Regulations, Procedure and Disclosures for prevention of Insider Trading and Code of Corporate Disclosure Practice

NRL, being a non-listed company, regulations, procedure and disclosures for prevention of Insider Trading and the Code of Corporate Disclosure Practice are not applicable. However, the company, being a subsidiary of a listed company, complies with all such regulations, procedures and disclosures, to the extent applicable.

11. Code of Business Conduct and Ethics

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, 2021.

12. 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.

13. Management Discussion & Analysis:

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

14. General information to shareholders:

a.

Number of AGM	28 th Annual General Meeting
Date and Time	18 th September, 2021 at 3:00 PM
Venue	Via Video Conference or OAVM facility
Dividend payment	The Company has paid Interim Dividend of 375% (₹37.50 per fully paid equity share of ₹10.00 each) during the year which has absorbed a sum of ₹2758.62 crore out of the Company's PAT. Total pay-out of dividend for the year was 90.96% of Profits and 49.30% of the Closing Net Worth. Hence, 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 Agent:

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: dsrcomd@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 31-03-2021.

Sl. No.	Name of share holder	Capital contribution (In ₹)	Nos. of shares held	Percentage of holding (%)
1.	Oil India Limited	589,70,11,250/-	589701125	80.16
2.	Governor of Assam	113,78,34,490/-	113783449	15.47
3.	Engineers India Limited	32,14,69,570/-	32146957	4.37
5.	Nominees of Promoters i.e. OIL & Govt. of Assam	130/-	13	--
	Total	735,63,15,440/-	735631544	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

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

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

We have examined the compliance of conditions of Corporate Governance by **Numaligarh Refinery Limited** (a Non-Listed PSU) for the year ended **31st March, 2021** as stipulated in the Guidelines on Corporate Governance for Central Public Sector Enterprises issued by Department of Public Enterprises (DPE), 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 a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and explanations given to us, we certify that the Company has complied with the requirements of Corporate Governance as stipulated in the Guidelines as applicable.

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 **Biman Debnath & Associates**
Company Secretaries

Sd/-

CS Biman Debnath
Proprietor

C.P. No.5857/ FCS No. 6717

Place: Guwahati
Date: 13/07/2021
UDIN: F006717C000625051

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2021

*[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,
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 **NUMALIGARH REFINERY LIMITED** (hereinafter called “**the Company**”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the Corporate Conducts and Statutory Compliances and expressing our opinion thereon.

Based on our verification of 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 and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2021** 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 the Company for the financial year ended on **31st March, 2021** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Memorandum and Articles of Association of the Company etc.

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India.

We further report that, having regard to the compliance system prevailing in the Company and on the examination of the relevant documents and records in pursuance thereof on test-check basis, the Company has complied with the following laws applicable specifically to the Company:

- a. The Petroleum Act, 1934 and Petroleum Rules, 2002;
- b. Factories Acts and Rules;
- c. The Oil Industry (Development) Act, 1974;
- d. The Energy Conservation Act, 2001;
- e. The Petroleum & Natural Gas Rules;
- f. Gas Cylinder Rules;
- g. Indian Boiler Regulations;
- h. The Manufacture, Storage and Import of Hazardous Chemicals Rules, 1989;
- i. The Environment (Protection) Act, 1986;
- j. Explosives Acts, 1884;

- k. Air (Prevention and Control of Pollution) Act, 1981;
- l. The Electricity Act, 2003; etc.

The Acts which are not applicable to the Company though forming part of the prescribed Secretarial Audit Report have not been considered while preparing this Secretarial Audit Report.

Further, we have also examined compliance with the applicable clauses of the following:

- (i) Guidelines from the Ministry of Petroleum & Natural Gas;
- (ii) Order, Instructions, Guidelines of the Department of Public Enterprises, Government of India and other concerned Ministry including Government of Assam;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. except the following:-

1. *The Company has not properly complied with the provisions of Section 149 of the Companies Act, 2013 read with Rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014 regarding the appointment of Woman Director. During the financial year under review there was no Woman Director on the Board of the Company w.e.f 08.09.2020.*

As informed and apprised by the Management of the Company, NRL being a Central Public Sector Enterprises, Functional Directors and Independent Directors are appointed by the Government of India and the Government has not yet appointed or nominated any Woman Director on the Board of the Company after end of tenure of last Independent (Woman) Director viz. Smt. Sneha Lata Kumar.

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 was given to all the directors to schedule the Board Meetings, agenda and detailed notes on agenda 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.

All the decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the Meetings of the Board of Directors and the Committee of the Board, as the case may be.

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.

For **Biman Debnath & Associates**
Company Secretaries

Sd/-

CS Biman Debnath
Proprietor

C.P. No.5857/ FCS No. 6717

Place: Guwahati
Date: 13/07/2021
UDIN: F006717C000625093

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 for the FY 2020-21.

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) up to 26 th March 2021	Sale of product	Ongoing transaction	Sale of products by NRL to BPCL at Refinery Transfer price – ₹15,694.27 Crore for the period 01 st April 2020 to 25 th March 2021	Not applicable	Nil
BHARAT PETROLEUM CORPORATION LIMITED (Holding Company) up to 26 th March 2021	Purchase of product	Ongoing transaction	Purchase of HSD by NRL from BPCL at Refinery Transfer price – ₹ 0.05 Crore for the period 01 st April 2020 to 25 th March 2021	Not applicable	Nil
OIL INDIA LIMITED (Holding Company) W.e.f. 26 th March 2021	Crude purchase & transportation charges	Ongoing transaction	Purchase of crude by NRL from OIL at market price – ₹ 4,580.49 Crore during the year	Not applicable	Nil
OIL INDIA LIMITED (Holding Company) W.e.f. 26 th March 2021	Natural Gas Purchase	Ongoing transaction	Purchase of natural gas by NRL from OIL at market price – ₹198.77 Crore during the year	Not applicable	Nil
OIL INDIA LIMITED (Holding Company) W.e.f. 26 th March 2021	Pipe Line Freight for transport of products	Ongoing transaction	Pipeline Transportation charges paid by NRL to OIL for finished goods transportation – ₹ 177.06 Crore during the year	Not applicable	Nil
BHARAT OMAN REFINERIES LIMITED (Joint Venture of Holding Company, BPCL) up to 25 th March 2021	Purchase of Reformate	Ongoing transaction	Purchase of Reformate by NRL from BORL at market price – ₹40.90 Crore for the period 01 st April 2020 to 25 th March 2021	Not applicable	Nil
BHARAT OMAN REFINERIES LIMITED (Joint Venture of Holding Company BPCL) up to 25 th March 2021	Purchase HSD	Ongoing transaction	Purchase of HSD by NRL from BORL at market price – ₹ 54.89 Crore for the period from 01 st April 2020 to 25 th March 2021	Not applicable	Nil
DNP Limited (Joint Venture Company)	Natural Gas Transportation	Ongoing transaction	Pipeline Transportation charges paid by NRL to DNP Limited for natural gas transportation – ₹102.94 Crore 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 - ₹305.92 Crore 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) upto 25 th March 2021	Availing of services	Ongoing transaction	Charges for various services provided by BPCL to NRL - ₹1.02 Crore for the period from 01 st April 2020 to 25 th March 2021	Not applicable	Nil
BHARAT PETROLEUM CORPORATION LIMITED (Holding Company) upto 25 th March 2021	Purchase of Crude Oil	Ongoing transaction	Purchase of crude oil by NRL from BPCL at Market Price - ₹192.95 Crore for the period from 01 st April 2020 to 25 th March 2021	Not applicable	Nil
BHARAT PETROLEUM CORPORATION LIMITED (Holding Company) upto 25 th March 2021	Rendering of Services	Ongoing transaction	Charges for various services rendered by NRL to BPCL - ₹0.17 Crore for the period from 01 st April 2020 to 25 th March 2021	Not applicable	Nil
BHARAT PETROLEUM CORPORATION LIMITED (Holding Company) upto 25 th March 2021	Availing of Services	Ongoing transaction	Salary and Allowances of employees on deputation - ₹0.24 Crore for the period from 01 st April 2020 to 25 th March 2021	Not applicable	Nil
BHARAT PETROLEUM CORPORATION LIMITED (Holding Company) upto 25 th March 2021	Lube Oil Purchase	Ongoing transaction	Purchase of Lube oil by NRL from BPCL at market rate - ₹1.64 Crore for the period from 01 st April 2020 to 25 th March 2021	Not applicable	Nil
OIL INDIA LIMITED (Holding Company) W.e.f. 26 th March 2021	Charges for Facilities availed by OIL at NRL	Ongoing transaction	Charges received by NRL from OIL for various facilities provided by NRL to OIL - Rs 15.21 Crore during the year	Not applicable	Nil
OIL INDIA LIMITED (Holding Company) W.e.f. 26 th March 2021	Charges Facilities availed by NRL in connection with upstream activities from OIL	Ongoing transaction	Services received by NRL from OIL in connection with upstream activities - Rs 4.57 Crore during the year	Not applicable	Nil
Assam Bio Refinery (P) Limited (Joint Venture Company)	Sale of material	Ongoing transaction	Sale of spare by NRL to ABRPL at market price - ₹ 0.06 Crore during the year	Not applicable	Nil
Assam Bio Refinery (P) Limited (Joint Venture Company)	Rendering of Services	Ongoing transaction	Charges for various services rendered by NRL to ABRPL including rental for lease of land - ₹ 4.57 Crore during the year	Not applicable	Nil
Assam Bio Refinery (P) Limited (Joint Venture Company)	Rendering of Services	Ongoing transaction	Salary and Allowances of employees on deputation - ₹5.04 Crore during the year	Not applicable	Nil
Indradhanush Gas Grid Limited (Joint Venture Company)	Rendering of Services	Ongoing transaction	Salary and Allowances of employees on deputation - ₹2.99 Crore 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 31.03.2021

Group/Class	Permanent/ Temporary	Total No. of employees	Scheduled Castes	% of total employees	Scheduled Tribes	% of total employees	Remarks
Group – A Other than lowest rung of Group - A	Permanent	502	64	12.74	33	6.57	-
Lowest rung of Group-A (02)	Permanent	18	0	0	2	11.11	-
Total		520	64	12.31	35	6.73	-
Group – B	Permanent	-	-	-	-	-	-
Group – C	Permanent	454	39	8.59	64	14.10	-
Group – D (Excluding Sweepers)	Permanent	-	-	-	-	-	-
Group - D (Sweepers)	Nil	-	-	-	-	-	-
Total		974	103	10.57	99	10.16	

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

(a) Position as on 31.3.2021

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	490	0	0	0	0
II	₹ 9700-16800	C		2	0	2	0
III	₹ 10350-31200	C		8	4	0	4
IV	₹ 10900-31500	C		8	6	0	2
V	₹ 11400-32500	C		38	35	0	3
VI	₹ 12200-33500	C		73	63	6	4
VII	₹ 1 2450-35500	C		67	34	11	12
VIII	₹ 13150-45000	C		38	32	1	5
IX	₹ 20000-48000	C		220	167	19	34
	SUPERVISORY EMPLOYEES						
02	₹ 50000 - 160000	A	407	18	16	0	2
A	₹ 60000 - 180000	A		119	99	15	5
B	₹ 70000 - 200000	A		44	33	7	4
C	₹ 80000 - 220000	A		112	99	8	5
D	₹ 90000 - 240000	A	94	82	49	22	11
E	₹ 100000 - 260000	A	89	73	61	7	5
F	₹ 120000 - 280000	A	45	47	45	2	0
G	₹ 120000 - 280000	A	15	16	12	2	2
H	₹ 120000 - 280000	A	9	9	8	0	1

Statement showing the Number of Reserved vacancies filled by Members of Scheduled Castes & Scheduled Tribes during the year 2020-21:

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	5	5	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	
Other than lowest rung of Group-A	3	3	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	
Lowest rung of Group-A	2	2	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	6	6	1	1	1	NIL	NIL	NIL	NIL	NIL	NIL	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.

FORM AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 of 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 2021.

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 (P) Ltd.	Indradhanush Gas Grid Ltd.
1. Latest audited Balance Sheet Date	31 st March 2020	31 st March 2020	31 st March 2020	31 st March 2020
2. Shares of Associate/Joint Ventures held by the company on the year end				
• No. of Equity Shares	43490000	141767000	123924405	61000000
• Amount of Investment in Associates/Joint Venture	₹43.49 crore	₹141.77 crore	₹123.92 crore	₹61.00 crore
• Extend of Holding %	26	10	50	20
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	₹69.79 crore	₹207.31 crore	₹66.77 crore	₹8.51 crore
6. Profit/Loss for the year				
i. Considered in Consolidation	₹10.54 crore	₹74.37 crore	₹(1.42) crore	₹0.56 crore
ii. Not Considered in Consolidation	₹30.01 crore	₹669.30 crore	₹(1.42) crore	₹2.26 crore

1. Names of associates or joint ventures which are yet to commence operations – Nil

2. 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: 21064393AAAAEB4914
Place: Kolkata
Date : 07th May 2021

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 : 07th May 2021

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

Annual Report on Corporate Social Responsibility (CSR) & Sustainability activities of NRL for the Financial Year 2020-21

[Pursuant to Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended]

1. Brief outline on CSR policy of the company:

Over the years, we at NRL have been focussing on sustainable business practices, encompassing economic, environmental and social imperatives that covers not only the business we are engaged in, but also the communities around us. NRL is continuously working for upliftment of the communities through its community development schemes and focussing on improving quality of lives of the under privileged in and around the local areas and beyond.

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

A brief outline of the CSR Policy of the company is as under:

- NRL formulated a 'CSR and Sustainability Policy' conforming to stipulations under Section 135 of the Companies Act 2013, the CSR Rules issued by the Ministry of Corporate Affairs.
- 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.
- Numaligarh and Siliguri are the two locations declared as local area in the CSR policy.
- As per CSR policy, CSR and Sustainability initiatives are administered through a two tier structure comprising of:
 - i. CSR and Sustainability Committee of the Board at Apex Level
 - ii. CSR and Sustainability Steering Committee

The Steering committee selects the CSR projects to be undertaken and the Apex level committee reviews the projects on half yearly basis. Apart from this, monthly MIS is generated and quarterly progress is uploaded in the NRL website.

2. Composition of CSR committee:

The CSR Committee of the Board is responsible for overseeing the execution of the Company's CSR Policy. The Committee comprises of an Independent Director as Chairman and the two whole-time Directors as the other members.

Sl No	Name of Director	Designation/Nature of Directorship	Number of CSR committee meetings held during the year	Number of CSR committee meetings attended during the year
1	Dr. Sylvanus Lamare	Independent	4 Nos.	4 Nos.
2	Shri Bhaskar Jyoti Phukan	Director (Technical), NRL	4 Nos.	4 Nos.
3	Shri Indranil Mittra	Director (Finance), NRL	4 Nos.	4 Nos.

3. Provide the web link where composition of CSR committee, CSR policy and CSR projects approved by the Board are disclosed on the website of the company:

- The composition of the CSR Committee is available on our website at <http://www.nrl.co.in> the heading CSR.
- The CSR Policy of the Company is available on our website, at <http://www.nrl.co.in/1Csr-policy1>
- The Board, based on the recommendation of the CSR committee, at its meeting held on 30th June, 2021, has approved the annual action plan / projects for fiscal 2021-22, the details of which are available on our website, at <http://www.nrl.co.in> under the heading CSR.

4. Provide the details of impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the companies (Corporate Social Responsibility Policy) Rules 2014, if applicable (attach report).

The Company has been voluntarily conducting impact assessment to evaluate its CSR Programme. While taking cognizance of the requirement of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Amendment Rules 2021. There were no projects undertaken or completed after the effective date of the aforementioned Rules for the financial year 2021.

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the companies (Corporate Social Responsibility Policy) Rules 2014 and amount required for set off for the financial year if any:

Sl No.	Financial Year	Amount available for set off form preceding financial years (₹/cr.)	Amount required to be set off for the financial year, if any (₹/cr.)
1.	2019-20	25.36	25.00
2.	2018-19	0.49	NIL
3.	2017-18	0.29	NIL

6. Average net profit of the company as per section 135 (5) ₹2,640.17 Crore.

7. a) Two percent of average net profit of the company as per section 135 (5) ₹52.80 Crore.

b) Surplus arising out of the CSR projects or programmes or activities of the

Previous financial years Nil

c) Amount required to be set off for the financial year, if any ₹25.00 Crore.

d) Total CSR obligation for the financial year (7a+7b-7c) ₹27.80 Crore.

8. a) CSR amount spent/unspent for the financial year

Total amount spent for the financial year	Amount Unspent			
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)	
	Amount	Date of Transfer	Amount	Date of Transfer
₹28.00 Crore	Not Applicable		Not Applicable	

b) Details of CSR amount spent against ongoing projects for the financial year

(Amount in crore)

(1)	(2)	(3)	(4)	(5)	(6)		(7)	(8)	(9)	(10)	(11)	(12)	(13)
S/N	CSR Project/ Activity identified	Activity Head Under schedule VII of Companies Act 2013	Local Area (Yes/No)	Location of the Project		Project Duration	Amount allocated for the project	Amount spent in the current financial year	Amount transferred to Unspent CSR Account for the Project as per Section 135 (6)	Mode of implementation – Direct (Yes / No)	Mode of implementing agency through implementing agency	CSR Registration Number	
				State	District				Name				
1	Financial Assistance for prevention of COVID-19	Health Care	Yes	Assam	Golaghat	Within FY 20-21	0.56	0.43	-	Yes	-	-	
			No		Kamrup (Metro)	0.03	0.03						
			-		Within Assam	0.22	0.06						
2	Distribution of uniform/winter clothes, Play equipment, Kitchen Utensils, Health & Hygiene products etc. among children, poor & needy people from underprivileged background	Health Care	Yes	Assam	Golaghat	Within FY 20-21	0.01	0.01	-	Yes	-	-	
			No		Kamrup (Metro)	0.05	0.05						
			Yes	West Bengal	Darjeeling	0.003	0.003						
			No	Assam	Darrang	0.03	0.003						
3	Improvement of infrastructure facilities at public premises for the benefit of general public.	Rural Development	Yes	Assam	Golaghat	Within FY 20-21	0.01	0.01	-	Yes	-	-	
4	Infrastructure development of Public Health centre, Hospitals, Medical College including supply of furniture, Medical equipment to provide better services to the patients.	Health Care	Yes	Assam	Golaghat	Within FY 20-21	0.07	0.004	-	Yes	-	-	

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
S/N	CSR Project/ Activity identified	Activity Head Under schedule VII of Companies Act 2013	Local Area (Yes/No)	Location of the Project			Project Duration	Amount allocated for the project	Amount spent in the current financial year	Amount transferred to Unspent CSR Account for the Project as per Section 135(6) Name CSR Regn.No.	Mode of implementation - Direct (Yes / No)	Mode of implementation - through implementing agency	
				State	District							Name	CSR Registration Number
5	Introducing digital education in schools	Education	Yes	Assam	Karbi Anglong		Within FY 20-21	0.17	0.12	-	Yes	-	-
6	Project for Arsenic removal from drinking water at nearby villages	Drinking Water Supply	Yes	Assam	Golaghat		Within FY 20-21	0.20	0.13	-	Yes	-	-
7	Providing financial assistance to promote awareness on various aspects like voter education, social issues	Education	Yes	Assam	Golaghat		Within FY 20-21	0.03	0.03	-	Yes	-	-
8	Providing search & rescue and evacuation equipment to District Disaster Management Authority for use during emergency services.	Health Care	Yes	Assam	Golaghat		Within FY 20-21	0.17	0.14	-	No	State Govt	-
9	Providing various supports to Forest Department for conducting awareness program, tree plantation towards protection of environment, Also providing animal rescue vans for carrying out veterinary healthcare	Environmental sustainability	Yes	Assam	Golaghat		Within FY 20-21	0.02	0.01	-	No	State Govt	-
10	Relief & Rehabilitation of flood affected people	Health Care	Yes	Assam	Golaghat		Within FY 20-21	0.01	0.01	-	Yes	-	-

(1) S/N	(2) CSR Project/ Activity identified	(3) Activity Head Under schedule VII of Companies Act 2013	(4) Local Area (Yes/No)	(5) Location of the Project		(7) Project Duration	(8) Amount allocated for the project	(9) Amount spent in the current financial year	(10) Amount transferred to Unspent CSR Account for the Project as per Section 135(6) Name CSR Regn.No.	(11) Mode of implementation - Direct (Yes / No)	(12) Mode of implementation - through implementing agency		(13) CSR Registration Number
				State	District						Name		
11	Construction of a charitable dispensary cum diagnostic centre at Ramakrishna Mission Ashrama, Guwahati	Health Care	No	Assam	Kamrup (Metro)	Within FY 20-21	1.96	0.40	-	Yes	-	-	-
12	Construction of Tongi Ghar (Watch tower) in different villages adjacent to Refinery for protection of crops from wild elephant	Environmental sustainability	Yes	Assam	Golaghat	Within FY 20-21	0.87	0.28	-	Yes			
13	Construction/ Renovation of Anganbari Kendra for maintaining clean and hygienic environment for children	Health Care	No	Assam	Darrang	Extended from FY 19-20	1.98	0.79	-	No	State Govt		
			Yes		Golaghat		0.27	0.05	-	Yes			
14	Contribution towards Physical & Mental development of children/youth/ Senior citizen etc. and greening initiative in public places	Health Care	Yes	Assam	Golaghat	Within FY 20-21	0.34	0.24	-	Yes			
			Yes			Extended from FY 19-20	0.15	0.08	-	No	State Govt		
15	Development of Infrastructure facility at various historical places and world heritage sites under Swachh Bharat Mission.	Protection of national heritage, Art and culture	Yes	Assam	Golaghat	Extended from FY 19-20	0.24	0.01	-	Yes			

(1) S/N	(2) CSR Project/ Activity identified	(3) Activity Head Under schedule VII of Companies Act 2013	(4) Local Area (Yes/No)	(5) Location of the Project		(7) Project Duration	(8) Amount allocated for the project	(9) Amount spent in the current financial year	(10) Amount transferred to Unspent CSR Account for the Project as per Section 135(6) Name CSR Regn.No.	(11) Mode of implementation - Direct (Yes / No)	(12) Mode of implementation - through implementing agency		(13)
				State	District						Name	CSR Registration Number	
16	Development of infrastructure facility of Skill training institute including supply of equipment, Tools, furniture to provide better environment.	Skill Development	No	Assam	Majuli	Within FY 20-21	0.27	0.12	-	No	State Govt		
17	Educate and train boys and girls of low income household as Geriatric Caregivers.	Education	Yes	Assam	Golaghat	Within FY 20-21	0.53	0.31	-	Yes			
18	Infrastructure development of Public Health centre, Hospitals, Medical College including supply of furniture, Medical equipment to provide better services to the patients.	Health Care	No	Assam	Dima Hasao	Within FY 20-21	0.16	0.09	-	Yes			
19	Offering paediatric therapy for children with delayed development milestones and disability in Golaghat District	Health Care	Yes	Assam	Golaghat	Within FY 20-21	0.23	0.12	-	Yes			
20	Organizing training program through ARDSI, Guwahati Chapter for care of persons suffering from Alzheimer's Disorder	Health Care	No	Assam	Kamrup (Metro)	Extended from FY 19-20	0.24	0.06	-	Yes			

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
S/N	CSR Project/ Activity identified	Activity Head Under schedule VII of Companies Act 2013	Local Area (Yes/No)	Location of the Project		District	Project Duration	Amount allocated for the project	Amount spent in the current financial year	Amount transferred to Unspent CSR Account for the Project as per Section 135(6) Name CSR Regn.No.	Mode of implementation - Direct (Yes / No)	Mode of implementation - through implementing agency Name	Mode of implementation - CSR Registration Number
21	Plantation of Fruit bearing trees through DBT mode and develop pisciculture in nearby villages to generate livelihood of the villagers	Livelihood enhancement	Yes	Assam	Golaghat		Within FY 20-21	0.49	0.12	-	Yes	-	-
22	Providing financial assistance to promote awareness on various aspects like voter education, social issues	Education	-	Assam	Golaghat & Jorhat		Extended from FY 19-20	0.03	0.01	-	Yes	-	-
23	Providing Solar Home lighting system in un-electrified villages in and around Golaghat & Karbi Along district.	Rural Development	Yes	Assam	Golaghat		Extended from FY 19-20	0.01	0.01	-	Yes	-	-
24	Revival and strengthening of existing defunct piped water supply scheme in nearby rural areas to address water crisis in the villages.	Drinking Water Supply	Yes	Assam	Golaghat		Within FY 20-21	1.30	0.40	-	No	State Govt	-
25	Setting up a Paediatric Oncology Ward at Dr. B. Borooah Cancer Institute, Guwahati for treatment of children suffering from Cancer.	Health Care	No	Assam	Kamrup (Metro)		Extended from FY 19-20	2.00	1.00	-	No	State Govt	-

(1)	(2)	(3)	(4)	(5)		(7)	(8)	(9)	(10)	(11)	(12)	(13)
S/N	CSR Project/ Activity identified	Activity Head Under schedule VII of Companies Act 2013	Local Area (Yes/No)	Location of the Project		Project Duration	Amount allocated for the project	Amount spent in the current financial year	Amount transferred to Unspent CSR Account for the Project as per Section 135(6) Name	Mode of implementation - Direct (Yes / No)	Mode of implementation - through implementing agency	
				State	District						Name	CSR Registration Number
26	Setting up old age homes, day care centres, community hall for elderly people	Promoting Gender equality, Empowering women	No	Assam	Dibrugarh	Extended from FY 19-20	0.14	0.01	-	Yes	-	-
27	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	Yes	Assam	Golaghat	Within FY 20-21	0.36	0.08	-	Yes	-	-
	Total:							5.22				

c) Details of CSR amount spent against other than ongoing projects for the financial year

(Amount in crore)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
S/N	CSR Project/ Activity identified	Activity Head Under schedule VII of Companies Act 2013	Local Area (Yes/No)	Location of the Project		Amount spent for the project	Mode of implementation - Direct (Yes / No)	Mode of implementation - through implementing agency	
				State	District			Name	CSR Regn. No.
1	Adoption of ITI Golaghat by NRL as ITI Golaghat- NRL Centre of Excellence under Project 'Uttoron'	Skill Development	Yes	Assam	Golaghat	0.54	Yes	-	-
2	Assistance for conduct Eye Screening cum Cataract detection & operation camp, Health camp among under privilege section of society, School Students, elderly people.	Health Care	No	Assam	Darrang	0.02	Yes	-	-
			Yes	West Bengal	Darjeeling	0.08			
			Yes			0.001			

(1)	(2)	(3)	(4)	(5)	(6)	(Amount in Crore)	(8)	(9)	(10)
S/N	CSR Project/ Activity identified	Activity Head Under schedule VII of Companies Act 2013	Local Area (Yes/No)	Location of the Project		Amount spent for the project	Mode of implementation – Direct (Yes / No	Mode of implementation - through implementing agency	
				State	District			Name	CSR Regn. No.
3	Assistance for conduct vocational training on various trades among youth/women/ students/reversed migrant and also establishment of skill development centre, agricultural/livestock production unit	Skill Development	Yes	Assam	Golaghat	0.06	Yes	-	-
						0.15	No	State Govt.	-
					Karbi Anglong	0.01	Yes	-	-
4	Providing one time financial assistance to the families of deceased contract workers	Health Care	Yes	Assam	Golaghat	0.02	Yes	-	-
5	Conducting Remedial & Mentoring coaching program, Career Development Programme, Coaching classes for the students of nearby School & Colleges	Education	Yes	Assam	Golaghat	0.38	Yes	-	-
6	Construction and renovation of School Building, Class Room, Laboratory, boundary wall, auditorium, playground, information centre etc. and providing various amenities for better educational environment.	Education	No	Assam	Darrang	0.56	No	State Govt	-
			Yes		Dibrugarh	0.02	Yes	-	-
			No		Golaghat	1.88			
					Jorhat	0.56			
			Yes		Kamrup (Metro)	0.06			
			No		Karbi Anglong	0.08			
					Lakhimpur	0.23			
					Nagaon	0.01			
					Sivsagar	0.10			
7	Construction and renovation of Toilets facility in public places for maintaining clean and hygienic environment	Sanitation	Yes	West Bengal	Darjeeling	0.10	Yes	-	-
			No	Assam	Biswanath Chariali	0.11	Yes	-	-
			Yes		Darrang	0.11			
					Golaghat	0.56			
			No		Jorhat	0.02	No	State Govt	-
					Nagaon	0.05	Yes	-	-
					Sivsagar	0.11			
						0.02			

(1) S/N	(2) CSR Project/ Activity identified	(3) Activity Head Under schedule VII of Companies Act 2013	(4) Local Area (Yes/No)	(5) Location of the Project		(6) District		(7) Amount spent for the project	(8) Mode of implementation - Direct (Yes / No)	(9) Mode of implementation - through implementing agency		(10) CSR Regn. No.
				State						Name		
8	Construction/ Development of village road, culvert, road side drain system, retaining wall, waiting shed, cremation ground, installation of street light etc. for ensuring Swachhta in Rural Areas.	Rural Development	Yes	Assam		Golaghat		1.06	Yes	-		-
			No	Meghalaya		East Khasi Hills		0.03	Yes	-		-
9	Developing nearby villages as Model Village giving emphasis on development of road infrastructure, sanitation, water supply, electrification, health & hygiene	Rural Development	Yes	Assam		Golaghat		0.11	Yes	-		-
10	Development of Badminton coaching centres at Golaghat under project "Khel Prashikshan"	Sports	Yes	Assam		Golaghat		0.04	Yes	-		-
11	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.	Livelihood enhancement	Yes	Assam		Golaghat		0.27	Yes	-		-
12	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	No	Assam		Darrang		0.10	No	VK Rock Memorial & VK		-
			Yes			Golaghat		0.20				-
						Karbi Anglong		0.01				
13	Niramoy - a Project to conduct routine free mobile medical camps in nearby villages of Refinery / Slum areas, Conduct health camp for elderly people.	Health Care	Yes	Assam		Golaghat		1.42	No	VK NRL Hospital		-
14	Nirmal Chahar - Provide waste handling equipment to various Municipalities/ Town Committees/ Market committees, development of waste treatment plant / dumping wards to promote Swacch Bharat Mission.	Environmental sustainability	Yes	Assam		Golaghat		0.13	No	State Govt		-
						Within Assam		0.002	Yes	-		-

(1) S/N	(2) CSR Project/ Activity identified	(3) Activity Head Under schedule VII of Companies Act 2013	(4) Local Area (Yes/No)	(5) Location of the Project		(6) District	(7) Amount spent for the project	(8) Mode of implementation - Direct (Yes / No)	(9) Mode of implementation - through implementing agency		(10) CSR Regn. No.
				State					Name		
15	NRL Helping Hand- a scheme that supports differently abled people by way of providing aids and appliances; assistance for rehabilitation, to provide food support, Community based rehabilitation program etc.	Supporting Differently abled & their livelihood	Yes	Assam		Golaghat	0.01	Yes	-		-
			No			Kamrup (Metro)	0.07				
16	Operation & Maintenance of VK NRL School of Nursing at Numaligarh	Education	Yes	Assam		Golaghat	1.37	No	VKNRLSON Trust		-
17	Operation and maintenance of NRL Football Academy and its feeder centre under project "Khel Prashikhan"	Sports	Yes	Assam		Golaghat	0.77	Yes	-		-
18	Operation of Digital Literacy centre to promote computer education among school children.	Education	Yes	Assam		Golaghat	0.04	Yes	-		-
19	Organize various activities to promote Swachh Bharat Mission.	Sanitation	Yes	Assam		Golaghat	0.11	Yes	-		-
						Within Assam	0.07	Yes	-		-
20	Parichannata - a scheme to provide Low Cost Sanitary toilet to BPL household through DBT mode to ensure better health and Hygiene including elimination of open defecation.	Sanitation	Yes	Assam		Golaghat	0.48	Yes	-		-
21	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 neighbourhood of Refinery	Protection of national heritage, Art and culture	No	Assam		Dibrugarh	0.06	Yes	-		-
			Yes			Golaghat	0.42				
			No			Jorhat	0.002				
						Kamrup (Metro)	0.03				

(1) S/N	(2) CSR Project/ Activity identified	(3) Activity Head Under schedule VII of Companies Act 2013	(4) Local Area (Yes/No)	(5) Location of the Project		(6) District		(7) Amount spent for the project	(8) Mode of implementation - Direct (Yes / No	(9) Mode of implementation - through implementing agency		(10) CSR Regn. No.
				State						Name		
22	Project "Swa Nirbhar" Promoting local entrepreneur, SHG & JLG for setting up various livelihood projects	Livelihood enhancement	No Yes	Assam		Darrang Golaghat Karbi Anglong		0.16 0.21 0.06	Yes	-		-
23	Project -Uttoron: Providing external skill upgradation Training on various trades i.e. Hospitality, Tourism etc.	Skill Development	Yes	Assam		Golaghat		0.11	Yes	-		-
24	Promotion of Education by providing Scholarship under various schemes to meritorious students to pursue higher education in various educational institute including Sainik School and DPS Numaligarh.	Education	Yes -	Assam		Golaghat Within Assam		1.05 0.15	Yes	-		-
25	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	No Yes No	Assam		Dibrugarh Golaghat Kamrup (Metro)		0.03 0.37 0.02	Yes	-		-
26	Protection of Environment by tree plantation at various location	Environmental sustainability	Yes No	Assam		Golaghat Jorhat Kamrup (Metro)		0.01 0.06 0.08	Yes	-		-
27	Providing assistance to various Women entrepreneur, SHG, weaving units towards empowerment of women.	Promoting Gender equality, Empowering women	Yes No	Assam		Nagaon Golaghat Lakhimpur Sonitpur		0.20 0.01 0.02 0.09	No Yes Yes	State Govt -		-
28	Providing Ambulance to cater the medical emergency of nearby villagers	Health Care	Yes	Assam		Golaghat		0.59	Yes	-		-

(1) S/N	(2) CSR Project/ Activity identified	(3) Activity Head Under schedule VII of Companies Act 2013	(4) Local Area (Yes/No)	(5) Location of the Project	(6) District	(7) Amount spent for the project	(8) Mode of implementation - Direct (Yes / No)	(9) Name	(10) Mode of implementation - through implementing agency CSR Regn. No.
29	Providing assistance to the patients for treatment of critical health and life threatening ailments	Health Care	Yes No	Assam Tamil Nadu	Golaghat Kamrup (Metro)	0.38 0.02 0.01	Yes	-	-
30	Providing clean and safe drinking water facilities by installation of water plant/ATM, ring well, hand pumps in educational institutes, Public places, nearby rural areas	Drinking Water Supply	Yes No	Assam	Golaghat Karbi Anglong Majuli	1.10 0.01 0.06 0.10	Yes	-	-
31	Setting up Libraries, providing Books & other furniture for promoting education	Protection of national heritage, Art and culture	Yes	Assam	Golaghat	0.03	Yes	-	-
32	Subsidized treatment to the needy patients of neighbouring areas for treatment through VKNRL Hospital	Health Care	Yes	Assam	Golaghat	1.96	No	VK NRL Hospital	-
33	Swacchh Vidyalaya Abhiyan - A project to construct School toilet with water supply facility including maintenance within Assam.	Sanitation	No Yes No	Assam	Darrang Golaghat Nalbari	0.64 0.61 0.001	No Yes	State Govt	-
	Total:					20.82			

d) Amount spent on administrative overhead:

₹ 1.96 Crore

e) Amount spent on impact assessment, if applicable

NA

f) Total amount spent for the financial year (8b+8c+8d+8e)

₹ 28.00 Crore

g) Excess amount for set off, if any

Sl No	Particulars	Amount (₹ in crs)
1	Two percent of average net profit of the company as per section 135 (5)	52.80
2	Total amount spent for the financial year	53.00
3	Excess amount spent for the financial year (2-1)	0.20
4	Surplus arising out of CSR projects or programs or activities of the previous financial year, if any	-
5	Amount available for set off in succeeding financial year (3-4)	0.20

9. a) Details of unspent CSR amount for the preceding three financial years:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S/N	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135 (6)	Amount spent in the reporting financial year	Amount transferred to any fund specified under Schedule VII as per Section 135 (6), if any			Amount remaining to be spent in succeeding financial years
				Amount spent for the project			
				Name of the fund	Amount	Date of Transfer	
1	2019-20	Nil	Nil	NA	NA	NA	Nil
2	2018-19	Nil	Nil	NA	NA	NA	Nil
3	2017-18	Nil	Nil	NA	NA	NA	Nil

9. b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial years(s)

(Amount ₹ in crore)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
S/N	Project ID	Project Name	Financial year in which the project was commenced	Project Duration	Total amount allocated for the project	Amount spent on the project in the reporting financial year	Cumulative amount spent at the end of reporting financial year	Status of the project – Completed/ ongoing
1	-	Construction of a charitable dispensary cum diagnostic centre at Ramakrishna Mission Ashrama, Guwahati	2019-20	Within FY 20-21	1.96	0.40	1.57	Ongoing
2	-	Construction of Tongi Ghar (Watch tower) in different villages adjacent to Refinery for protection of crops from wild elephant	2018-19	Within FY 20-21	0.87	0.28	0.50	Completed
3	-	Construction/ Renovation of Anganbari Kendra for maintaining clean and hygienic environment for children	2019-20	Within FY 19-20	2.25	0.85	1.75	Ongoing
4	-	Contribution towards Physical & Mental development of children/ youth/Senior citizen etc. and greening initiative in public places	2019-20	Within FY 20-21	0.49	0.32	0.49	Completed
5	-	Development of Infrastructure facility at various historical places and world heritage sites under Swachh Bharat Mission.	2018-19	Within FY 19-20	0.24	0.01	0.24	Completed
6	-	Development of infrastructure facility of Skill training institute including supply of equipment, Tools, furniture to provide better environment.	2019-20	Within FY 20-21	0.27	0.12	0.17	Ongoing

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
S/N	Project ID	Project Name	Financial year in which the project was commenced	Project Duration	Total amount allocated for the project	Amount spent on the project in the reporting financial year	Cumulative amount spent at the end of reporting financial year	Status of the project - Completed/ ongoing
7	-	Distribution of uniform/ winter clothes, Play equipment, Kitchen Utensils, Health & Hygiene products etc. among children, poor & needy people from underprivileged background	2019-20	Within FY 19-20	0.03	0.003	0.03	Completed
8	-	Educate and train boys and girls of low income household as Geriatric Caregivers.	2019-20	Within FY 20-21	0.53	0.31	0.45	Ongoing
9	-	Infrastructure development of Public Health centre, Hospitals, Medical College including supply of furniture, Medical equipment to provide better services to the patients.	2019-20	Within FY 20-21	0.16	0.09	0.16	Completed
10	-	Offering paediatric therapy for children with delayed development milestones and disability in Golaghat District	2019-20	Within FY 21-22	0.23	0.12	0.19	Ongoing
11	-	Organizing training program through ARDSI, Guwahati Chapter for care of persons suffering from Alzheimer's Disorder	2019-20	Within FY 19-20	0.24	0.06	0.18	Ongoing
12	-	Plantation of Fruit bearing trees through DBT mode and develop pisci-culture in nearby villages to generate livelihood of the villagers	2019-20	Within FY 20-21	0.49	0.12	0.31	Ongoing
13	-	Providing financial assistance to promote awareness on various aspects like voter education, social issues	2018-19	Within FY 19-20	0.03	0.01	0.03	Completed
14	-	Providing Solar Home lighting system in un-electrified villages in and around Golaghat & Karbi Along district.	2019-20	Within FY 19-20	0.01	0.01	0.01	Completed

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
S/N	Project ID	Project Name	Financial year in which the project was commenced	Project Duration	Total amount allocated for the project	Amount spent on the project in the reporting financial year	Cumulative amount spent at the end of reporting financial year	Status of the project - Completed/ ongoing
15	-	Revival and strengthening of existing defunct piped water supply scheme in nearby rural areas to address water crisis in the villages.	2019-20	Within FY 20-21	1.30	0.40	0.68	Ongoing
16	-	Setting up a Paediatric Oncology Ward at Dr. B. Borooah Cancer Institute, Guwahati for treatment of children suffering from Cancer.	2019-20	Within FY 19-20	2.00	1.00	1.80	Completed
17	-	Setting up old age homes, day care centres, community hall for elderly people	2018-19	Within FY 19-20	0.14	0.01	0.14	Completed
18	-	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"	2019-20	Within FY 20-21	0.36	0.08	0.23	Ongoing

10. In case of creation or acquisition of capital assets, furnish the details relating to the asset so created or acquired through CSR spent in the financial year:

No capital asset was created/acquired by the Company for the financial year 2020-21 through CSR spend.

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). NA

Sd/-
(S. Lamare)
Chairman

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

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

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, 2021, 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 as 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 thereunder; 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.

Information other than the Standalone Financial Statements and Auditors' Report thereon

The Company's management and Board of Directors are responsible for preparation of 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 do 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 as 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 skepticism 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.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statement

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 Section 143(5) of the Act, we give in "**Annexure B**", a statement on the matters as specified by the Comptroller and Auditor-General of India for the Company.
- ii) 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 50 to the Standalone Ind AS financial statements;
 - ii) The Company did not have any long- term contracts including derivative contracts at the year-end for which there are no material foreseeable losses.
 - 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: 21064393AAAAEA6383
Place: Kolkata
Date: 7th May, 2021

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, 2021,

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 Building, Plant & Machineries etc. have been physically verified by the management during the year and the discrepancies noticed between book records and physical inventory 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 137.67 acres whose mutation is still pending and 0.25 acres of land whose title is under dispute. Gross block & net block of the above lands as per Fixed Asset Register as on 31st March 2021 is ₹21.02 Crore.
- 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 thereunder 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, 2021:

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 Bharat Petroleum Corporation Limited.	2002-2004	124.71	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	0.55	CESTAT Kolkata
West Bengal Entry Tax Act 2012	Demand on account of levy of entry tax on SKO	2013-2014	7.38	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: 21064393AAAAEA6383

Place: Kolkata
Date: 7th May, 2021

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. (In case, Lender is a Government Company, then this direction is also applicable for statutory auditor of the lending company)
	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 (grants/ Subsidy etc.) received/receivable for specific schemes from central/ state Government or its agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.
	Observation/ Findings	The 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. Further, Numaligarh Refinery Limited (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 condition is that NRL should procure goods from supplier on tax invoice and in turn export the said goods within a period of ninety days from the date of issue of the tax invoice by the supplier. The goods to be exported through bill of export. However, there shall be no realization in 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: 21064393AAAAEA6383

Place: Kolkata

Date: 7th May, 2021

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 2021, 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 authorisations of management and directors of the company; and

- 3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

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, 2021, 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: 21064393AAAAEA6383
Place: Kolkata
Date: 7th May, 2021

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 2021

The preparation of financial statements of Numaligarh Refinery Limited for the year ended 31 March 2021 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 7 May 2021.

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 2021 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: 28th June 2021

Balance Sheet as at 31st March 2021

₹ in Crore

	Note No.	31-Mar-21	31-Mar-20
ASSETS			
1 Non-current assets			
(a) Property, Plant and Equipment	2	3,037.75	3,028.86
(b) Capital work- in- progress	3	760.11	321.01
(c) Investment Property	4	34.41	32.66
(d) Other Intangible assets	5	96.31	13.70
(e) Intangible Assets Under Development	6	1.03	-
(f) Investment in Joint venture and Associate	7	373.71	267.92
(g) Financial Assets			
(i) Investment		-	-
(ii) Loans	8	52.89	47.25
(iii) Other Financial Assets		-	-
(h) Other non-current assets	9	55.80	58.47
Total Non-current assets		4,412.01	3,769.87
2 Current assets			
(a) Inventories	10	1,972.84	1,787.82
(b) Financial Assets			
(i) Investments	11	208.32	-
(ii) Trade receivables	12	1,257.21	703.48
(iii) Cash and cash equivalents	13	10.69	136.77
(iv) Bank Balances other than (iii) above	14	10.87	240.98
(v) Loans	15	42.37	19.92
(vi) Other financial assets	16	37.01	28.09
(c) Current Tax Assets (Net)	17	129.50	135.87
(d) Other current assets	18	39.30	50.94
		3,708.11	3,103.87
Assets Held for Sale	19	0.72	0.72
Total Current assets		3,708.83	3,104.59
TOTAL ASSETS		8,120.84	6,874.46
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	20	735.63	735.63
(b) Other Equity	21	4,860.40	4,568.75
Total Equity		5,596.03	5,304.38

Balance Sheet as at 31st March 2021 (contd.)

₹ in Crore

	Note No.	31-Mar-21	31-Mar-20
Liabilities			
1 Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings		-	-
(ii) Other financial liabilities	22	6.10	9.85
(b) Provisions	23	12.57	11.80
(c) Deferred tax liabilities (Net)	24	266.11	267.51
Total Non-Current Liabilities		284.78	289.16
2 Current liabilities			
(a) Financial Liability			
(i) Borrowings	25	0.45	73.78
(ii) Trade payables			
a) Total outstanding dues of Micro Enterprises and Small Enterprises	26	15.39	0.92
b) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	26	1,229.51	727.69
(iii) Other financial liability	27	472.24	236.84
(b) Other current liabilities	28	363.79	149.64
(c) Provisions	29	78.86	92.05
(d) Current Tax Liabilities (Net)	30	79.79	(0.00)
Total Current Liabilities		2,240.03	1,280.92
TOTAL EQUITY AND LIABILITIES		8,120.84	6,874.46
Significant Accounting Policies	1		
Notes forming part of Financial Statements	44-63		

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: 21064393AAAAEA6383

Place: Kolkata
Date : 7th May 2021

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 : 7th May 2021

Statement of Profit and Loss for the period ended 31st March 2021

₹ in Crore

	Note No.	2020-21	2019-20
INCOME			
I Revenue from operations	31	18,543.59	14,072.66
II Other Income	32	92.94	171.63
III Total income (I+II)		18,636.53	14,244.29
IV EXPENSES			
Cost of materials consumed	33	7,795.42	8,735.49
Purchases of Stock-in-Trade		416.24	497.56
Changes in inventories of finished goods, stock-in-trade and work-in-progress	34	(222.23)	(453.59)
Excise Duty	35	4,868.08	2,027.43
Employee Benefits expense	36	344.50	297.84
Finance Costs	37	9.21	2.05
Depreciation, Amortisation and Impairment	38	347.36	248.92
Other Expenses	39	994.98	924.52
Total Expenses (IV)		14,553.56	12,280.22
V Profit/(loss) before exceptional items and tax (III-IV)		4,082.97	1,964.07
VI Exceptional Items	40	-	229.52
VII Profit/(loss) before tax (V-VI)		4,082.97	1,734.55
VIII Tax Expense	41	1,046.87	353.23
(1) Current Tax		1,053.05	412.31
(2) Deferred Tax		(6.18)	(59.08)
IX Profit / (Loss) for the period (VII - VIII)		3,036.10	1,381.32
X Other comprehensive income			
(i) Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit plan	42	18.94	(41.83)
(ii) Income tax related to items that will not be reclassified to profit or loss	42	(4.77)	10.53
Other comprehensive income, net of tax (i+ii)		14.17	(31.30)
XI Total comprehensive income for the period (IX + X)		3,050.27	1,350.02
XII Basic and Diluted Earnings per share (₹)	43	41.27	18.78
(Face Value ₹10)		41.27	18.78
Significant Accounting Policies	1		
Notes forming part of Financial Statements	44-63		

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: 21064393AAAAEA6383

Place: Kolkata

Date : 7th May 2021

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 : 7th May 2021

Statement of Cash Flows

₹ in Crore

<i>For the year ended</i>		31-Mar-21	31-Mar-20
A	Cash Flow from Operating Activities		
	Profit (Loss) for the period	3,036.10	1,381.32
	Adjustments for :		
	Depreciation, Amortisation and impairment	347.36	248.92
	Income Tax Expenses	1,046.87	353.23
	Interest	9.21	2.05
	(Profit) / Loss on Sale/Write Off of Property, Plant and Equipment	0.77	2.92
	Foreign Exchange Fluctuation	-	(2.19)
	Income from Investment in Join Venture /Associate Companies	(4.09)	(5.11)
	Income from Investment Property	(2.43)	(2.45)
	Dividend Received from Current Investment	-	(7.14)
	Interest Income	(32.64)	(78.33)
	(Profit)/Loss on sale of investment	(7.91)	(9.89)
	Other Non-Cash Items (Refer explanatory note 4)	82.93	(20.78)
	Operating Profit before Working Capital Changes	4,476.17	1,862.55
	<i>(Invested in) / Generated from:</i>		
	Trade receivables	(553.74)	517.05
	Other receivables	(17.72)	(135.84)
	Inventories	(185.01)	(271.26)
	Current Liabilities & Provisions	879.62	(134.32)
	Cash generated from Operations	4,599.32	1,838.18
	Direct Taxes Paid	(966.90)	(591.38)
	Net Cash from/(used in) Operating Activities	3,632.42	1,246.80
B	Net Cash Flow from Investing Activities		
	Purchase of Property, Plant & Equipment /CWIP	(790.53)	(515.84)
	Purchase of intangible assets	(88.14)	(9.40)
	Sale of Property, Plant and Equipment	0.21	0.29
	Investment in Joint Venture/ Associate Companies	(105.42)	(33.48)
	Purchase of / Accretion to Investments	(208.31)	1,132.15
	Purchase/ Maturity of Fixed Deposit	230.11	(137.10)
	Profit on Sale of Investments	7.91	9.89
	Income from Investment in Join Venture /Associate Companies	4.09	5.11
	Dividend Received from Investment	-	7.14
	Long Term Loans and Advances	(2.97)	(31.68)
	Interest Income from Investment	39.44	87.26
	Net Cash from/(used in) Investing Activities	(913.61)	514.34

Statement of Cash Flows (contd.)

₹ in Crore

For the year ended		31-Mar-21	31-Mar-20
C	Net Cash Flow from Financing Activities		
	Repayment of Loan	-	(35.67)
	Other Long Term Liabilities	(5.41)	(65.11)
	Payment of lease liabilities	(2.81)	(1.72)
	Other Long Term Provisions	0.77	3.75
	Interest paid	(5.49)	(2.20)
	Dividend Paid	(2,758.62)	(1,324.14)
	Corporate Dividend Tax	-	(272.18)
	Realised (loss)/gain of Foreign Exchange Difference	-	2.19
	Net Cash from/(used in) Financing Activities	(2,771.56)	(1,695.08)
D	Net Increase / (Decrease) in Cash and Cash equivalents (A+B+C)	(52.75)	66.06
E	Cash & Cash Equivalents at beginning of Period	62.99	(3.07)
F	Cash & Cash Equivalents at end of Period (D+E)	10.24	62.99

Note 1

Note 1

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-21	31-Mar-20
Cash & Cash Equivalents at beginning 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)
Cash & Cash Equivalents at end of Period		
Cash/cheques in Hand	0.01	0.05
Cash at Bank	10.68	0.72
Working capital loans / Bank Overdraft	(0.45)	(73.78)
Fixed Deposits with Banks with original maturity of less than 3 months	-	136.00
	10.24	62.99
Net change in Cash and Cash equivalents	(52.75)	66.06

2. Disclosure to Changes in liabilities arising from financing activities

₹ in Crore

Particulars	Short Term Borrowings (excluding bank overdraft)	Long Term Borrowings (including current maturities)	Total liabilities from financing activities
Balance as on 31.03.2020	-	-	-
Cash Flows			
Inflow	-	-	-
Outflow	-	-	-
Non Cash Changes			
Foreign Exchange Movement	-	-	-
Current Maturity of Long Term Borrowing	-	-	-
Increase in Lease Obligation due to Ind AS 116	(3.03)	(5.41)	(8.44)
Fair Value Changes	-	-	-
Balance as on 31.03.2021	(3.03)	(5.41)	(8.44)

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 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, write back of Provisions and miscellaneous adjustments not affecting Cash Flow.
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: 21064393AAAAEA6383

Place: Kolkata
Date : 7th May 2021

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 : 7th May 2021

Statement of Changes in Equity for the Year Ended 31st March 2021

₹ in Crore

(a) Equity Share Capital	As at 31/03/2021		As at 31/03/2020	
	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 21]	General Reserve [Note 21]	Retained Earnings [Note 21]	
Balance at 31st March 2020	100.00	4,467.75	1.00	4,568.75
Profit for the year			3,036.10	
Other Comprehensive Income for the year			14.17	
Dividends			(2,758.62)	
Corporate Dividend Tax			-	
Transfer to General Reserve		291.65	(291.65)	
Balance as at 31st March 2021	100.00	4,759.40	1.00	4,860.40
Balance as 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			(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

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: 21064393AAAAEA6383

Place: Kolkata
 Date : 7th May 2021

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 : 7th May 2021

Notes to Financial Statements for the year ended 31st March, 2021

COMPANY OVERVIEW

The financial statements of “Numaligarh Refinery Limited” (“the company or “NRL”) are for the year ended March 31, 2021.

The Company is a public limited company incorporated and domiciled in India. The company was incorporated on 22nd April 1993. The registered office of the company is located at 122A, G.S.Road, Christianbasti, Guwahati - 781005.

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 Crore (up to two decimals), 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 07th May 2021.

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.

Notes to Financial Statements for the year ended 31st March 2021

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.
- 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

- 1.3.2.1 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 Intangible Assets with indefinite useful lives, such as right of way which is perpetual and absolute in nature, are not amortised, but are tested for impairment annually. The useful lives are reviewed at each period to determine whether events and circumstances continue to support an infinite useful life assessment.

Notes to Financial Statements for the year ended 31st March 2021

for that asset. If not, the change in useful life from indefinite to finite is made on prospective basis. The impairment losses on intangible assets with indefinite life is recognized in the statement of Profit and Loss.

- 1.3.2.5 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.
- 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.
- 1.5.3 Exploration and Evaluation Assets are reviewed for indicators of impairment as per Ind AS 106 and if events and circumstances suggests, impairment loss is provided for and carrying amount is reduced accordingly.

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.

Notes to Financial Statements for the year ended 31st March 2021

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
- 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.
- 1.8.9 In case of catalyst with noble metal content, residual value is considered based on the cost of metal content.
- 1.8.10 In case of immovable assets constructed on leasehold land, useful life as per Schedule – II to the Act or lease period of land (including renewable/likely renewable period) whichever is earlier is considered.

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

Notes to Financial Statements for the year ended 31st March 2021

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.

The company has elected not to apply Ind AS 116 to intangible assets and not to separate Lease and Non-lease components of composite contract.

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.

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.

Notes to Financial Statements for the year ended 31st March 2021

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 02nd February 2018, earlier CBEC Tariff 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.

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

Notes to Financial Statements for the year ended 31st March 2021

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.

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

Notes to Financial Statements for the year ended 31st March 2021

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)
- 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 after 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 **Oil and Gas Exploration, Evaluation and Development Expenditure**

The company follows the Successful Efforts Method (SEM) of accounting in respect of its oil and gas exploration and production activities which is in accordance with Ind AS 106 and the "Guidance Note on Accounting for Oil and Gas Producing Activities (Ind AS)" issued by the Institute of Chartered Accountants of India.

1.28.1 **Pre-Acquisition, Acquisition, Exploration and Evaluation Costs**

(i) Pre-Acquisition costs: Pre-Acquisition cost of revenue nature incurred prior to obtaining the rights to explore, develop and Produce Oil and Gas like data collection and analysis costs etc. are expensed to the Statement of Profit and Loss in the year of incidence.

(ii) Acquisition costs:

(a) Acquisition costs include cost of land acquired for drilling operations including cost temporary occupation of the land, crop compensation paid to farmers, registration fee, legal costs, signature bonus, broker's fees, consideration for farm-in arrangements and other costs incurred in acquiring mineral rights.

(b) These costs are initially recorded under Exploration and Evaluation Assets (Intangible) except cost of land acquired for drilling operation which are shown as Acquisition cost – land under capital work in progress.

(c) On determination of proved developed reserves, associated acquisition costs are transferred to Property, Plant and Equipment as Oil and Gas Assets.

(d) Acquisition costs relating to an exploratory well that is determined to have no proven reserves and its status is decided as dry or of no further use for exploration purpose, is charged as expense. In such cases land value forming part of acquisition cost, not exceeding threshold is transferred to Freehold land under property, Plant and Equipment.

(e) Cost for retaining the mineral interest in properties like lease carrying cost, license fees and other costs are charged as expense when incurred.

(iii) Exploration and Evaluation Cost (E&E cost):

(a) Geological and geophysical costs, including seismic surveys for exploration purposes are expensed as incurred.

(b) Costs including allocated depreciation on support equipment and facilities involved in drilling and equipping exploratory and appraisal wells and cost of exploratory –type drilling stratigraphic tests wells are initially shown as Exploration and Evaluation Assets (Intangible) till the time these are either transferred to Property, Plant and Equipment as Oil and Gas assets on establishment of Proved Developed Reserves or charged as expense when determined to be dry or of no further use.

(c) E&E cost related to each exploratory well are not carried over unless it could be reasonably demonstrated that there are indications of sufficient quantity of reserves and activities are firmly planned in near future for further assessing the reserves and economic & operating viability of the project. Costs of written off exploratory wells are not reinstated in the books even if they start producing subsequently.

1.28.2 **Development cost**

Costs that are attributable to development activities including production and processing plant and facilities, service wells including allocated depreciation on support equipment and facilities are initially shown under Capital Work in Progress as Development cost till such time they are capitalized as Oil and Gas Asset under Property, Plant and Equipment on establishment of Proved Developed Reserves.

1.28.3 Production cost

Production Cost consist of direct and indirect costs incurred to operate and maintain well and related equipment and facilities, including depreciation and applicable operating cost of support equipment and facilities.

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	1.3.1.3	₹Crore	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	₹ Lakh	10
Allocation of other expenses to projects costing in each case	1.3.1.9	₹ Crore	5
GST on common capital goods per item per month	1.3.1.10	₹ Lakh	5
Expenditure incurred for creating/acquiring other intangible assets in each case	1.3.2.2	₹ Lakh	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	₹ Crore	10
Prepaid expenses in each case	1.12.3	₹ Lakh	5
Disclosure of Contingent liabilities and Capital Commitments in each case	1.16.5	₹ Lakh	5
Land value forming part of acquisition cost for exploratory well with no proven reserve	1.28.1	₹ Per Bigha	100

Notes to Financial Statements for the year ended 31st March 2021

2 Property, plant and equipment

	Gross Block										Depreciation					Impairment					Net Carrying Amount		
	As at	Ind AS 116	Addition	Deductions on account of Retirement/Reclassifications	As at	Up to	Addition	Deductions on account of Retirement/Reclassifications	Up to	31-Mar-21	Up to	Deductions on account of Retirement/Reclassifications	Up to	31-Mar-21	Up to	Impairment Loss during the year	Impairment Loss Reversed during the year	Up to	31-Mar-21	31-Mar-21	As at	As at	As at
	(1)	(2)	(3)	(4)	(5)=(1+2+3+4)	(6)	(7)	(8)	(9)=(6+7+8)	(10)	(11)	(12)	(13)=(10+11+12)	(14)=(5-9-13)	(15)=(1-6-10)								

LAND																							
i) Land Freehold	30.04		20.94		50.97	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	50.97	30.04	0.05
ii) Land ROU Asset	0.07		76.91		76.98	0.02	2.56		2.57												74.41		
BUILDINGS																							
i) RCC Frame Structure (other than factory)	150.16		16.12	(2.28)	164.00	12.97	3.12	(0.07)	16.02												47.96	137.19	
ii) Non RCC Frame Structure (other than factory)	151.75		12.59	(9.75)	154.59	8.48	5.14	(0.75)	12.87												141.72	143.27	
iii) FACTORY	316.10		27.00	(0.32)	342.78	58.13	13.53	0.03	71.68							6.08		6.08			265.02	257.98	
iv) Fences, Wells and Tube Wells	10.97		0.65	-	11.61	2.87	2.28		5.15												6.46	8.10	
v) Others (Temporary Structures)	5.40		1.23		6.63	2.44	1.17		3.62												3.02	2.95	
vi) ROU Assets	9.85	-	1.91		11.76	1.94	2.91		4.86												6.90	7.90	
BRIDGE, CULVERTS, BUNKERS etc	22.26		-	-	22.26	6.49	1.30		7.78												14.47	15.77	
ROADS																							
i) Carpeted Roads-RCC	8.83		0.64	-	9.47	4.47	0.75	-	5.22												4.25	4.36	
ii) Carpeted Roads-Other than RCC	7.88		0.21	-	8.09	2.30	1.00	-	3.30												4.79	5.58	
iii) Non Carpeted Road	0.73		(0.00)	-	0.73	0.20	0.12	-	0.32												0.41	0.53	
PLANT & MACHINERY																							
i) CONTINUOUS PROCESS PLANT/Refineries	2,401.54		149.40	(12.52)	2,538.42	610.94	201.79	2.43	815.16							25.16		25.16			1,698.10	1,790.59	
ii) Plant and Machinery-Other than Continuous Process Plant	193.04		26.99	(12.82)	207.21	67.42	14.89	(1.76)	80.54							10.69		10.69			115.98	125.63	
iii) Storage Tanks & Related Equipments	228.80		9.73	(0.03)	238.50	25.69	9.34	-	35.03							9.33		9.33			194.15	203.11	
iv) Plant & Machinery (Captive Power Plants)	184.88		7.31	(0.13)	192.06	20.96	5.61	-	26.57												165.48	163.91	
v) Plant & Machinery Used in Medical and Surgical	5.96		1.08	-	7.03	1.78	0.50	-	2.28												4.75	4.17	
vi) Heavy Lift Equipment	15.43		4.75	-	20.18	1.75	2.06		3.81												16.37	13.68	
RAILWAY SIDING	23.73		-	-	23.73	14.62	1.97	-	16.59												7.14	9.11	
FURNITURE																							
i) FURNITURE - GENERAL	8.09		1.58	-	9.67	3.55	0.77		4.32												5.35	4.54	
ii) FURNITURE - Others	4.18		0.11		4.29	2.08	0.45		2.53												1.76	2.10	
iii) FOH-to Employees	8.90		2.10	(1.39)	9.61	4.08	1.65	(1.20)	4.53												5.08	4.82	
OFFICE EQUIPMENTS																							
i) Office Equipments-General	16.07		1.16	(0.02)	17.21	8.76	1.77	(0.02)	10.51												6.70	7.31	
ii) Mobile on Hire-to Employees	0.80		0.45	(0.50)	0.74	0.47	0.34	(0.48)	0.33												0.41	0.32	
COMPUTERS AND DATA PROCESSING UNITS																							
i) Servers and Network	31.50		10.23	-	41.73	12.92	6.54	-	19.46												22.27	18.58	

2 Property, plant and equipment (contd.)

₹ in Crore

	Gross Block			Depreciation			Impairment		Net Carrying Amount	
	As at	Ind AS 116 adjustments	Addition	Deductions on account of Retirement/Reclassifications	As at	Up to	Addition	Deductions on account of Retirement/Reclassifications	Up to	As at
	(1)	(2)	(3)	(4)	(5)=(1+2+3+4)	(6)	(7)	(8)	(9)=(6+7+8)	(10)
01-Apr-20	adjustments									
	(1)	(2)	(3)	(4)	(5)=(1+2+3+4)	(6)	(7)	(8)	(9)=(6+7+8)	(10)
ii) End User Devices- Desktop,Laptops, Printers etc	9.98		3.61	(0.28)	13.31	5.45	2.32	(0.25)	7.52	
iii) PC on Hire-To Employees	2.34		0.67	(0.73)	2.27	0.95	0.57	(0.66)	0.85	
ELECTRICAL EQUIPMENTS	66.59		12.53	(0.12)	79.00	27.72	6.36		34.08	
LABORATORY EQUIPMENT	18.71		1.29	(0.00)	19.99	6.14	1.95	-	8.09	
VEHICLES										
i) Motor Cycles,Scooters & Other Mopeds	0.13		-	-	0.13	0.10	0.01	-	0.11	
ii) Motor Buses, Motor Lorries, motor cars and motor taxis	3.69		0.47	(0.26)	3.90	0.87	0.48	(0.16)	1.19	
iii) TRUCKS / HEAVY VEHICLES,Harvesting Combines	9.66		1.21	(0.01)	10.86	3.09	1.07	-	4.16	
iv) Electrically Operated Vehicles	1.15		0.04	-	1.20	0.67	0.14	-	0.81	
Total	3,949.18	-	392.90	(41.16)	4,300.91	920.32	294.46	(2.89)	1,211.88	-
Previous Year Figures	3,453.08	3.50	600.31	(107.70)	3,949.18	742.92	248.57	(71.18)	920.32	-

Additional information in respect of Note No. 2

- Total freehold land held by NRL is 1574.45 acres (1454.67 acres) which includes 137.67 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.
- Deduction from Gross Block (Column 4) includes :
 - ₹ 0.25 Crore (₹ 0.03 Crore) on account of Write off of Physical Verification discrepancies.
 - ₹ 40.91 Crore (₹ 75.01 Crore) on account of sale, retirement, deletions and reclassifications.
 - ₹ 0.00 Crore (Previous Year ₹ 32.66 Crore) on account of lease of land to joint venture company.
- Depreciation for the year (column 7) includes :
 - Charged to Profit & Loss Account ₹ 291.60 Crore (₹ 246.46 Crore)
 - Charged to project expenses ₹ 2.85 Crore (₹ 2.11 Crore)
 - 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 ₹ 1.28 Crore (₹ 1.77 crore) for the year.
 - Assets costing up to ₹ 5,000 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 ₹ 0.32 Crore (₹ 0.14 Crore) for the year.
- Deduction from Depreciation (Column 8) includes :
 - Withdrawal of depreciation of ₹ 2.77 Crore (₹ 71.16 Crore) on account of sale, deletions, retirement & reclassification.
 - ₹ 0.12 crore (₹ 0.02 Crore) on account of write off of Physical Verification discrepancies.
- Hitherto, the estimated residual value of Catalyst with nobel content was considered as 5% of original cost. The same has been revised to cost of nobel content and for the balance part at 5% of cost. The impact on accounts of above change is reduction in depreciation by ₹ 2.52 crs.
- 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 2021

3 Capital work in progress

Particulars	₹ in Crore	
	31-Mar-21	31-Mar-20
Capital work in progress		
Opening Work-in-progress	309.02	403.55
Addition during the year	815.74	499.36
Less : Allocated to Assets during the year	390.99	593.89
	733.77	309.02
Less : Provision for Capital WIP Losses	(21.86)	(21.76)
	711.91	287.26
Capital Stores	13.45	12.34
Capital goods in transit	0.57	0.98
	725.93	300.58
Construction period expenses pending allocation		
Opening balance	20.43	5.17
Add: Expenditure during the period		
Travel, Establishment etc.	21.02	17.15
Depreciation	2.85	2.11
Finance Cost	0.09	1.09
	44.39	25.52
Less : Allocated to assets during the year	10.21	5.09
Closing balance	34.18	20.43
	760.11	321.01

4 Investment Property

Particulars	₹ in Crore								
	Gross Block/Cost				Deprecation				Net Carrying Amount
	As at	Addition	Disposal/ adjustments	As at	Upto	Addition	Disposal/ adjustments	Upto	As at
	01-Apr-20			31-Mar-21	31-Mar-20			Upto 31-Mar-21	31-Mar-21 31-Mar-20
Land	32.66	1.75	-	34.41	-	-	-	-	34.41 32.66
Total	32.66	1.75	-	34.41	-	-	-	-	34.41 32.66
Previous Year Figures	-	32.66	-	32.66	-	-	-	-	- 32.66

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

Information regarding Income and Expenditure of investment Property

Particulars	2020-21	2019-20
Rental Income derived from Investment Properties	2.43	2.45
Less : Depreciation	-	-
Profit arising from investment Properties before other direct expenses	2.43	2.45

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

As at 31st March 2021 the fair values of the property is ₹ 45.56 Crore. These fair values of the investment property are categorised as Level 2 in the fair valuation hierarchy and have been determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued.

Notes to Financial Statements for the year ended 31st March 2021

5 Other Intangible Assets

₹ in Crore

Particulars	Useful Life (No. of Years)	Gross Block/Cost				Amortisation				Net Carrying Amount	
		As at	Addition	Disposal/ adjustments	As at	Upto	Addition	Disposal/ adjustments	Upto	As at	As at
		01-Apr-20			31-Mar-21	31-Mar-20			31-Mar-21	31-Mar-21	31-Mar-20
Right of Use	Indefinite	-	75.90	-	75.90	-	-	-	-	75.90	-
Software / Licenses	Upto 5	20.49	11.21	-	31.70	6.79	4.50	-	11.29	20.41	13.70
Total		20.49	87.11	-	107.60	6.79	4.50	-	11.29	96.31	13.70
Previous Figure		11.09	9.40	-	20.49	4.33	2.46	-	6.79	13.70	6.76

6 Intangible Assets Under Development

₹ in Crore

Particulars	31-Mar-21	31-Mar-20
Intangible Assets Under Development		
Opening Work-in-progress	-	-
Addition during the year	1.03	-
Less : Allocated to Intangible Assets during the year	-	-
Less : Transfer to Statement of Profit and Loss	-	-
	1.03	-
Less : Provision for Losses	-	-
	1.03	-

Intangible Assets under Development are related to ongoing Oil and Gas Exploration and Production activities.

7 Investment in Joint venture and Associates

₹ in Crore

Particulars	31-Mar-21	31-Mar-20
<u>Investment in Joint Ventures (Unquoted)</u>		
DNP Limited #	43.49	43.49
Assam BIO Refinery (P) Ltd. **	123.92	67.50
Indradhanush Gas Grid Ltd. ***	61.00	12.00
<u>Investment in Associates (Unquoted)</u>		
Brahmaputra Cracker and Polymer Ltd. ##	141.77	141.77
Fair valuation of Financial Guarantee Commission	3.53	3.16
	373.71	267.92

Notes to Financial Statements for the year ended 31st March 2021

	31-Mar-21		31-Mar-2020	
	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.	12,39,24,405	10	6,75,00,000	10
Indradhanush Gas Grid Ltd. (IGGL)	6,10,00,000	10	1,20,00,000	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 (P) 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 (P) 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)

8 Loans (Considered good unless otherwise stated)

₹ in Crore

Particulars	31-Mar-21	31-Mar-20
Loans to employees including accrued interest (Secured) [Refer Note No 47 (b) and 48]	50.95	45.74
Security and other deposits	1.94	1.51
	52.89	47.25

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

₹ in Crore

Particulars	31-Mar-21	31-Mar-20
Capital advances	41.07	39.36
Prepaid Employee cost	14.73	19.05
Prepaid Transportation cost	-	0.06
	55.80	58.47

10 Inventories

₹ in Crore

Particulars	31-Mar-21	31-Mar-20
Raw Materials	245.23	270.55
Work-in-progress	347.37	286.20
Finished goods	1,244.53	1,083.47
Stock in transit	1.58	0.22
Consumables, Stores & Spares and others	249.11	247.98
Less: Provision for Losses	(114.98)	(100.60)
	1,972.84	1,787.82

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

Notes to Financial Statements for the year ended 31st March 2021

11 Investments

₹ in Crore

Particulars	31-Mar-21	31-Mar-20
Investment in Mutual Fund at Fair Value Through Profit or Loss	17.64	-
Investment in Government Security/ Treasury Bill at Amortised cost	190.68	-
	208.32	0.00

12 Trade receivables

₹ in Crore

Particulars	31-Mar-21	31-Mar-20
Unsecured (unless otherwise stated)		
- Considered Good	1,257.21	703.48
- Significant increase in Credit Risk	-	-
-Credit Impaired	-	-
	1,257.21	703.48
Less : Provision for credit impaired	-	-
	1,257.21	703.48

13 Cash and cash equivalents

₹ in Crore

Particulars	31-Mar-21	31-Mar-20
Cash on hand	0.01	0.05
Balances with Banks		
On Current Accounts	10.68	0.72
On Deposit Accounts with original maturity of less than 3 months	-	136.00
Cash and cash equivalents	10.69	136.77

14 Bank Balances Other than Cash and Cash Equivalent

₹ in Crore

Particulars	31-Mar-21	31-Mar-20
Term deposits with banks with original maturity of 3-12 months *	-	221.00
Other earmarked balances with bank #	10.87	19.98
	10.87	240.98

includes an amount of ₹10.63 Crore (2019-20 : ₹19.34 Crore) 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 16]

15 Loans & Advances (Considered good unless otherwise stated)

₹ in Crore

Particulars	31-Mar-21	31-Mar-20
Loans to employees including accrued interest [Refer note no 47 (b) and 48]	5.61	4.96
Other Advances		
Considered good	29.32	7.64
Considered doubtful	0.74	1.25
Less: Provision for doubtful advances	(0.74)	(1.25)
	29.32	7.64
Security and other deposits	7.44	7.32
	42.37	19.92

Notes to Financial Statements for the year ended 31st March 2021

16 Other financial assets

₹ in Crore

Particulars	31-Mar-21	31-Mar-20
Interest accrued on Bank Deposits etc.	6.41	13.21
Post Retirement Medical Benefit	10.61	-
Other Receivables*		
Considered good	19.99	14.88
Considered doubtful	0.10	0.10
Less : Provision for credit impaired	(0.10)	(0.10)
	37.01	28.09

*Other Receivable include an amount of ₹ 5.00 Crore 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 14]

17 Current tax Assets (Net)

₹ in Crore

Particulars	31-Mar-21	31-Mar-20
Advance payment of Income Tax (net of provision)	129.50	135.87
	129.50	135.87

18 Other current assets

₹ in Crore

Particulars	31-Mar-21	31-Mar-20
Recoverable from Customs, Excise, etc.	34.63	45.18
Claims :		
Considered Good	0.47	0.49
Considered doubtful	0.07	0.07
Less: Provision for doubtful claims	(0.07)	(0.07)
Prepaid expenses - current	2.76	3.49
Prepaid employee cost - current	1.19	1.53
Gold coins *	0.25	0.25
	39.30	50.94

* 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.

19 Assets held for sale

₹ in Crore

Particulars	31-Mar-21	31-Mar-20
Asset Held for sale *	0.99	0.99
Less: Provision against assets held for sale	(0.27)	(0.27)
	0.72	0.72

*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, however due to certain procedural reasons beyond the control of management, the actual sale could not be crystallised.

Notes to Financial Statements for the year ended 31st March 2021

20 Equity share capital

₹ in Crore

Particulars	31-Mar-21	31-Mar-20
a. Authorised		
500,00,00,000 equity shares of ₹ 10 each (Previous Year : 500,00,00,000 equity shares)	5,000.00	5,000.00
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-21		31-Mar-20	
	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-21	31-Mar-20
Oil India Limited (with nominees) 58,97,01,131 (previous year 19,12,64,202) equity shares of ₹10 each fully paid	589.70	
Bharat Petroleum Corporation Limited. (with nominees) Nil (previous year 45,35,45,998) equity shares of ₹ 10 each fully paid		453.55

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

₹ in Crore

Name of Shareholder	31-Mar-21		31-Mar-20	
	Number	% of Holding	Number	% of Holding
Oil India Limited	58,97,01,131	80.16%	19,12,64,202	26.00%
Bharat Petroleum Corporation Limited	-	-	45,35,45,998	61.65%
Governor of Assam	11,37,83,456	15.47%	9,08,21,344	12.35%

Notes to Financial Statements for the year ended 31st March 2021

21 Other Equity

₹ in Crore

Particulars	31-Mar-21	31-Mar-20
Reserved and Surplus		
Capital Reserve		
As per last account	100.00	100.00
General reserve		
As per last account	4,467.75	3,443.55
Add: Transfer from Statement of Profit and Loss	291.65	1,024.20
	4,759.41	4,467.75
Surplus/ (Deficit) in the Statement of Profit and Loss		
As per last Account	1.00	1,271.50
Add: profit/(loss) for the year	3,050.27	1,350.02
Less: Interim Dividend paid	(2,758.62)	(1,103.45)
Less: Final Dividend paid	-	(220.69)
Less: Corporate Dividend Tax	-	(272.18)
Less: Transfer to General Reserve	(291.65)	(1,024.20)
	1.00	1.00
	4,860.40	4,568.75

Capital reserve

Capital Reserve represents grant of ₹100.00 Crore received in the year 1999-2000 from the Government of India for refinery construction.

General reserve

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

22 Other financial liabilities

₹ in Crore

Particulars	31-Mar-21	31-Mar-20
Security / Earnest Money Deposits	0.69	4.70
Lease Liability	5.41	5.15
	6.10	9.85

23 Provisions

₹ in Crore

Particulars	31-Mar-21	31-Mar-20
Long Service Award	5.38	5.13
Resettlement Allowance	4.81	4.47
Employee Felicitation Scheme	2.38	2.20
	12.57	11.80

Notes to Financial Statements for the year ended 31st March 2021

24 Movement in deferred tax balances

₹ in Crore

Particulars	Net balance 1 st April 2020	Recognised in profit or loss	Recognised in OCI	Net	Deferred tax asset	Deferred tax liability 31 st Mar 2021
Deferred tax asset						
Employee Benefits	14.07	(6.39)	(4.77)	2.91	2.91	
Sec 43B of Income Tax Act	22.89	9.92		32.81	32.81	
PPE WDV	(305.11)	2.82		(302.29)		(302.29)
Other items DTA	0.63	(0.17)		0.46	0.46	
Tax assets (Liabilities)	(267.51)	6.18	(4.77)	(266.11)	36.18	(302.29)
Movement in deferred tax balances						
Particulars	Net balance 1 st April 2019	Recognised in profit or loss	Recognised in OCI	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)	37.59	(305.11)

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.

25 Borrowings

₹ in Crore

Particulars	31-Mar-21	31-Mar-20
Secured Working capital loans from banks - Cash credit	0.45	0.59
Secured (Overdraft)	-	68.01
Un-Secured (Overdraft)	-	5.18
	0.45	73.78

Cash Credit from State Bank of India carries interest @ 6.95% 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.

Notes to Financial Statements for the year ended 31st March 2021

26 Trade payables

₹ in Crore

Particulars	31-Mar-21	31-Mar-20
Dues to Micro, Small and Medium Enterprises	15.39	0.92
Due to others	1,229.51	727.69
	1,244.90	728.61

The disclosure in respect of the amounts payable to Micro, Small and Medium Enterprises as at 31st March 2021 has been made in the financial statements based on information received and available with the company. Accordingly disclosure has been made below:

	31-Mar-21	31-Mar-20
Principal and interest amount remaining unpaid		
- Principal	15.39	0.92
- 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.	-	-

27 Other financial liabilities

₹ in Crore

Particulars	31-Mar-21	31-Mar-20
Security / Earnest Money Deposits	125.86	123.41
Deposit From Customers	12.31	12.67
Employee Related Liability	66.14	45.94
Other Liabilities (including creditors for capital expenditure and others)	264.90	51.85
Lease Liability	3.03	2.97
	472.24	236.84

28 Other current liabilities

₹ in Crore

Particulars	31-Mar-21	31-Mar-20
Advances from Customers	39.22	34.96
Statutory Liabilities	324.11	114.53
Others	0.46	0.15
	363.79	149.64

Notes to Financial Statements for the year ended 31st March 2021

29 Provisions

₹ in Crore

Particulars	31-Mar-21	31-Mar-20
Gratuity	0.60	7.10
Leave Encashment	12.48	18.92
Long Service Award	0.55	0.33
Resettlement Allowance	0.24	0.27
Post Retirement Medical Benefit	-	38.63
Employee Felicitation Scheme	0.02	0.03
Others (including provision on matters under litigation)	64.97	26.77
	78.86	92.05

30 Current tax liabilities (Net)

₹ in Crore

Particulars	31-Mar-21	31-Mar-20
Current Tax liabilities (net of Tax paid)	79.79	-
	79.79	-

31 Revenue from Operations

₹ in Crore

Particulars	2020-21	2019-20
A. Sales		
Petroleum Products #	18,542.18	14,071.79
B. Other operating revenue	1.41	0.87
Total	18,543.59	14,072.66

Sales of petroleum products includes applicable excise duty benefit. Financial impact for the current year is ₹4,882.66 crore (FY 2019-20 : ₹2,042.05 Crore).

32 Other Income

₹ in Crore

Particulars	2020-21	2019-20
Interest Income		
On Bank Deposits	16.32	33.90
On Instruments measured at amortised cost	16.33	44.43
Others	9.11	5.74
Dividend Income		
Dividend Income from Current Investment	-	7.14
Dividend Income - Joint Ventures and Associates	4.09	5.11
Profit/(Loss) on sale of current investments	7.91	9.89
Write back of liabilities/provisions no longer required	16.31	22.71
Other non operating income	22.51	40.04
Foreign Exchange Fluctuations (net)	-	2.19
Guarantee commission	0.36	0.48
Total	92.94	171.63

Notes to Financial Statements for the year ended 31st March 2021

33 Cost of materials consumed

₹ in Crore

Particulars	2020-21	2019-20
Raw Material Stocks at the Commencement of the Year	270.55	252.93
Add : Purchases	7,770.10	8,753.11
	8,040.65	9,006.04
Less: Raw Material Stocks at the Close of the Year	245.23	270.55
Total Cost of Raw Material Consumed	7,795.42	8,735.49
Details of raw material consumed		
Crude Oil	6,980.17	7,971.82
MTBE, Reformate, Py. Gas, Naphtha & Octane Booster	687.96	593.15
Natural Gas	127.29	170.52
	7,795.42	8,735.49

34 Changes in inventories of finished goods, stock in trade and work in progress

₹ in Crore

Particulars	2020-21	2019-20
Opening Stock :		
Finished Goods	1,083.47	1,047.26
Work In Progress	286.20	98.34
	1,369.67	1,145.60
Closing Stock :		
Finished Goods	1,244.53	1,083.47
Work In Progress	347.37	286.20
	1,591.90	1,369.67
Changes in inventories of finished goods and work in progress	(222.23)	(224.08)
Adjustment for write down of Inventories below cost	-	(229.52)
Changes in inventories of finished goods and work in progress	(222.23)	(453.59)

35 Excise Duty

₹ in Crore

Particulars	2020-21	2019-20
Excise Duty	4,796.94	1,991.91
Excise duty (inventory differential)	71.14	35.52
Excise Duty	4,868.08	2,027.43

36 Employee benefit expense

₹ in Crore

Particulars	2020-21	2019-20
Salaries and wages	250.81	216.59
Contribution to provident fund and other funds	31.89	29.62
Staff Welfare expenses	61.80	51.63
Employee benefit expense	344.50	297.84

Notes to Financial Statements for the year ended 31st March 2021

37 Finance Costs

₹ in Crore

Particulars	2020-21	2019-20
Interest expense on loans	0.29	0.47
Interest expense others [Refer note 45]	8.18	0.91
Other borrowing costs	0.74	0.67
Finance Costs	9.21	2.05

38 Depreciation, Amortisation and Impairment

₹ in Crore

Particulars	2020-21	2019-20
Depreciation	291.60	246.46
Amortization	4.50	2.46
Impairment of Assets	51.26	-
Depreciation, Amortisation and Impairment Expense	347.36	248.92

39 Other Expenses

₹ in Crore

Particulars	2020-21	2019-20
Transportation	196.88	162.46
Other Duties and taxes	182.90	111.10
Repairs and Maintenance	139.51	152.13
Power and Fuel consumed		
Power and Fuel	179.17	226.08
Less: Consumption of fuel out of own production	(5.51)	(23.64)
Sub-Total	173.66	202.44
Stores, spares and materials	25.79	36.12
Office Administration, Selling and Other expenses		
Rent /Lease	1.45	3.05
Insurance	25.99	22.49
Rates and taxes	1.88	1.45
Utilities	22.53	7.34
Communication expenses	1.45	1.36
Travelling and conveyance	18.21	24.17
Remuneration to auditors		
Audit Fees	0.09	0.09
Fees for other services - Certification	0.09	0.06
Reimbursement of out of pocket expenses	0.00	0.00
Sub-Total	0.18	0.15
Loss on sale/write off of Property Plant and Equipment (net)	0.77	2.92
Provision for Stores	14.37	6.47
Expenses on CSR activities	28.00	87.61
Foreign Exchange Fluctuations (net)	0.62	-
Provision Against Capital Work in Progress	0.10	-
Bad debts and claims written off	0.03	0.00
Provision for Litigation cases	58.40	4.05
Charity and donation	-	6.00
Others	102.26	93.21
	994.98	924.52

Notes to Financial Statements for the year ended 31st March 2021

40 Exceptional Items

₹ in Crore

Particulars	2020-21	2019-20
Exceptional Items	-	229.52
	-	229.52

41 Tax Expense

(a) Amounts recognised in statement of profit and loss

₹ in Crore

	2020-21	2019-20
Current tax expense	1,053.05	412.31
Current year	1,073.92	428.16
Changes in estimates relating to prior years	(20.87)	(15.85)
Deferred tax expense	(6.18)	(59.08)
Origination and reversal of temporary differences	(6.18)	35.32
Change in tax rate		(94.41)
Tax expense recognised in the income statement	1,046.87	353.23

(b) Amounts recognised in other comprehensive income

₹ in Crore

	Before tax	2020-21 Tax (expense) benefit	Net of tax	Before tax	2019-20 Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurements of the defined benefit plans	18.94	(4.77)	14.17	(41.83)	10.53	(31.30)
	18.94	(4.77)	14.17	(41.83)	10.53	(31.30)

(c) Reconciliation of effective tax rate

₹ in Crore

	2020-21		2019-20	
	%	₹ in Crore	%	₹ in Crore
Profit before tax		4,082.97		1,734.55
Tax using the Company's domestic tax rate	25.168%	1,027.60	25.168%	436.55
Tax effect of:				
Provision for CSR expenditure	0.17%	7.05	0.91%	15.76
Provision for CWIP & Stores	0.09%	3.64	0.14%	2.49
Tax-exempt income	0.00%	-	-0.18%	(3.08)
Income Tax interest provision	0.20%	8.25	0.00%	-
Changes in tax estimates relating to prior years	-0.51%	(20.87)	-0.91%	(15.85)
Change in Tax rate on earlier years liability			-5.44%	(94.41)
Others	0.52%	21.20	0.68%	11.77
Income Tax Expense	25.64%	1,046.87	20.36%	353.23

Notes to Financial Statements for the year ended 31st March 2021

42 Other comprehensive income

₹ in Crore

Particulars	2020-21	2019-20
(i) Items that will not be reclassified to profit or loss		
Remeasurements of defined benefit liability (asset)	(18.94)	41.83
(ii) Income tax relating to items that will not be reclassified to profit or loss	4.77	(10.53)
	(14.17)	31.30

43 Earning Per Share (EPS)

i. Profit attributable to Equity holders of NRL

₹ in Crore

	2020-21	2019-20
Profit attributable to equity holders of the company for basic and diluted earnings per share	3,036.10	1,381.32

ii. Weighted average number of ordinary shares

	2020-21	2019-20
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 (₹)	41.27	18.78

44 Leases

A. Leases as lessee

- a) The company has entered into lease arrangement such as Land and Building for the purpose of its plant, offices etc.

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 01-04-20	Ind AS 116 Transition Impact	Additions	Reclassifications / Deductions On Account Of Retirement / Disposal	As at 31-03-21	Up to 31-03-20	For the Year	Reclassifications / Deductions On Account Of Retirement / Disposal	Up to 31-03-21	As at 31-03-21	As at 31-03-20
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
1 Land	0.07	-	76.91	-	76.98	0.02	2.56	-	2.57	74.41	0.05
2 Buildings	9.85	-	1.91	-	11.76	1.94	2.91	-	4.86	6.90	7.90
Total	9.92	-	78.82	-	88.74	1.96	5.47	-	7.43	81.31	7.95
Previous Year	-	3.50	6.42	-	9.92	-	1.95	-	1.95	7.95	-

- b) The following expenses have been charged to Statement of Profit and Loss during FY 20-21

₹ in Crore

Depreciation recognised	2.89
Interest on Lease Liabilities	0.57
Expenses relating to short term leases	1.44
Total Cash outflow for leases during FY 20-21	4.90

Notes to Financial Statements for the year ended 31st March 2021

d) Maturity Analysis of Lease Liabilities as per Ind AS 116 "Leases"

₹ in Crore

As at 31/03/21	Contractual Cash Flows				
	Upto 1 year	1-3 years	3-5 years	More than 5 years	Total
Cash outflows	3.19	3.73	1.88	2.27	11.07

B. Leases as a Lessor

- a) The Company enters into operating lease arrangements in respect of lands. The details are as follows:

31st March 2021

(₹ in Crore)

Sl No	Particulars	Land
1	Gross Carrying Amount	34.41
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-Mar21 is as follows:

(₹ in Crore)

Income from Leases of investment property	2.43
Total	2.43

The above relates to Land lease for Bio Refinery Project.

- i. Maturity Analysis of Lease payments receivable

The maturity analysis of lease payments receivable under operating leases from the year ending 31st March 2021 is as follows:

(₹ in Crore)

As at 31/03/2021	Within 1 year	1 - 2 years	2 - 3 years	3 - 4 years	4 - 5 years	> 5 years	Total
Undiscounted Lease Payments	2.48	2.53	2.58	2.64	2.69	78.94	91.86

45 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 2020-21 (₹/crs)	FY 2019-20 (₹/crs)
Amount recognised in the Statement of Profit and Loss : Defined Contribution Scheme - Pension	16.25	15.30

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

Notes to Financial Statements for the year ended 31st March 2021

Employee Benefits (contd.)

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 :

- Post Retirement Medical Benefit Scheme (managed by a trust) to employees, spouse, dependent children and dependent parents.
- Resettlement allowance paid to employees to permanently settle down at a place other than the location of last posting at the time of retirement.
- Felicitation award scheme to retired employees on achieving specific age milestones at every five year interval starting from 70 years to 100 years.

These Defined Benefit Plans expose the company to actuarial risks, such as longevity 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		Employee Felicitation : Non Funded
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21
Defined Obligations at the beginning of the year	70.77	60.50	84.58	43.32	4.73	3.79	2.22
Interest Cost	4.86	4.70	5.81	3.37	0.33	0.29	0.15
Current Service Cost	1.07	1.04	3.70	2.68	0.63	0.52	0.17
Past Service cost	-	-	-	-	-	-	-
(Gain)/Loss on curtailment							
Benefits paid	(2.13)	(1.50)	(0.50)	(0.60)	(0.04)	(0.17)	(0.04)
Actuarial (Gains)/ Losses on Financial Assumption	0.31	5.23	0.87	15.52	0.02	0.38	0.02
Actuarial (Gains)/ Losses on obligations	(0.95)	0.80	(17.42)	20.29	(0.62)	(0.09)	(0.12)
Defined Obligations at the end of the year	73.94	70.77	77.04	84.58	5.05	4.73	2.40

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		Employee Felicitation : Non Funded
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21
Fair Value at the beginning of the Year	63.68	58.65	45.95	43.23	-	-	-
Expected Return	4.37	4.56	3.16	3.36	-	-	-
Actual return on Plan assets excluding Interest Income	(0.11)	0.35	1.17	(0.04)	-	-	-
Contribution by employer	7.52	1.62	37.88		-	-	-
Benefits paid	(2.13)	(1.50)	(0.50)	(0.60)	-	-	-
Fair Value of Plan Assets at the end of the year	73.33	63.68	87.65	45.95	-	-	-
Amount recognised in Balance Sheet (a-b)	0.61	7.09	(10.61)	38.63	5.05	4.73	2.40
Amount recognised in P&L							
Current Service Cost	1.07	1.04	3.70	2.68	0.63	0.52	0.17
Past Service cost	-	-					
Interest Cost	0.49	0.14	2.65	0.01	0.33	0.29	0.15

Notes to Financial Statements for the year ended 31st March 2021

Employee Benefits (contd.)

Particulars	Gratuity : Funded		Post Retirement Medical Benefit : Funded		Resettlement Allowance : Non Funded		Employee Felicitation : Non Funded
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21
Expenses for the period	1.56	1.18	6.35	2.69	0.95	0.82	0.32
Amount recognised in Other Comprehensive Income							
Actuarial (Gains)/ Losses on obligations for the period	(0.64)	6.03	(16.55)	35.81	(0.60)	0.29	(0.10)
Actual return on Plan assets excluding Interest Income	0.11	(0.35)	(1.17)	0.04			
Net (Income)/ Expenses recognised in OCI	(0.52)	5.69	(17.71)	35.85	(0.60)	0.29	(0.10)
Major Actuarial Assumptions	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	
Discount Rate	6.82%	6.87%	6.82%	6.87%	6.87%	6.87%	
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	6.82%	6.87%	6.82%	6.87%	N.A	N.A	
Investment pattern for Fund as on 31.03.2021	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 31/03/2021	As at 31/03/2020	As at 31/03/2021	As at 31/03/2020
Category of Asset	%	%	%	%
Insurer Managed Funds	100	100	92	92
Others - Fixed Deposit in nationalised banks			8	8

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 31.03.2021 is as below:

₹ in Crore

Sensitivity analysis	Gratuity : Funded			
	31-Mar-21		31-Mar-20	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(5.87)	6.71	(5.77)	6.61
Future salary growth (1% movement)	1.24	(1.34)	1.14	(1.28)
Future Employee Turnover (1% movement)	1.91	(2.13)	1.98	(2.21)

Notes to Financial Statements for the year ended 31st March 2021

Employee Benefits (contd.)

₹ in Crore

Sensitivity analysis	PRMB : Funded			
	31-Mar-21		31-Mar-20	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(15.13)	20.49	(17.00)	23.07
Future salary growth (1% movement)	20.44	(15.22)	22.98	(17.09)
Future Benefit Cost inflation (1% Movement)				
Future Employee Turnover (1% movement)	(8.07)	9.58	(9.19)	10.87

₹ in Crore

Sensitivity analysis	Resettlement Allowance : Non Funded			
	31-Mar-21		31-Mar-20	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(0.44)	0.50	(0.42)	0.49
Future salary growth (1% movement)				
Future Benefit Cost inflation (1% Movement)				
Future Employee Turnover (1% movement)	(0.48)	0.55	(0.47)	0.53

Sensitivity analysis	Employee Felicitation : Non Funded	
	31-Mar-21	
	Increase	Decrease
Discount rate (1% movement)	(0.39)	0.50

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation keeping all other actuarial assumptions constant.

₹ in Crore

Expected contribution	Gratuity - Funded	PRMB : Funded	Resettlement Allowance: Non Funded	Employee Felicitation: Non Funded
Projected benefits payable in future years from the date of reporting				
1 st following year	4.32	0.78	0.24	0.02
2 nd following year	3.53	0.73	0.15	0.02
3 rd following year	3.53	0.79	0.14	0.02
4 th following year	3.89	0.87	0.15	0.03
5 th following year	4.62	0.97	0.22	0.03
Years 6 to 10	41.89	7.51	3.11	0.23

Other details as at 31.03.2021

Particulars	Gratuity - Funded	PRMB : Funded	Resettlement Allowance: Non Funded	Employee Felicitation: Non Funded
Weighted average duration of the Projected Benefit Obligation (in years)	10	25	11	14
Prescribed contribution for next year (₹ in Crore)	1.94	-	-	-

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.

Notes to Financial Statements for the year ended 31st March 2021

Employee Benefits (contd.)

₹ in Crore

	31-Mar-21	31-Mar-20
Total employee benefit liabilities		
Non-current	7.19	4.47
Current	0.85	46.01

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.

46. 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 2021	Note Ref.	Carrying amount				Fair value			
		Mandatorily at FVTPL	FVTOCI-designated as such	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets									
Investment in Debt Instruments-Mutual Funds	11	17.64			17.64	17.64			17.64
Investment in Government of India Securities/ Treasury Bills	11			190.68	190.68				-
Cash and cash equivalents	13	-		10.69	10.69				-
Bank Balances other than cash and cash equivalents	14	-		10.87	10.87				-
Loans - Non current	8	-	-	52.89	52.89		50.95		50.95
Loans - Current	15	-		42.37	42.37		8.61		8.61
Trade receivables	12	-		1,257.21	1,257.21				-
Others- Current	16	-		37.01	37.01				-
		17.64	-	1,601.72	1,619.36	-	-	-	-
Financial liabilities									
Borrowings - Current	25			0.45	0.45				-
Borrowings - Non current	22			-	-				
Trade and other payables	26			1,244.90	1,244.90				
Other current liabilities	27			472.24	472.24				
Derivative Liability on forwards	27	-			-		-		
Other Non-Current financial liabilities	22			6.10	6.10				
		-	-	1,723.69	1,723.69	-	-	-	-

Notes to Financial Statements for the year ended 31st March 2021

Financial instruments – Fair values and risk management (continued)

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	11	-			-	-			-
Investment in Government of India Treasury Bills	11			-	-				-
Cash and cash equivalents	13			136.77	136.77				-
Bank Balances other than cash and cash equivalents	14			240.98	240.98				-
Loans - Non current	8			47.25	47.25		48.67		48.67
Loans - Current	15			19.92	19.92		4.96		4.96
Trade receivables	12			703.48	703.48				-
Others - Current	16			28.09	28.09				-
		-	-	1,176.49	1,176.49				
Financial liabilities									
Borrowings - Current	25			73.78	73.78				-
Borrowings - Non current	22			-	-				-
Trade and other payables	26			728.61	728.61				-
Other current liabilities	27			236.84	236.84				
Derivative Liability on forwards	27	-			-		-		
Other Non-Current financial liabilities	22			9.85	9.85				-
		-	-	1,049.09	1,049.09	-	-	-	-

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

Notes to Financial Statements for the year ended 31st March 2021

Financial instruments – Fair values and risk management (continued)

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.

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, 2021, the Company's most significant customer accounted for ₹1,139.66 Crore of the trade and other receivables carrying amount (March 31, 2020 : ₹635.96 Crore).

The following table provides information about the exposure to credit risk and ECLs for trade receivables:

₹ in Crore

As at 31st March 2021	Gross carrying amount	Weighed average loss rate - range	Loss allowance
Neither past due nor impaired	1,256.68		-
Less than 90 days		-	-
More than 90 days	0.53	-	-
	1,257.21	-	-

Notes to Financial Statements for the year ended 31st March 2021

Financial instruments – Fair values and risk management (continued)

₹ in Crore

As at 31 st March 2020	Gross carrying amount	Weighed average loss rate - range	Loss allowance
Neither past due nor impaired	702.89		-
Less Than 90 days			-
More than 90 days	0.59		-
	703.48	-	-

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 ₹10.69 Crore at 31st March 2021 (31st March 2020 : ₹136.77 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 2021, the Company had working capital of INR 1,468.80 crore, including cash and cash equivalents of INR 10.69 crore.

As on 31st March 2020, the Company had working capital of INR 1,823.67 crore, including cash and cash equivalents of INR 136.77 crore and investments in term deposits (having original maturities of more than 3 months) of INR 221 crore.

Exposure to liquidity risk

₹ in Crore

2020-21	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	0.45	0.45	0.45	-	-	-
Trade payables	1,244.90	1,244.90	1,244.90	-	-	-

Notes to Financial Statements for the year ended 31st March 2021

Financial instruments – Fair values and risk management (continued)

Other Non-Current financial liabilities	6.10	6.10	6.10	-	-	-
Other financial liabilities	472.24	472.24	472.24	-	-	-
Financial guarantee contracts*	28.25	28.25	28.25	-	-	-
Derivative financial liabilities						
Forward exchange contracts	-	-	-	-	-	-
<i>Inflows</i>	-	-	-	-	-	-
<i>Outflows</i>	-	-	-	-	-	-

₹ in Crore

2019-20	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	-	-	-
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>	-	-	-	-	-	-

* 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.

Notes to Financial Statements for the year ended 31st March 2021

Financial instruments – Fair values and risk management (continued)

Exposure to currency risk

The currency profile of financial assets and financial liabilities as at 31st March 2021 and 31st March 2020 are as below:

<i>₹ in Crore</i>				
	Total	2020-21	2020-21	2020-21
		INR	USD	EURO
Financial assets				
Investment in Mutual Fund	17.64	17.64		
Investment in Government of India Treasury Bills	190.68	190.68		
Derivative instruments - Forwards				
Cash and cash equivalents	10.69	10.69		
Bank Balances other than cash and cash equivalents	10.87	10.87		
Loans - Non current	52.89	52.89		
Loans - Current	42.37	42.37		
Trade receivables	1,257.21	1,221.09	36.13	
Others - Current	37.01	37.01		
Net exposure for assets	1,619.36	1,583.23	36.13	-
Financial liabilities				
Borrowings - Current	0.45	0.45		
Derivative instruments - Forwards	-		-	
Trade and other payables	1,244.90	1,208.77	25.30	10.83
Others - Current	472.24	472.24	-	
Others - Non-Current	6.10	6.10		
	1,723.69	1,687.56	25.30	10.83
Less: Foreign currency forward exchange contracts				
Net exposure for liabilities	1,723.69	1,687.56	25.30	10.83
Net exposure (Assets - Liabilities)	(104.33)	(104.32)	10.83	(10.83)

₹ in Crore

	Total	2019-20	2019-20	2019-20
		INR	USD	EURO
Financial assets				
Investment in Mutual Funds	-	-		-
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		-

Notes to Financial Statements for the year ended 31st March 2021

Financial instruments – Fair values and risk management (continued)

Loans - Non	47.25	47.25		-
Loans - Current	19.92	19.92		-
Trade receivables	703.48	697.63	5.84	
Other Non-current financial asset		-		-
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		
Borrowings - Non current	-			
Derivative instruments - Forwards	-			
Trade and other payables	728.61	726.66		1.95
Others - current	236.84	236.84		
Other - 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)

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
2020-21		
1% movement		
USD	(0.65)	0.65
EUR	-	-
	(0.65)	0.65

Effect in INR (before tax)	Profit or loss	
	Strengthening	Weakening
2019-20		
1% movement		
USD	(0.35)	0.35
EUR	-	-
	(0.35)	0.35

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

Notes to Financial Statements for the year ended 31st March 2021

Financial instruments – Fair values and risk management (continued)

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	
	2020-21	2019-20
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)	-	-
Financial liabilities - measured at amortised cost (Working capital loans from banks - Cash credit)	0.45	68.60
Total	0.45	68.60

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
2020-21		
Variable-rate instruments	-	-
Cash flow sensitivity (net)	-	-
2019-20		
Variable-rate instruments	-	-
Cash flow sensitivity (net)	-	-

47 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.

Notes to Financial Statements for the year ended 31st March 2021

Joint Venture of Holding Companies:

Bharat Oman Refineries Limited (upto 25.03.2021)

Key Management Personnel :

Shri Sushil Chandra Mishra, Chairman Appointed (w.e.f. 26.03.2021)

Shri K Padmakar, Chairman (upto 26.03.2021)

Shri D.Rajkumar, Chairman (upto 31.08.2020)

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 Indranil Mittra, Director (Finance) Appointed (w.e.f. 12.10.2018)

Shri Hemanta Kr Sharmah, Company Secretary

Shri Ravi Capoor, Director (representing Govt. of Assam) (upto 31.07.2019)

Shri Krishna Kumar Dwivedi, Director (representing Govt. of Assam) (w.e.f. 16.08.2019)

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 Raj Kumar Sharma , Independent Director (upto 30.01.2020)

Smti Sneh Lata Kumar, Independent Director (upto 07.09.2020)

Shri 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 Corporation during the year:

₹ in Crore

	2020-21	2019-20
	Joint Venture/Joint Venture of Holding Companies:	Joint Venture/Joint Venture of Holding Companies:
Revenues and income		
Sale of goods	0.06	-
Dividend income received	-	-
Services given	8.62	8.10
Lease rental received	2.43	2.45
Finance income	-	-
Other income	-	-
Costs and expenses		
Production and operating expenses	-	-
Purchases of goods	95.79	115.05
Financial expenses	-	-
Other expenses	-	-
Other operations		
Investment in equity shares	184.92	79.50
Advance for investment pending allotment of shares	-	-

Notes to Financial Statements for the year ended 31st March 2021

	2020-21	2019-20
	Joint Venture/Joint Venture of Holding Companies:	Joint Venture/Joint Venture of Holding Companies:
Loans given	-	-
Loans repaid	-	-

b) Outstanding balance with related parties

₹ in Crore

	2020-21		2019-20	
	KMPs	Others	KMPs	Others
Loans given	0.34	-	0.18	-
Loans taken	-	-	-	-
Receivable at the year end	-	5.88	-	5.40
Payable at the year end	-	10.99	-	-

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-21	31-Mar-20
Short-term employee benefits	1.96	2.02
Post-employee benefits	0.27	0.26
Other long-term benefits	-	-
Total	2.23	2.28

48 Dues from officers is ₹1.68 crore (31st March 2020 : ₹1.33 crore)

49 During the FY 2020-21, 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 ₹16.97 crore (previous year ₹15.87 crore) based on the available information and judgement.

50 Contingent Liabilities and Capital Commitments

₹ in Crore

	31-Mar-21	31-Mar-20
(a) Contingent Liabilities :		
Claims against the Company not acknowledged as debts :		
Excise matters	158.74	194.40

Notes to Financial Statements for the year ended 31st March 2021

₹ in Crore

	31-Mar-21	31-Mar-20
Entry Tax Matters	5.90	6.89
Claim by contractors Arbitration cases / Other extra claims on capital account	26.27	26.18
Others	1.49	11.25
(b) Capital Commitments :		
Estimated amount of contracts remaining to be executed on capital account and not provided for	1,027.44	327.40
(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	28.25	40.40
ii) Bank Guarantee	57.93	44.36
(d) Letter of Credit	-	7.51

The Company currently does not have any Contingent Assets

51 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
VAT/ Sales Tax/ Entry Tax	17.48	-	-	17.48	-
Legal cases	9.30	58.40	-	2.73	64.97
Total	26.78	58.40	-	20.21	64.97
Previous year	152.08	4.05	42.23	87.12	26.78

The above provisions are made based on estimates and the expected timing of outflows is not ascertainable at this stage.

52 Disclosure in respect of Expenditure on Corporate Social Responsibility Activities

₹ in Crore

	2020-21	2019-20
a) CSR expenditure incurred in excess carried forward from previous year to be setoff against current year expense (Contribution to PM Care Fund)	25.00	-
b) Amount required to be spent by the company during the year	52.80	62.25
c) Amount spent during the year (on purpose other than construction / acquisition of assets controlled by the company)	28.00	87.61
d) Provision created for balance amount (Closing Provision)	-	-

* Including payables of ₹1.02 crore (Previous Year ₹1.22 crore) as on 31.03.2021.

Notes to Financial Statements for the year ended 31st March 2021

53 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 6.08% (31st March 2020: 7.94%).

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 2021 was as follows :

	₹ in Crore	
	As at 31 st March 2021	As at 31 st March 2020
Total Liabilities	2,524.81	1,570.08
Less : Cash and Cash equivalent	10.69	136.77
Adjusted net debt	2,514.13	1,433.31
Total equity	5,596.03	5,304.38
Adjusted net debt to adjusted equity ratio	0.45	0.27

54 Interest in Joint Operations

Name		Principal place of Business	Proportion of Ownership Interest	
			March 31, 2021	March 31, 2020
E&P BLOCKS				
1) AA-ONHP-2017/12	A *	India	10%	10%
2) AA-ONHP-2017/20	A *	India	20%	20%

Open Acreage Licensing Policy (OALP), Bid Round -I, block were acquired through farmed-in during the year 2019-20.

55 Disclosure Relating to Exploration Activities

	₹ in Crore	
	March 31, 2021	March 31, 2020
(i) Assets		
'-Intangible Assets Under Development	1.03	-
(ii) Liabilities		
'-Provision	0.71	-
(iii) Income	-	-
(iv) Expenses		
'- Exploration expenditure written off	4.81	-

Notes to Financial Statements for the year ended 31st March 2021

56 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-21	31-Mar-20
I Revenue		
India	18,543.59	14,072.66
Other Countries	-	-
Total Revenue	18,543.59	14,072.66
II Non-current Assets *		
India	3,985.40	3,454.70
Other Countries	-	-
Total Non-current Assets	3,985.40	3,454.70

*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 ₹16,048.58 Crore (previous year - ₹11,892.28 Crore)

57 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.

58 The company has elected to continue the policy adopted under previous GAAP for accounting the foreign exchange difference arising on settlement or translation of long term foreign currency monetary item outstanding as of 31st March 2016 i.e. foreign exchange differences 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 assets.

The net amount remaining unamortised as at 31st March 2021 ₹39.24 crore (Previous Year ₹41.79 crore)

59 Details of Impairment loss in respect of Naphtha Splitter Unit (NSU) :

The company setup NSU for supply of Petrochemical Grade Naphtha (PGN) to its associate company Brahmaputra Cracker and Polymer Limited. The unit was designed to produce 160 TMT of PGN annually. However due to prevailing economics, supply commitment to customer is fulfilled through purchase from external sources and unit is not in operation. Accordingly the recoverable value of the asset was reviewed and it is estimated that there would not be any recoverable value for the same. Considering "Nil" recoverable value of the assets, an amount of ₹51.26 crore (2019-20 : Nil) has been accounted as impairment loss during the year, in line with the requirement of Ind AS 36.

The impairment provision is sensitive to changes in key judgements, such as alternate use of assets which could result in increase of the recoverable amounts and subsequent recovery of impairment charged.

Notes to Financial Statements for the year ended 31st March 2021

60 On March 26, 2021, Oil India Limited (OIL), Government of Assam and Engineers India Limited (EIL) acquired 54.16%, 3.12 % and 4.37% stake respectively in paid up equity capital of Numaligarh Refinery Limited (NRL) from Bharat Petroleum Corporation Limited (BPCL). (Refer Note No 20)

61 The outbreak of Corona virus (COVID-19) pandemic globally and in India, that is continuing for more than one year is causing significant disturbance and slowdown of economic activity. Since petroleum products are under essential services, the refining and marketing operations of the company was continued based on market demand. The company has evaluated the possible impact of COVID-19, if any, in the preparation of the audited standalone financial results, including its assessment of recoverable value of assets based on internal and external information upto the date of approval of the standalone financial results and current indicators of future economic conditions and expects to recover the carrying value of the assets, unless otherwise stated.

62 Research and Development Expenditure

₹ in Crore		
Particulars	2020-21	2019-20
Revenue Expenditure	-	3.30

63 Previous year figures

Previous year figures have been reclassified / regrouped to conforms to current year's classification.

Signature to Notes '1' to '63'

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: 21064393AAAAEA6383

Place: Kolkata
Date : 07th May, 2021

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

Sd/-
H. K. Sarmah
Company Secretary

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

Place: Guwahati
Date : 07th May 2021

The background of the slide is a blue-tinted photograph of an industrial worker wearing a hard hat and safety gear, standing on a metal ladder or platform. Behind the worker is a large, cylindrical industrial tank with various pipes and structural elements. A large, white, upward-pointing arrow is superimposed over the lower half of the image, pointing towards the title text. The overall design is professional and industrial, with red and white geometric shapes at the top and bottom edges.

INDEPENDENT
AUDITORS'
REPORT
(CONSOLIDATED)

Independent Auditors' Report

To
The Members of
Numaligarh Refinery Limited

Report on the Audit of the Consolidated 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, 2021, 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, 2021, 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 thereunder, 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.

Information other than the Financial Statements and Auditors' Report thereon

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 etc, but does not include the consolidated financial statements, standalone 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 consolidated financial statements does not cover the other information and we do 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 to us 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 consolidated equity

and consolidated cash flows of the Group 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 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 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 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 skepticism 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 Company 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.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

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 Ltd. (ABRPL) – Joint Venture Company.
3. Indradhanus Gas Grid Ltd (IGGL) – Joint Venture Company.
4. Brahmaputra Crackers and Polymers Limited (BCPL) – Associate Company.

The financial statements of above referred Joint Venture and Associate companies reflect total assets of Rs 12,231.61 Crore at 31st March, 2021, total revenues of ₹ 3,545.07 Crore and net cash flows amounting to ₹ 1,563.98 Crore 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 ₹79.96 Crore for the year ended 31st March, 2021, 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 has been furnished to us by the Management of the parent company and are pending adoption by the board of the respective joint venture and 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 and has been furnished to us by the Management of the parent company.

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 of respective joint venture and associate companies, 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 discloses the impact of pending litigations as at 31st March 2021 on its consolidated financial position of the Company and its joint ventures and associate. Refer Note 50 to the consolidated Ind AS financial statements;
 2. The Company did not have any long- term contracts including derivative contracts at the year-end for which there are no material foreseeable losses.
 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: 21064393AAAAEB4914

Place: Kolkata

Date: 7th May, 2021

The background image shows a worker in a hard hat and safety gear standing on a complex industrial structure, likely a large storage tank or refinery component. The scene is overlaid with a semi-transparent blue filter. A large, light-colored arrow points upwards from the bottom left towards the center of the page. The text is positioned to the right of the arrow's shaft.

ANNEXURES TO
INDEPENDENT
AUDITORS'
REPORT
(CONSOLIDATED)

Annexure- A to Independent 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. (In case, Lender is a Government Company, then this direction is also applicable for statutory auditor of the lending company)
	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 (grants/ Subsidy etc.) received/receivable for specific schemes from central/ state Government or its agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.
	Observation/ Findings	The 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 condition is that NRL shall procure goods from supplier on tax invoice and in turn export the said goods within a period of ninety days from the date of issue of the tax invoice by the supplier. The goods to be exported through bill of export. However there shall be no realization in 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.

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: 21064393AAAAEB4914

Place: Kolkata

Date: 7th May, 2021

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 2021, 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, 2021, 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 report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting 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 respective Independent Auditors' Report on Internal Financial Control for the Joint ventures and also of associate companies. Our opinion is not modified in respect of this matter.

For **M. C. Bhandari & Co.**

Chartered Accountants

Firm registration No. 303002E

CA. Neeraj Jain

(Partner)

(Membership No. 064393)

UDIN: 21064393AAAAEB4914

Place: Kolkata

Date: 7th May, 2021

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 2021

The preparation of consolidated financial statements of Numaligarh Refinery Limited for the year ended 31 March 2021 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 7 May 2021.

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 2021 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 Indradhanush Gas 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 its joint venture company 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) of the Act.

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

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

Place : Kolkata
Dated: 28th June 2021

Consolidated Balance Sheet as at 31st March 2021

₹ in Crore

	Note No.	31-Mar-21	31-Mar-20
ASSETS			
1 Non-current assets			
(a) Property, Plant and Equipment	2	3,037.75	3,028.86
(b) Capital work in progress	3	760.11	321.01
(c) Investment Property	4	34.41	32.66
(d) Other Intangible assets	5	96.31	13.70
(e) Intangible Assets Under Development	6	1.03	-
(f) Investment accounted for using equity method	7	541.12	355.55
(g) Financial Assets			
(i) Investment		-	-
(ii) Loans	8	52.89	47.25
(iii) Other Financial Assets		-	-
(h) Other non-current assets	9	55.80	58.47
Total Non-current assets		4,579.42	3,857.50
2 Current assets			
(a) Inventories	10	1,972.84	1,787.82
(b) Financial Assets			
(i) Investments	11	208.32	0.00
(ii) Trade receivables	12	1,257.21	703.48
(iii) Cash and cash equivalents	13	10.69	136.77
(iv) Bank Balances other than (iii) above	14	10.87	240.98
(v) Loans	15	42.37	19.92
(vi) Other financial assets	16	37.01	28.09
(c) Current Tax Assets (Net)	17	129.50	135.87
(d) Other current assets	18	39.30	50.94
		3,708.11	3,103.87
Assets Held for Sale	19	0.72	0.72
Total Current assets		3,708.83	3,104.59
TOTAL ASSETS		8,288.25	6,962.09
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	20	735.63	735.63
(b) Other Equity	21	5,027.81	4,656.37
Total Equity		5,763.44	5,392.00

Consolidated Balance Sheet as at 31st March 2021 (contd.)

₹ in Crore

	Note No.	31-Mar-21	31-Mar-20
Liabilities			
1 Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowing		-	-
(ii) Other financial liabilities	22	6.10	9.85
(b) Provisions	23	12.57	11.81
(c) Deferred tax liabilities (Net)	24	266.11	267.51
Total Non-Current Liabilities		284.78	289.17
2 Current liabilities			
(a) Financial Liability			
(i) Borrowings	25	0.45	73.78
(ii) Trade payables			
a) Total outstanding dues of Micro Enterprises and Small Enterprises	26	15.39	0.92
b) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	26	1,229.51	727.69
(iii) Other financial liability	27	472.24	236.84
(b) Other current liabilities	28	363.79	149.64
(c) Provisions	29	78.86	92.05
(d) Current Tax Liabilities (Net)	30	79.79	-
Total Liabilities		2,240.03	1,280.92
TOTAL EQUITY AND LIABILITIES		8,288.25	6,962.09
Significant Accounting Policies	1		
Notes forming part of Financial Statements	44-64		

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 : 21064393AAAAEB4914

Place: Kolkata

Date : 7th May 2021

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 : 7th May 2021

Consolidated Statement of Profit and Loss for the period ended 31st March 2021

₹ in Crore

	Note No.	2020-21	2019-20
INCOME			
I Revenue from operations	31	18,543.59	14,072.66
II Other Income	32	92.94	171.63
Total income (I+II)		18,636.53	14,244.29
EXPENSES			
Cost of materials consumed	33	7,795.42	8,735.49
Purchases of Stock-in-Trade		416.24	497.56
Changes in inventories of finished goods, stock-in-trade and work-in-progress	34	(222.23)	(453.59)
Excise Duty	35	4,868.08	2,027.43
Employee Benefits expense	36	344.50	297.84
Finance Costs	37	9.21	2.05
Depreciation ,Amortisation and Impairment	38	347.36	248.92
Other Expenses	39	994.98	924.52
Total Expenses (IV)		14,553.56	12,280.22
V Profit/(loss) before exceptional items and tax (III-IV)		4,082.97	1,964.07
VI Exceptional Items	40	-	229.52
VII Profit from continuing operation before share of profit of equity accounted investees and income tax (V-VI)		4,082.97	1,734.55
VIII Share of profit of equity accounted investee (net of income tax)		79.96	152.28
IX Profit from continuing operations before income tax (VII+VIII)		4,162.93	1,886.83
X Tax Expense	41	1,046.87	353.23
(1) Current Tax		1,053.05	412.31
(2) Deferred Tax		(6.18)	(59.08)
XI Profit / (Loss) for the period (IX - X)		3,116.06	1,533.60
XII Other comprehensive income			
(i) Items that will not be reclassified to profit or loss Remeasurements of defined benefit plan	42	18.94	(41.83)
(ii) Share of other comprehensive income in associates and joint ventures, to the extent not to be reclassified to profit or loss		(0.17)	(0.15)
(iii) Income tax related to items that will not be reclassified to profit or loss	42	(4.77)	10.53
Other comprehensive income, net of tax (i+ii)		14.00	(31.45)
XIII Total comprehensive income for the period (IX + X)		3,130.06	1,502.15
XIV Basic and Diluted Earnings per share (₹)	43	42.36	20.85
(Face Value ₹10)		42.36	20.85
Significant Accounting Policies	1		
Notes forming part of Financial Statements	44-64		

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 : 21064393AAAAEB4914

Place: Kolkata

Date : 7th May 2021

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 : 7th May 2021

Consolidated Statement of Cash Flows

₹ in Crore

<i>For the year ended</i>		31-Mar-21	31-Mar-20
A	Cash Flow from Operating Activities		
	Profit (Loss) for the period	3,116.06	1,533.60
	Adjustments for :		
	Depreciation, Amortisation and Impairment	347.36	248.92
	Income Tax Expenses	1,046.87	353.23
	Interest	9.21	2.05
	(Profit) / Loss on Sale/Write Off of Property, Plant and Equipment	0.77	2.92
	Foreign Exchange Fluctuation	-	(2.19)
	Income from Investment in Join Venture /Associate Companies	(4.09)	(5.11)
	Income from Investment Property	(2.43)	(2.45)
	Dividend Received from Current Investment	-	(7.14)
	Interest Income	(32.64)	(78.33)
	(Profit)/Loss on sale of investment	(7.91)	(9.89)
	Other Non-Cash Items (Refer explanatory note 4)	82.83	(20.93)
	Operating Profit before Working Capital Changes	4,556.03	2,014.68
	<i>(Invested in) / Generated from:</i>		
	Trade receivables	(553.74)	517.05
	Other receivables	(17.73)	(135.84)
	Inventories	(185.02)	(271.26)
	Current Liabilities & Provisions	879.62	(134.32)
	Cash generated from Operations	4,679.16	1,990.31
	Direct Taxes Paid	(966.90)	(591.38)
	Net Cash from/(used in) Operating Activities	3,712.26	1,398.93
B	Net Cash Flow from Investing Activities		
	Purchase of Property, Plant & Equipment /CWIP	(790.54)	(515.84)
	Purchase of intangible assets	(88.14)	(9.40)
	Sale of Property, Plant and Equipment	0.21	0.29
	Investment in Joint Venture/ Associate Companies	(185.21)	(185.62)
	Purchase of / Accretion to Investments	(208.32)	1,132.15
	Purchase/ Maturity of Fixed Deposit	230.11	(137.10)
	Profit on Sale of Investments	7.91	9.89
	Income from Investment in Join Venture /Associate Companies	4.09	5.11
	Dividend Received from Investment	-	7.14
	Long Term Loans and Advances	(2.98)	(31.68)
	Interest Income from Investment	39.44	87.26
	Net Cash from/(used in) Investing Activities	(993.43)	362.20
C	Net Cash Flow from Financing Activities		
	Repayment of Loan	-	(35.67)
	Other Long Term Liabilities	(5.42)	(65.11)
	Payment of lease liabilities	(2.81)	(1.72)
	Other Long Term Provisions	0.76	3.76

Statement of Cash Flows (contd.)

₹ in Crore

For the year ended		31-Mar-21	31-Mar-20
Interest paid		(5.49)	(2.20)
Dividend Paid		(2,758.62)	(1,324.14)
Corporate Dividend Tax		-	(272.18)
Realised (loss)/gain of Foreign Exchange Difference		-	2.19
Net Cash from/(used in) Financing Activities		(2,771.58)	(1,695.07)
D Net Increase / (Decrease) in Cash and Cash equivalents (A+B+C)		(52.75)	66.06
E Cash & Cash Equivalents at beginning of Period	Note 1	62.99	(3.07)
F Cash & Cash Equivalents at end of Period (D+E)	Note 1	10.24	62.99

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-21	31-Mar-20
Cash & Cash Equivalents at beginning 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)
Cash & Cash Equivalents at end of Period		
Cash/cheques in Hand	0.01	0.05
Cash at Bank	10.68	0.72
Working capital loans / Bank Overdraft	(0.45)	(73.78)
Fixed Deposits with Banks with original maturity of less than 3 months	-	136.00
	10.24	62.99
Net change in Cash and Cash equivalents	(52.75)	66.06

2. Disclosure to Changes in liabilities arising from financing activities

₹ in Crore

Particulars	Short Term Borrowings (excluding bank overdraft)	Long Term Borrowings (including current maturities)	Total liabilities from financing activities
Balance as on 31.03.2020	-	-	-
Cash Flow			
Inflow	-	-	-
Outflow	-	-	-
Non Cash Changes			
Foreign Exchange Movement	-	-	-
Current Maturity of Long Term Borrowing	-	-	-
Increase in Lease Obligation due to Ind AS 116	(3.03)	(5.41)	(8.44)
Fair Value Changes	-	-	-
Balance as on 31.03.2021	(3.03)	(5.41)	(8.44)

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: 21064393AAAAEB4914

Place: Kolkata
 Date : 7th May 2021

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 : 7th May 2021

Consolidated Statement of Changes in Equity for the Year Ended 31st March 2021

₹ in Crore

(a) Equity Share Capital	As at 31/03/2021		As at 31/03/2020	
	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 21]	General Reserve [Note 21]	Retained Earnings [Note 21]	
Balance at 31st March 2020	100.00	4,444.48	111.89	4,656.37
Profit for the year			3,116.06	
Other Comprehensive Income for the year			14.00	
Dividends			(2,758.62)	
Corporate Dividend Tax on Dividends			-	
Transfer to General Reserve		291.65	(291.65)	
Balance as at 31st March 2021	100.00	4,736.13	191.68	5,027.81
Balance as at 31st March 2019	100.00	3,420.28	1,230.26	4,750.54
Profit for the year			1,533.60	
Other Comprehensive Income for the year			(31.45)	
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

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: 21064393AAAAEB4914

Place: Kolkata
Date : 7th May 2021

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 : 7th May 2021

Notes to consolidated financial statements for the year ended 31st March 2021

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 2021.

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 Crore (up to two decimals), 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 07th May 2021.

The percentage of ownership interest of the company in the JVCs and Associates as on 31st March 2021 are as under:

Particulars	Country of Incorporation	Percentage (%) of actual ownership interest as on	
		31/03/2021	31/03/2020
Joint Venture Company			
DNP Limited	India	26.00	26.00
Assam Bio Refinery (P) Ltd.	India	50.00	50.00
Indradhanush 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 Indradhanush 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 Intangible Assets with indefinite useful lives, such as right of way which is perpetual and absolute in nature, are not amortised, but are tested for impairment annually. The useful lives are reviewed at each period to determine whether events and circumstances continue to support an infinite useful life assessment for that asset. If not, the change in useful life from indefinite to finite is made on prospective basis. The impairment losses on intangible assets with indefinite life is recognized in the statement of Profit and Loss.
- 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.

- 1.6.3 Exploration and Evaluation Assets are reviewed for indicators of impairment as per Ind AS 106 and if events and circumstances suggests, impairment loss is provided for and carrying amount is reduced accordingly.

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.

- 1.9.9 In case of catalyst with noble metal content, residual value is considered based on the cost of metal content.
- 1.9.10 In case of immovable assets constructed on leasehold land, useful life as per Schedule – II to the Act or lease period of land (including renewable/likely renewable period) whichever is earlier is considered.

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.

The group has elected not to apply Ind AS 116 to intangible assets and not to separate Lease and Non-lease components of composite contract.

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 02nd February 2018, earlier CBEC Tariff 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.

1.20 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 after 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 Oil and Gas Exploration, Evaluation and Development Expenditure

The company follows the Successful Efforts Method (SEM) of accounting in respect of its oil and gas exploration and production activities which is in accordance with Ind AS 106 and the "Guidance Note on Accounting for Oil and Gas Producing Activities (Ind AS)" issued by the Institute of Chartered Accountants of India.

1.29.1 Pre-Acquisition, Acquisition, Exploration and Evaluation Costs

(i) Pre-Acquisition costs: Pre-Acquisition cost of revenue nature incurred prior to obtaining the rights to explore, develop and Produce Oil and Gas like data collection and analysis costs etc. are expensed to the Statement of Profit and Loss in the year of incidence.

(ii) Acquisition costs:

(a) Acquisition costs include cost of land acquired for drilling operations including cost temporary occupation of the land, crop compensation paid to farmers, registration fee, legal costs, signature bonus, broker's fees, consideration for farm-in arrangements and other costs incurred in acquiring mineral rights.

(b) These costs are initially recorded under Exploration and Evaluation Assets (Intangible) except cost of land acquired for drilling operation which are shown as Acquisition cost – land under capital work in progress.

(c) On determination of proved developed reserves, associated acquisition costs are transferred to Property, Plant and Equipment as Oil and Gas Assets.

(d) Acquisition costs relating to an exploratory well that is determined to have no proven reserves and its status is decided as dry or of no further use for exploration purpose, is charged as expense. In such cases land value forming part of acquisition cost, not exceeding threshold is transferred to Freehold land under property, Plant and Equipment.

(e) Cost for retaining the mineral interest in properties like lease carrying cost, license fees and other costs are charged as expense when incurred.

(iii) Exploration and Evaluation Cost (E&E cost):

(a) Geological and geophysical costs, including seismic surveys for exploration purposes are expensed as incurred.

(b) Costs including allocated depreciation on support equipment and facilities involved in drilling and equipping exploratory and appraisal wells and cost of exploratory –type drilling stratigraphic tests wells are initially shown as Exploration and Evaluation Assets (Intangible) till the time these are either transferred to Property, Plant and Equipment as Oil and Gas assets on establishment of Proved Developed Reserves or charged as expense when determined to be dry or of no further use.

(c) E&E cost related to each exploratory well are not carried over unless it could be reasonably demonstrated that there are indications of sufficient quantity of reserves and activities are firmly planned in near future for further assessing the reserves and economic & operating viability of the project. Costs of written off exploratory wells are not reinstated in the books even if they start producing subsequently.

1.29.2 Development cost

Costs that are attributable to development activities including production and processing plant and facilities, service wells including allocated depreciation on support equipment and facilities are initially shown under Capital Work in Progress as Development cost till such time they are capitalized as Oil and Gas Asset under Property, Plant and Equipment on establishment of Proved Developed Reserves. Cost of dry development well, if any is also capitalized as Oil and Gas Asset under Property, Plant and Equipment upon completion of the well.

1.29.3 Production cost

Production Cost consist of direct and indirect costs incurred to operate and maintain well and related equipment and facilities, including depreciation and applicable operating cost of support equipment and facilities.

1.30 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
Land value forming part of acquisition cost for exploratory well with no proven reserve	1.29.1	₹ Per Bigha	100

Notes to consolidated Financial Statements for the year ended 31st March 2021

2 Property, plant and equipment

₹ in Crore

	Gross Block				Depreciation				Impairment				Net Carrying Amount			
	As at	Ind AS 116	Addition	Deductions	As at	Up to	Addition	Deductions	Up to	Up to	Impairment	Impairment	Up to	As at	As at	As at
	(1)	(2)	(3)	(4)	(5)=(1+2+3+4)	(6)	(7)	(8)	(9)=(6+7+8)	(10)	(11)	(12)	(13)=(10+11+12)	(14)=(5-9-13)	(15)=(16-10)	
01-Apr-20 adjustments																
LAND																
i) Land Freehold	30.04		20.94		50.97	-	-	-	-	-	-	-	-	50.97	30.04	
ii) Land ROU Asset	0.07		76.91		76.98	0.02	2.56		2.57					74.41	0.05	
BUILDINGS																
i) RCC Frame Structure (other than factory)	150.16		16.12	(2.28)	164.00	12.97	3.12	(0.07)	16.02					147.96	137.19	
ii) Non RCC Frame Structure (other than factory)	151.75		12.59	(9.75)	154.59	8.48	5.14	(0.75)	12.87					141.72	143.27	
iii) FACTORY	316.10		27.00	(0.32)	342.78	58.13	13.53	0.03	71.68		6.08		6.08	265.02	257.98	
iv) Fences, Wells and Tube Wells	10.97		0.65	-	11.61	2.87	2.28		5.15					6.46	8.10	
v) Others (Temporary Structures)	5.40		1.23		6.63	2.44	1.17		3.62					3.02	2.95	
vi) ROU Assets	9.85		1.91		11.76	1.94	2.91		4.86					6.90	7.90	
BRIDGE, CULVERTS, BUNKERS etc	22.26		-	-	22.26	6.49	1.30		7.78					14.47	15.77	
ROADS																
i) Carpeted Roads-RCC	8.83		0.64	-	9.47	4.47	0.75	-	5.22					4.25	4.36	
ii) Carpeted Roads-Other than RCC	7.88		0.21	-	8.09	2.30	1.00	-	3.30					4.79	5.58	
iii) Non Carpeted Road	0.73		(0.00)	-	0.73	0.20	0.12	-	0.32					0.41	0.53	
PLANT & MACHINERY																
i) CONTINUOUS PROCESS PLANT/Refineries	2,401.54		149.40	(12.52)	2,538.42	610.94	201.79	2.43	815.16		25.16		25.16	1,698.10	1,790.59	
ii) Plant and Machinery-Other than Continuous Process Plant	193.04		26.99	(12.82)	207.21	67.42	14.89	(1.76)	80.54		10.69		10.69	115.98	125.63	
iii) Storage Tanks & Related Equipments	228.80		9.73	(0.03)	238.50	25.69	9.34	-	35.03		9.33		9.33	194.15	203.11	
iv) Plant & Machinery (Captive Power Plants)	184.88		7.31	(0.13)	192.06	20.96	5.61	-	26.57					165.48	163.91	
v) Plant & Machinery Used in Medical and Surgical	5.96		1.08	-	7.03	1.78	0.50	-	2.28					4.75	4.17	
vi) Heavy Lift Equipment	15.43		4.75	-	20.18	1.75	2.06		3.81					16.37	13.68	
RAILWAY SIDING	23.73		-	-	23.73	14.62	1.97	-	16.59					7.14	9.11	
FURNITURE																
i) FURNITURE - GENERAL	8.09		1.58	-	9.67	3.55	0.77		4.32					5.35	4.54	
ii) FURNITURE - Others	4.18		0.11		4.29	2.08	0.45		2.53					1.76	2.10	
iii) FOH-to Employees	8.90		2.10	(1.39)	9.61	4.08	1.65	(1.20)	4.53					5.08	4.82	
OFFICE EQUIPMENTS																
i) Office Equipments-General	16.07		1.16	(0.02)	17.21	8.76	1.77	(0.02)	10.51					6.70	7.31	
ii) Mobile on Hire-to Employees	0.80		0.45	(0.50)	0.74	0.47	0.34	(0.48)	0.33					0.41	0.32	
COMPUTERS AND DATA PROCESSING UNITS																
i) Servers and Network	31.50		10.23	-	41.73	12.92	6.54	-	19.46					22.27	18.58	
ii) End User Devices-Desktop, Laptops, Printers etc	9.98		3.61	(0.28)	13.31	5.45	2.32	(0.25)	7.52					5.79	4.53	

2 Property, plant and equipment (contd.)

₹ in Crore

	Gross Block			Depreciation			Impairment			Net Carrying Amount					
	As at	Ind AS 116 adjustments	Addition	Deductions on account of Retirement/ Reclassifications	As at	Up to	Addition	Deductions on account of Retirement / Reclassifications	Up to	Impairment Loss during the year	Up to	As at	As at		
	01-Apr-20				31-Mar-21	31-Mar-20			31-Mar-21	31-Mar-20	31-Mar-21	31-Mar-21	31-Mar-20		
	(1)	(2)	(3)	(4)	(5)=(1+2+3+4)	(6)	(7)	(8)	(9)=(6+7+8)	(10)	(11)	(12)	(13)=(10+11+12)	(14)=(5-9-13)	(15)=(16-10)
iii) PC on Hire-To Employees	2.34		0.67	(0.73)	2.27	0.95	0.57	(0.66)	0.85				-	1.42	1.39
ELECTRICAL EQUIPMENTS	66.59		12.53	(0.12)	79.00	27.72	6.36		34.08				-	44.92	38.86
LABORATORY EQUIPMENT	18.71		1.29	(0.00)	19.99	6.14	1.95	-	8.09				-	11.90	12.57
VEHICLES															
i) Motor Cycles, Scooters & Other Mopeds	0.13		-	-	0.13	0.10	0.01	-	0.11				-	0.02	0.03
ii) Motor Buses, Motor Lorries, motor cars and motor taxis	3.69		0.47	(0.26)	3.90	0.87	0.48	(0.16)	1.19				-	2.71	2.82
iii) TRUCKS / HEAVY VEHICLES, Harvesting Combines	9.66		1.21	(0.01)	10.86	3.09	1.07	-	4.16				-	6.70	6.57
iv) Electrically Operated Vehicles	1.15		0.04	-	1.20	0.67	0.14	-	0.81				-	0.39	0.49
Total	3,949.18	-	392.90	(41.16)	4,300.91	920.32	294.46	(2.89)	1,211.88	-	51.26	-	51.26	3,037.75	3,028.86
Previous Year Figures	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

Additional information in respect of Note No. 2

- Total freehold land held by NRL is 1574.45 acres (1454.67 acres) which includes 137.67 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.
- Deduction from Gross Block (Column 4) includes :
 - ₹ 0.25 Crore (₹ 0.03 crore) on account of Write off of Physical Verification discrepancies.
 - ₹ 40.91 Crore (₹ 75.01 Crore) on account of sale, retirement, deletions and reclassifications.
 - ₹ 0.00 Crore (Previous Year ₹ 32.66 Crore) on account of lease of land to joint venture company.
- Depreciation for the year (column 7) includes :
 - Charged to Profit & Loss Account ₹ 291.60 Crore (₹ 246.46 Crore)
 - Charged to project expenses ₹ 2.85 Crore (₹ 2.11 Crore)
 - 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 ₹ 1.28 Crore (₹ 1.77 Crore) for the year.
 - Assets costing up to ₹ 5,000 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 ₹ 0.32 Crore (₹ 0.14 Crore) for the year.
- Deduction from Depreciation (Column 8) includes :
 - Withdrawal of depreciation of ₹ 2.77 Crore (₹ 71.16 Crore) on account of sale, deletions, retirement & reclassification.
 - ₹ 0.12 crore (₹ 0.02 Crore) on account of write off of Physical Verification discrepancies.
- Hitherto, the estimated residual value of Catalyst with nobel content was considered as 5% of original cost. The same has been revised to cost of nobel content and for the balance part at 5% of cost. The impact on accounts of above change is reduction in depreciation by ₹ 2.52 crs.
- 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 2021

3 Capital work in progress

		₹ in Crore	
Particulars		31-Mar-21	31-Mar-20
Capital work in progress			
Opening Work-in-progress		309.02	403.55
Addition during the year		815.74	499.36
Less : Allocated to Assets during the year		390.99	593.89
		733.77	309.02
Less : Provision for Capital WIP Losses		(21.86)	(21.76)
		711.91	287.26
Capital Stores		13.45	12.34
Capital goods in transit		0.57	0.98
		725.93	300.58
Construction period expenses pending allocation			
Opening balance		20.43	5.17
Add: Expenditure during the period			
Travel, Establishment etc.		21.02	17.15
Depreciation		2.85	2.11
Finance Cost		0.09	1.09
		44.39	25.52
Less : Allocated to assets during the year		10.21	5.09
Closing balance		34.18	20.43
		760.11	321.01

4 Investment Property

									₹ in Crore	
Particulars	Gross Block/Cost				Deprecation				Net Carrying Amount	
	As at	Addition		As at	Upto	Addition		Upto	As at	As at
	01-Apr-20		Disposal/ adjustments	31-Mar-21	31-Mar-20		Disposal/ adjustments	Upto 31-Mar-21	31-Mar-21	31-Mar-20
Land	32.66	1.75	-	34.41			-	-	34.41	32.66
Total	32.66	1.75	-	34.41	-	-	-	-	34.41	2.66
Previous Year Figures	-	32.66	-	32.66	-	-	-	-	-	32.66

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

Information regarding Income and Expenditure of investment Property

		₹ in Crore	
Particulars		2020-21	2019-20
Rental Income derived from Investment Properties		2.43	2.45
Less : Depreciation		-	-
Profit arising from investment Properties before other direct expenses		2.43	2.45

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

As at 31st March 2021 the fair values of the property is ₹45.56 Crore. These fair values of the investment property are categorised as Level 2 in the fair valuation hierarchy and have been determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued.

Notes to consolidated Financial Statements for the year ended 31st March 2021

5 Other Intangible Assets

₹ in Crore

Particulars	Useful Life (No. of Years)	Gross Block/Cost				Amortisation				Net Carrying Amount	
		As at	Addition	Disposal/ adjustments	As at	Upto	Addition	Disposal/ adjustments	Upto	As at	As at
		01-Apr-20			31-Mar-21	31-Mar-20			31-Mar-21	31-Mar-21	31-Mar-20
Right of Use	Indefinite	-	75.90	-	75.90	-	-	-	-	75.90	-
Software / Licenses	Upto 5	20.49	11.21	-	31.70	6.79	4.50	-	11.29	20.41	13.70
Total		20.49	87.11	-	107.60	6.79	4.50	-	11.29	96.31	13.70
Previous Year Figures		11.09	9.40	-	20.49	4.33	2.46	-	6.79	13.70	6.76

6 Intangible Assets Under Development

₹ in Crore

Particulars	31-Mar-21	31-Mar-20
Intangible Assets Under Development		
Opening Work-in-progress	-	-
Addition during the year	1.03	-
Less : Allocated to Intangible Assets during the year	-	-
	1.03	-
Less : Provision for Losses	-	-
	1.03	-

Intangible Assets under Development are related to ongoing Oil and Gas Exploration and Production activities.

7 Investment in Joint venture and Associates

₹ in Crore

Particulars	31-Mar-21	31-Mar-20
<u>Investment in Joint Ventures (Unquoted)</u>		
DNP Limited #	76.07	69.79
Assam BIO Refinery (P) Ltd. **	121.77	66.77
Indradhanush Gas Grid Ltd. ***	58.08	8.51
<u>Investment in Associates (Unquoted)</u>		
Brahmaputra Cracker and Polymer Ltd. ##	281.67	207.31
Fair valuation of Financial Guarantee Commission	3.53	3.17
	541.12	355.55

Notes to consolidated Financial Statements for the year ended 31st March 2021

	31-Mar-21		31-Mar-2020	
	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.	12,39,24,405	10	6,75,00,000	10
Indradhanush Gas Grid Ltd. (IGGL)	6,10,00,000	10	1,20,00,000	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 (P) 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 (P) 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))

8 Loans (Considered good unless otherwise stated)

₹ in Crore

Particulars	31-Mar-21	31-Mar-20
Loans to employees including accrued interest (Secured)	50.95	45.74
[Refer Note No 47 (b) and 48]		
Security and other deposits	1.94	1.51
	52.89	47.25

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

₹ in Crore

Particulars	31-Mar-21	31-Mar-20
Capital advances	41.07	39.36
Prepaid Employee cost	14.73	19.05
Prepaid Transportation cost	-	0.06
	55.80	58.47

10 Inventories

₹ in Crore

Particulars	31-Mar-21	31-Mar-20
Raw Materials	245.23	270.55
Work-in-progress	347.37	286.20
Finished goods	1,244.53	1,083.47
Stock in transit	1.58	0.22
Consumables, Stores & Spares and others	249.11	247.98
Less: Provision for Losses	(114.98)	(100.60)
	1,972.84	1,787.82

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

Notes to consolidated Financial Statements for the year ended 31st March 2021

11 Investments

₹ in Crore

Particulars	31-Mar-21	31-Mar-20
Investment in Mutual Fund	17.64	-
Investment in Government Security/ Treasury Bill	190.68	-
	208.32	0.00

12 Trade receivables

₹ in Crore

Particulars	31-Mar-21	31-Mar-20
- Considered Good	1,257.21	703.48
- Significant increase in Credit Risk	-	-
-Credit Impaired	-	-
	1,257.21	703.48
Less : Provision for credit impaired	-	-
	1,257.21	703.48

13 Cash and cash equivalents

₹ in Crore

Particulars	31-Mar-21	31-Mar-20
Cash on hand	0.01	0.05
Balances with Banks		
On Current Accounts	10.68	0.72
On Deposit Accounts with original maturity of less than 3 months	-	136.00
Cash and cash equivalents	10.69	136.77

14 Bank Balances Other than Cash and Cash Equivalent

₹ in Crore

Particulars	31-Mar-21	31-Mar-20
Term deposits with banks with original maturity of 3-12 months *	-	221.00
Other earmarked balances with bank #	10.87	19.98
	10.87	240.98

includes an amount of ₹10.63 Crore (2019-20 : 19.34 Crore) 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 16]

15 Loans & Advances (Considered good unless otherwise stated)

₹ in Crore

Particulars	31-Mar-21	31-Mar-20
Loans to employees including accrued interest [Refer note no 47 (b) and 48]	5.61	4.96
Other Advances		
Considered good	29.32	7.64
Considered doubtful	0.74	1.25
Less: Provision for doubtful advances	(0.74)	(1.25)
	29.32	7.64
Security and other deposits	7.44	7.32
	42.37	19.92

Notes to consolidated Financial Statements for the year ended 31st March 2021

16 Other financial assets

₹ in Crore

Particulars	31-Mar-21	31-Mar-20
Interest accrued on Bank Deposits etc.	6.41	13.21
Post Retirement Medical Benefit	10.61	-
Other Receivables *		
Considered good	19.99	14.88
Considered doubtful	0.10	0.10
Less : Provision for credit impaired	(0.10)	(0.10)
	37.01	28.09

*Other Receivable include an amount of ₹5.00 Crore 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 14]

17 Current tax Assets (Net)

₹ in Crore

Particulars	31-Mar-21	31-Mar-20
Advance payment of Income Tax (net of provision)	129.50	135.87
	129.50	135.87

18 Other current assets

₹ in Crore

Particulars	31-Mar-21	31-Mar-20
Recoverable from Customs, Excise, etc.	34.63	45.18
Claims :		
Considered Good	0.47	0.49
Considered doubtful	0.07	0.07
Less: Provision for doubtful claims	(0.07)	(0.07)
Prepaid expenses - current	2.76	3.49
Prepaid employee cost - current	1.19	1.53
Gold coins *	0.25	0.25
	39.30	50.94

* 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.

19 Assets held for sale

₹ in Crore

Particulars	31-Mar-21	31-Mar-20
Asset Held for sale *	0.99	0.99
Less: Provision against assets held for sale	(0.27)	(0.27)
	0.72	0.72

*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, however due to certain procedural reasons beyond the control of management, the actual sale could not be crystallised.

Notes to consolidated Financial Statements for the year ended 31st March 2021

20 Equity share capital

₹ in Crore

Particulars	31-Mar-21	31-Mar-20
a. Authorised		
500,00,00,000 equity shares of ₹10 each (Previous Year : 500,00,00,000 equity shares)	5,000.00	5,000.00
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-21		31-Mar-20	
	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-21	31-Mar-20
Oil India Limited (with nominees) 58,97,01,131 (previous year 19,12,64,202) equity shares of ₹10 each fully paid	589.70	
Bharat Petroleum Corporation Limited. (with nominees) Nil (previous year 45,35,45,998) equity shares of ₹ 10 each fully paid		453.55

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

₹ in Crore

Name of Shareholder	31-Mar-21		31-Mar-20	
	Number	% of Holding	Number	% of Holding
Oil India Limited	58,97,01,131	80.16%	19,12,64,202	26.00%
Bharat Petroleum Corporation Limited	-	-	45,35,45,998	61.65%
Governor of Assam	11,37,83,456	15.47%	9,08,21,344	12.35%

Notes to consolidated Financial Statements for the year ended 31st March 2021

21 Other Equity

₹ in Crore

Particulars	31-Mar-21	31-Mar-20
Reserve & Surplus		
Capital Reserve		
As per last account	100.00	100.00
General reserve		
As per last account	4,444.48	3,420.28
Add: Transfer from Statement of Profit and Loss	291.65	1,024.20
	4,736.13	4,444.48
Surplus/ (Deficit) in the Statement of Profit and Loss		
As per last Account	111.89	1,230.26
Add: profit/(loss) for the year	3,130.06	1,502.15
Less: Interim Dividend paid	(2,758.62)	(1,103.45)
Less: Final Dividend paid	-	(220.69)
Less: Corporate Dividend Tax	-	(272.18)
Less: Transfer to General Reserve	(291.65)	(1,024.20)
	191.68	111.89
	5,027.81	4,656.37

Capital reserve

Capital Reserve represents grant of ₹100.00 Crore received in the year 1999-2000 from the Government of India for refinery construction.

General reserve

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

22 Other financial liabilities

₹ in Crore

Particulars	31-Mar-21	31-Mar-20
Security / Earnest Money Deposits	0.69	4.70
Lease Liability	5.41	5.15
	6.10	9.85

23 Provisions

₹ in Crore

Particulars	31-Mar-21	31-Mar-20
Long Service Award	5.38	5.14
Resettlement Allowance	4.81	4.47
Employee Felicitation Scheme	2.38	2.20
	12.57	11.81

Notes to consolidated Financial Statements for the year ended 31st March 2021

24 Movement in deferred tax balances

₹ in Crore

Particulars	Net balance 1 st April 2020	Recognised in profit or loss	Recognised in OCI	Net	Deferred tax asset	Deferred tax liability 31 st Mar 2021
Deferred tax asset						
Employee Benefits	14.07	(6.39)	(4.77)	2.91	2.91	
Sec 43B of Income Tax Act	22.89	9.92		32.81	32.81	
PPE WDV	(305.10)	2.82		(302.29)		(302.29)
Other items DTA	0.63	(0.17)		0.46	0.46	
Tax assets (Liabilities)	(267.51)	6.18	(4.77)	(266.11)	36.18	(302.29)
Movement in deferred tax balances						
Particulars	Net balance 1 st April 2019	Recognised in profit or loss	Recognised in OCI	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		(305.10)		(305.10)
Other items DTA	1.82	(1.19)		0.63	0.63	
Tax assets (Liabilities)	(337.13)	59.09	10.53	(267.51)	37.59	(305.10)

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.

25 Borrowings

₹ in Crore

Particulars	31-Mar-21	31-Mar-20
Secured Working capital loans from banks - Cash credit	0.45	0.59
Secured (Overdraft)	-	68.01
Un-Secured (Overdraft)	-	5.18
	0.45	73.78

Cash Credit from State Bank of India carries interest @ 6.95% 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.

Notes to consolidated Financial Statements for the year ended 31st March 2021

26 Trade payables

₹ in Crore

Particulars	31-Mar-21	31-Mar-20
Dues to Micro, Small and Medium Enterprises	15.39	0.92
Due to others	1,229.51	727.69
	1,244.90	728.61

The disclosure in respect of the amounts payable to Micro, Small and Medium Enterprises as at 31st March 2021 has been made in the financial statements based on information received and available with the company. Accordingly disclosure has been made below:

	31-Mar-21	31-Mar-20
Principal and interest amount remaining unpaid		
- Principal	15.39	0.92
- 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.	-	-

27 Other financial liabilities

₹ in Crore

Particulars	31-Mar-21	31-Mar-20
Security / Earnest Money Deposits	125.86	123.41
Deposit From Customers	12.31	12.67
Employee Related Liability	66.14	45.94
Other Liabilities (including creditors for capital expenditure and others)	264.90	51.85
Lease Liability	3.03	2.97
	472.24	236.84

28 Other current liabilities

₹ in Crore

Particulars	31-Mar-21	31-Mar-20
Advances from Customers	39.22	34.96
Statutory Liabilities	324.11	114.53
Others	0.46	0.15
	363.79	149.64

Notes to consolidated Financial Statements for the year ended 31st March 2021

29 Provisions

₹ in Crore

Particulars	31-Mar-21	31-Mar-20
Gratuity	0.60	7.10
Leave Encashment	12.48	18.92
Long Service Award	0.55	0.33
Resettlement Allowance	0.24	0.27
Post Retirement Medical Benefit	-	38.63
Employee Felicitation Scheme	0.02	0.03
Others (including provision on matters under litigation)	64.97	26.77
	78.86	92.05

30 Current tax liabilities (Net)

₹ in Crore

Particulars	31-Mar-21	31-Mar-20
Current Tax liabilities (net of Tax paid)	79.79	-
	79.79	-

31 Revenue from Operations

₹ in Crore

Particulars	2020-21	2019-20
A. Sales		
Petroleum Products #	18,542.18	14,071.79
B. Other operating revenue	1.41	0.87
Total	18,543.59	14,072.66

Sales of petroleum products includes applicable excise duty benefit. Financial impact for the current year is ₹4,882.66 Crore (FY 2019-20 : ₹2,042.05 Crore)

32 Other Income

₹ in Crore

Particulars	2020-21	2019-20
Interest Income		
On Bank Deposits	16.32	33.90
On Instruments measured at amortised cost	16.33	44.43
Others	9.11	5.74
Dividend Income		
Dividend Income from Current Investment	-	7.14
Dividend Income - Joint Ventures and Associates	4.09	5.11
Profit/(Loss) on sale of current investments	7.91	9.89
Write back of liabilities/provisions no longer required	16.31	22.71
Other non operating income	22.51	40.04
Foreign Exchange Fluctuations (net)	-	2.19
Guarantee commission	0.36	0.48
Total	92.94	171.63

Notes to consolidated Financial Statements for the year ended 31st March 2021

33 Cost of materials consumed

₹ in Crore

Particulars	2020-21	2019-20
Raw Material Stocks at the Commencement of the Year	270.55	252.93
Add : Purchases	7,770.10	8,753.11
	8,040.65	9,006.04
Less: Raw Material Stocks at the Close of the Year	245.23	270.55
Total Cost of Raw Material Consumed	7,795.42	8,735.49
Details of raw material consumed		
Crude Oil	6,980.17	7,971.82
MTBE, Reformate, Py. Gas, Naphtha & Octane Booster	687.96	593.15
Natural Gas	127.29	170.52
	7,795.42	8,735.49

34 Changes in inventories of finished goods, stock in trade and work in progress

₹ in Crore

Particulars	2020-21	2019-20
Opening Stock :		
Finished Goods	1,083.47	1,047.26
Work In Progress	286.20	98.34
	1,369.67	1,145.60
Closing Stock :		
Finished Goods	1,244.53	1,083.47
Work In Progress	347.37	286.20
	1,591.90	1,369.67
Changes in inventories of finished goods and work in progress	(222.23)	(224.08)
Adjustment for write down of Inventories below cost	-	(229.52)
Changes in inventories of finished goods and work in progress	(222.23)	(453.59)

35 Excise Duty

₹ in Crore

Particulars	2020-21	2019-20
Excise Duty	4,796.94	1,991.91
Excise duty (inventory differential)	71.14	35.52
Excise Duty	4,868.08	2,027.43

36 Employee benefit expense

₹ in Crore

Particulars	2020-21	2019-20
Salaries and wages	250.81	216.59
Contribution to provident fund and other funds	31.89	29.62
Staff Welfare expenses	61.80	51.63
Employee benefit expense	344.50	297.84

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

37 Finance Costs

₹ in Crore

Particulars	2020-21	2019-20
Interest expense on loans	0.29	0.47
Interest expense others [Refer note 45]	8.18	0.91
Other borrowing costs	0.74	0.67
Finance Costs	9.21	2.05

38 Depreciation, Amortisation and Impairment

₹ in Crore

Particulars	2020-21	2019-20
Depreciation	291.60	246.46
Amortization	4.50	2.46
Impairment of Assets	51.26	-
Depreciation, Amortisation and Impairment Expense	347.36	248.92

39 Other Expenses

₹ in Crore

Particulars	2020-21	2019-20
Transportation	196.88	162.46
Other Duties and taxes	182.90	111.10
Repairs and Maintenance	139.51	152.13
Power and Fuel consumed		
Power and Fuel	179.17	226.08
Less: Consumption of fuel out of own production	(5.51)	(23.64)
Sub-Total	173.66	202.44
Stores, spares and materials	25.79	36.12
Office Administration, Selling and Other expenses		
Rent /Lease	1.45	3.05
Insurance	25.99	22.49
Rates and taxes	1.88	1.45
Utilities	22.53	7.34
Communication expenses	1.45	1.36
Travelling and conveyance	18.21	24.17
Remuneration to auditors		
Audit Fees	0.09	0.09
Fees for other services - Certification	0.09	0.06
Reimbursement of out of pocket expenses	0.00	0.00
Sub-Total	0.18	0.15
Loss on sale/write off of Property Plant and Equipment (net)	0.77	2.92
Provision for Stores	14.37	6.47
Expenses on CSR activities	28.00	87.61
Foreign Exchange Fluctuations (net)	0.62	-
Provision Against Capital Work in Progress	0.10	-
Bad debts and claims written off	0.03	0.00
Provision for Litigation cases	58.40	4.05
Charity and donation	-	6.00
Others	102.26	93.21
	994.98	924.52

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

40 Exceptional Items

₹ in Crore

Particulars	2020-21	2019-20
Exceptional Items	-	229.52
	-	229.52

41 Tax Expense

(a) Amounts recognised in statement of profit and loss

₹ in Crore

	2020-21	2019-20
Current tax expense	1,053.05	412.31
Current year	1,073.92	428.16
Changes in estimates relating to prior years	(20.87)	(15.85)
Deferred tax expense	(6.18)	(59.08)
Origination and reversal of temporary differences	(6.18)	35.32
Change in tax rate		(94.41)
Tax expense recognised in the income statement	1,046.87	353.23

(b) Amounts recognised in other comprehensive income

₹ in Crore

	2020-21			2019-20		
	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	18.94	(4.77)	14.17	(41.83)	10.53	(31.30)
	18.94	(4.77)	14.17	(41.83)	10.53	(31.30)

(c) Reconciliation of effective tax rate

₹ in Crore

	2020-21		2019-20	
	%	₹ in Crore	%	₹ in Crore
Profit before tax		4,082.97		1,734.55
Tax using the Company's domestic tax rate	25.168%	1,027.60	25.168%	436.55
Tax effect of:				
Provision for CSR expenditure	0.17%	7.05	0.91%	15.76
Provision for CWIP & Stores	0.09%	3.64	0.14%	2.49
Tax-exempt income	0.00%	-	-0.18%	(3.08)
Income Tax interest provision	0.20%	8.25	0.00%	-
Changes in tax estimates relating to prior years	-0.51%	(20.87)	-0.91%	(15.85)
Change in Tax rate on earlier years liability			-5.44%	(94.41)
Others	0.52%	21.20	0.68%	11.77
Income Tax Expense	25.64%	1,046.87	20.36%	353.23

Notes to consolidated Financial Statements for the year ended 31st March 2021

42 Other comprehensive income

₹ in Crore

Particulars	2020-21	2019-20
(i) Items that will not be reclassified to profit or loss		
Remeasurements of defined benefit liability (asset)	(18.94)	41.83
(ii) Income tax relating to items that will not be reclassified to profit or loss	4.77	(10.53)
	(14.17)	31.30

43 Earning Per Share (EPS)

i. Profit attributable to Equity holders of NRL

₹ in Crore

	2020-21	2019-20
Profit attributable to equity holders of the company for basic and diluted earnings per share	3,116.06	1,533.60

ii. Weighted average number of ordinary shares

	2020-21	2019-20
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 (₹)	42.36	20.85

44 Leases

A. Leases as lessee

- a) The company has entered into lease arrangement such as Land and Building for the purpose of its plant, offices etc.

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 01-04-20	Ind AS 116 Transition Impact	Additions	Reclassifications / Deductions On Account Of Retirement / Disposal	As at 31-03-21	Up to 31-03-20	For the Year	Other Adjustments	Reclassifications / Deductions On Account Of Retirement / Disposal	Up to 31-03-21	As at 31-03-21	As at 31-03-20
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)		(9)	(10)	(11)	(12)
1 Land	0.07	-	76.91	-	76.98	0.02	2.56		-	2.57	74.41	0.05
2 Buildings	9.85	-	1.91	-	11.76	1.94	2.91		-	4.86	6.90	7.90
Total	9.92	-	78.82	-	88.74	1.96	5.47	-	-	7.43	81.31	7.95
Previous Year	-	3.50	6.42	-	9.92	-	1.95			1.95	7.95	-

- b) The following expenses have been charged to Statement of Profit and Loss during FY 20-21

₹ in Crore

Depreciation recognised	2.89
Interest on Lease Liabilities	0.57
Expenses relating to short term leases	1.44

Notes to consolidated Financial Statements for the year ended 31st March 2021

c) Total Cash outflow for leases during FY 20-21 4.90

d) Maturity Analysis of Lease Liabilities as per Ind AS 116 "Leases"

₹ in Crore

As at 31/03/21	Contractual Cash Flows				
	Upto 1 year	1-3 years	3-5 years	More than 5 years	Total
Cash outflows	3.19	3.73	1.88	2.27	11.07

B. Leases as a Lessor

a) The Company enters into operating lease arrangements in respect of lands. The details are as follows:

31st March 2021

(₹ in Crore)

Sl No	Particulars	Land
1	Gross Carrying Amount	34.41
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-Mar '21 is as follows:

(₹ in Crore)

Income from Leases of investment property	2.43
Total	2.43

The above relates to Land leased for Bio Refinery Project.

i. Maturity Analysis of Lease payments receivable

The maturity analysis of lease payments receivable under operating leases from the year ending 31st March 2021 is as follows:

(₹ in Crore)

As at 31/03/2021	Within 1 year	1 - 2 years	2 - 3 years	3 - 4 years	4 - 5 years	> 5 years	Total
Undiscounted Lease Payments	2.48	2.53	2.58	2.64	2.69	78.94	91.86

45 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.

(₹ in Crore)

Particulars	FY 2020-21	FY 2019-20
Amount recognised in the Statement of Profit and Loss : Defined Contribution Scheme - Pension	16.25	15.30

Defined Benefits Plan

The Company has the following Defined Benefit Plans:

Notes to consolidated Financial Statements for the year ended 31st March 2021

Employee Benefits (contd.)

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:

- Post Retirement Medical Benefit Scheme (managed by a trust) to employees, spouse, dependent children and dependent parents.
- Resettlement allowance paid to employees to permanently settle down at a place other than the location of last posting at the time of retirement.
- Felicitation award scheme to retired employees on achieving specific age milestones at every five year interval starting from 70 years to 100 years.

These Defined Benefit Plans expose the company to actuarial risks, such as longevity risks, interest rate risk and market (investment) risk.

Disclosure as per requirements of IND AS 19 - "Employee Benefits"

₹ in Crore

a) Reconciliation of balances of Defined Benefit Obligations	Gratuity : Funded		Post Retirement Medical Benefit : Funded		Resettlement Allowance : Non Funded		Employee Felicitation : Non Funded
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21
Defined Obligations at the beginning of the year	70.77	60.50	84.58	43.32	4.73	3.79	2.22
Interest Cost	4.86	4.70	5.81	3.37	0.33	0.29	0.15
Current Service Cost	1.07	1.04	3.70	2.68	0.63	0.52	0.17
Past Service cost	-	-	-	-	-	-	-
(Gain)/Loss on curtailment							
Benefits paid	(2.13)	(1.50)	(0.50)	(0.60)	(0.04)	(0.17)	(0.04)
Actuarial (Gains)/ Losses on Financial Assumption	0.31	5.23	0.87	15.52	0.02	0.38	0.02
Actuarial (Gains)/ Losses on obligations	(0.95)	0.80	(17.42)	20.29	(0.62)	(0.09)	(0.12)
Defined Obligations at the end of the year	73.94	70.77	77.04	84.58	5.05	4.73	2.40

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		Employee Felicitation : Non Funded
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21
Fair Value at the beginning of the Year	63.68	58.65	45.95	43.23	-	-	
Expected Return	4.37	4.56	3.16	3.36	-	-	
Actual return on Plan assets excluding Interest Income	(0.11)	0.35	1.17	(0.04)	-	-	
Contribution by employer	7.52	1.62	37.88		-	-	
Benefits paid	(2.13)	(1.50)	(0.50)	(0.60)	-	-	
Fair Value of Plan Assets at the end of the year	73.33	63.68	87.65	45.95	-	-	
Amount recognised in Balance Sheet (a-b)	0.61	7.09	(10.61)	38.63	5.05	4.73	2.40
Amount recognised in P&L							
Current Service Cost	1.07	1.04	3.70	2.68	0.63	0.52	0.17

Notes to consolidated Financial Statements for the year ended 31st March 2021

Employee Benefits (contd.)

Particulars	Gratuity : Funded		Post Retirement Medical Benefit : Funded		Resettlement Allowance : Non Funded		Employee Felicitation : Non Funded
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	
Past Service cost	-	-					
Interest Cost	0.49	0.14	2.65	0.01	0.33	0.29	0.15
Expenses for the period	1.56	1.18	6.35	2.69	0.95	0.82	0.32
Amount recognised in Other Comprehensive Income							
Actuarial (Gains)/ Losses on obligations for the period	(0.64)	6.03	(16.55)	35.81	(0.60)	0.29	(0.10)
Actual return on Plan assets excluding Interest Income	0.11	(0.35)	(1.17)	0.04			
Net (Income)/ Expenses recognised in OCI	(0.52)	5.69	(17.71)	35.85	(0.60)	0.29	(0.10)
Major Actuarial Assumptions	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	
Discount Rate	6.82%	6.87%	6.82%	6.87%	6.87%	6.87%	
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	6.82%	6.87%	6.82%	6.87%	N.A	N.A	
Investment pattern for Fund as on 31.03.2021	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 31/03/2021	As at 31/03/2020	As at 31/03/2021	As at 31/03/2020
Category of Asset	%	%	%	%
Insurer Managed Funds	100	100	92	92
Others - Fixed Deposit in nationalised banks			8	8

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 31.03.2021 is as below:

₹ in Crore

Sensitivity analysis	Gratuity : Funded			
	31-Mar-21		31-Mar-20	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(5.87)	6.71	(5.77)	6.61
Future salary growth (1% movement)	1.24	(1.34)	1.14	(1.28)
Future Employee Turnover (1% movement)	1.91	(2.13)	1.98	(2.21)

Notes to consolidated Financial Statements for the year ended 31st March 2021

Employee Benefits (contd.)

₹ in Crore

Sensitivity analysis	PRMB : Funded			
	31-Mar-21		31-Mar-20	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(15.13)	20.49	(17.00)	23.07
Future salary growth (1% movement)	20.44	(15.22)	22.98	(17.09)
Future Benefit Cost inflation (1% Movement)				
Future Employee Tourover (1% movement)	(8.07)	9.58	(9.19)	10.87

₹ in Crore

Sensitivity analysis	Resettlement Allowance : Non Funded			
	31-Mar-21		31-Mar-20	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(0.44)	0.50	(0.42)	0.49
Future salary growth (1% movement)				
Future Benefit Cost inflation (1% Movement)				
Future Employee Tourover (1% movement)	(0.48)	0.55	(0.47)	0.53

Sensitivity analysis	Employee Felicitation : Non Funded	
	31-Mar-21	
	Increase	Decrease
Discount rate (1% movement)	(0.39)	0.50

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation keeping all other actuarial assumptions constant.

₹ in Crore

Expected contribution	Gratuity - Funded	PRMB : Funded	Resettlement Allowance: Non Funded	Employee Felicitation: Non Funded
Projected benefits payable in future years from the date of reporting				
1st following year	4.32	0.78	0.24	0.02
2nd following year	3.53	0.73	0.15	0.02
3rd following year	3.53	0.79	0.14	0.02
4th following year	3.89	0.87	0.15	0.03
5th following year	4.62	0.97	0.22	0.03
Years 6 to 10	41.89	7.51	3.11	0.23

Other details as at 31.03.2021

Particulars	Gratuity - Funded	PRMB : Funded	Resettlement Allowance: Non Funded	Employee Felicitation: Non Funded
Weighted average duration of the Projected Benefit Obligation(in years)	10	25	11	14
Prescribed contribution for next year (₹ in Crore)	1.94	-	-	-

Notes to consolidated Financial Statements for the year ended 31st March 2021

Employee Benefits (contd.)

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-21	31-Mar-20
Total employee benefit liabilities		
Non-current	7.19	4.47
Current	0.85	46.01

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.

46. 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 2021	Note Ref.	Carrying amount				Fair value			
		Mandatorily at FVTPL	FVTOCI-designated as such	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets									
Investment in Debt Instruments- Mutual Funds	11	17.64			17.64	17.64			17.64
Investment in Government of India Securities/ Treasury Bills	11			190.68	190.68				-
Cash and cash equivalents	13	-		10.69	10.69				-
Bank Balances other than cash and cash equivalents	14	-		10.87	10.87				-
Loans - Non current	8	-	-	52.89	52.89		50.95		50.95
Loans - Current	15	-		42.37	42.37		8.61		8.61
Trade receivables	12	-		1,257.21	1,257.21				-
Others- Current	16	-		37.01	37.01				-
		17.64	-	1,601.73	1,619.37	-	-	-	-
Financial liabilities									
Borrowings - Current	25			0.45	0.45				-
Borrowings - Non current	22			-	-				
Trade and other payables	26			1,244.90	1,244.90				
Other current liabilities	27			472.24	472.24				
Derivative Liability on forwards	27	-			-		-		
Other Non-Current financial liabilities	22			6.10	6.10				
		-	-	1,723.69	1,723.69	-	-	-	-

Notes to consolidated Financial Statements for the year ended 31st March 2021

Financial instruments – Fair values and risk management (contd.)

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	11	-			-	-	-	-	-
Investment in Government of India Treasury Bills	11			-	-	-	-	-	-
Cash and cash equivalents	13			136.77	136.77	-	-	-	-
Bank Balances other than cash and cash equivalents	14			240.98	240.98	-	-	-	-
Loans - Non current	8			47.25	47.25		48.67		48.67
Loans - Current	15			19.92	19.92		4.96		4.96
Trade receivables	12			703.48	703.48	-	-	-	-
Others - Current	16			28.09	28.09				-
		-	-	1,176.49	1,176.49				
Financial liabilities									
Borrowings - Current	25			73.78	73.78				-
Borrowings - Non current	22			-	-				
Trade and other payables	26			728.61	728.61				-
Other current liabilities	27			236.84	236.84				
Derivative Liability on forwards	27	-			-		-		
Other Non-Current financial liabilities	22			9.85	9.85				-
		-	-	1,049.09	1,049.09	-	-	-	-

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

Notes to consolidated Financial Statements for the year ended 31st March 2021

Financial instruments – Fair values and risk management (contd.)

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.

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, 2021, the Company's most significant customer accounted for ₹1,139.66 Crore of the trade and other receivables carrying amount (March 31, 2020 : ₹635.96 Crore).

The following table provides information about the exposure to credit risk and ECLs for trade receivables:

₹ in Crore

As at 31st March 2021	Gross carrying amount	Weighed average loss rate - range	Loss allowance
Neither past due nor impaired	1,256.68		-
Less than 90 days		-	-
More than 90 days	0.53	-	-
	1,257.21	-	-

Notes to consolidated Financial Statements for the year ended 31st March 2021

Financial instruments – Fair values and risk management (contd.)

₹ in Crore

As at 31 st March 2020	Gross carrying amount	Weighed average loss rate - range	Loss allowance
Neither past due nor impaired	702.89		-
Less Than 90 days			-
More than 90 days	0.59		-
	703.48	-	-

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 ₹10.69 crore at 31st March 2021 (31st March 2020 : ₹136.77 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 2021, the Company had working capital of INR 1,468.80 Crore, including cash and cash equivalents of INR 10.69 Crore.

As on 31st March 2020, the Company had working capital of INR 1,823.67 Crore, including cash and cash equivalents of INR 136.77 Crore and investments in term deposits (having original maturities of more than 3 months) of INR 221 Crore.

Exposure to liquidity risk

₹ in Crore

2020-21	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	0.45	0.45	0.45	-	-	-
Trade payables	1,244.90	1,244.90	1,244.90	-	-	-
Other Non-Current financial liabilities	6.10	6.10	6.10	-	-	-

Notes to consolidated Financial Statements for the year ended 31st March 2021

Financial instruments – Fair values and risk management (continued)

(₹ in Crore)

2020-21	Carrying amount	Contractual cash flows				
		Total	Upto 1 year	1-3 years	3-5 years	More than 5 years
Other financial liabilities	472.24	472.24	472.24	-	-	-
Financial guarantee contracts*	28.25	28.25	28.25	-	-	-
Derivative financial liabilities						
Forward exchange contracts	-	-	-	-	-	-
<i>Inflows</i>	-	-	-	-	-	-
<i>Outflows</i>	-	-	-	-	-	-

₹ 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	-	34.59	34.59	-	-	-
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>	-	-	-	-	-	-

* 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.

Notes to consolidated Financial Statements for the year ended 31st March 2021

Financial instruments – Fair values and risk management (continued)

Exposure to currency risk

The currency profile of financial assets and financial liabilities as at 31st March 2021 and 31st March 2020 are as below:

	₹ in Crore			
	Total	2020-21 INR	2020-21 USD	2020-21 EURO
Financial assets				
Investment in Mutual Fund	17.64	17.64		
Investment in Government of India Treasury Bills	190.68	190.68		
Derivative instruments - Forwards				
Cash and cash equivalents	10.69	10.69		
Bank Balances other than cash and cash equivalents	10.87	10.87		
Loans - Non current	52.89	52.89		
Loans - Current	42.37	42.37		
Trade receivables	1,257.21	1,221.09	36.13	
Others - Current	37.01	37.01		
Net exposure for assets	1,619.37	1,583.24	36.13	-
Financial liabilities				
Borrowings - Current	0.45	0.45		
Derivative instruments - Forwards	-		-	
Trade and other payables	1,244.90	1,208.77	25.30	10.83
Others - Current	472.24	472.24	-	
Others - Non-Current	6.10	6.10		
	1,723.69	1,687.56	25.30	10.83
Less: Foreign currency forward exchange contracts				
Net exposure for liabilities	1,723.69	1,687.56	25.30	10.83
Net exposure (Assets - Liabilities)	(104.32)	(104.32)	10.83	(10.83)

₹ in Crore

	Total	2019-20 INR	2019-20 USD	2019-20 EURO
Financial assets				
Investment in Mutual Funds	-	-		-
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		-

Notes to consolidated Financial Statements for the year ended 31st March 2021

Financial instruments – Fair values and risk management (continued)

	Total	2019-20	2019-20	2019-20
		INR	USD	EURO
Loans - Non	47.25	47.25		-
Loans - Current	19.92	19.92		-
Trade receivables	703.48	697.63	5.84	
Other Non-current financial asset		-		-
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		
Borrowings - Non current	-			
Derivative instruments - Forwards	-			
Trade and other payables	728.61	726.66		1.95
Others - current	236.84	236.84		
Other - 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)

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
2020-21		
1% movement		
USD	(0.65)	0.65
EUR	-	-
	(0.65)	0.65

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 consolidated Financial Statements for the year ended 31st March 2021

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	
	2020-21	2019-20
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)	-	-
Financial liabilities - measured at amortised cost (Working capital loans from banks - Cash credit)	0.45	68.60
Total	0.45	68.60

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
2020-21		
Variable-rate instruments	-	-
Cash flow sensitivity (net)	-	-
2019-20		
Variable-rate instruments	-	-
Cash flow sensitivity (net)	-	-

47 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.

Notes to consolidated Financial Statements for the year ended 31st March 2021

Joint Venture of Holding Companies:

Bharat Oman Refineries Limited (upto 25.03.2021)

Key Management Personnel :

Shri Sushil Chandra Mishra, Chairman Appointed (w.e.f. 26.03.2021)
 Shri K Padmakar, Chairman (upto 26.03.2021)
 Shri D.Rajkumar, Chairman (upto 31.08.2020)
 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 Indranil Mittra, Director (Finance) Appointed (w.e.f. 12.10.2018)
 Shri Hemanta Kr Sharmah, Company Secretary
 Shri Ravi Capoor, Director (representing Govt. of Assam) (upto 31.07.2019)
 Shri Krishna Kumar Dwivedi, Director (representing Govt. of Assam) (w.e.f.16.08.2019)
 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 Raj Kumar Sharma , Independent Director (upto 30.01.2020)
 Smti Sneha Lata Kumar, Independent Director (upto 07.09.2020)
 Shri 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 Corporation during the year:

₹ in Crore

	2020-21	2019-20
	Joint Venture/Joint Venture of Holding Companies:	Joint Venture/Joint Venture of Holding Companies:
Revenues and income		
Sale of goods	0.06	-
Services given	8.62	8.10
Lease rental received	2.43	2.45
Costs and expenses		
Purchases of goods	95.79	115.05
Other operations		
Investment in equity shares	179.85	79.50

b) Outstanding balance with related parties

₹ in Crore

	2020-21		2019-20	
	KMPs	Others	KMPs	Others
Loans given	0.34	-	0.18	-
Loans taken	-	-	-	-
Receivable at the year end	-	5.88	-	5.40
Payable at the year end	-	10.99	-	-

Notes to consolidated Financial Statements for the year ended 31st March 2021

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-21	31-Mar-20
Short-term employee benefits	1.96	2.02
Post-employee benefits	0.27	0.26
Total	2.23	2.28

48 Dues from officers is ₹1.68 crs (31st March 2020 : ₹1.33 crs)

49 During the FY 2020-21, 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 ₹16.97 Crore (previous year ₹15.87 Crore) based on the available information and judgement.

50 Contingent Liabilities and Capital Commitments

₹ in Crore

	31-Mar-21	31-Mar-20
(a) Contingent Liabilities :		
Claims against the Company not acknowledged as debts :		
Excise matters	158.74	194.40
Entry Tax Matters	5.90	6.89
Claim by contractors Arbitration cases / Other extra claims on capital account	26.27	26.18
Others	1.49	11.25
(b) Capital Commitments :		
Estimated amount of contracts remaining to be executed on capital account and not provided for	1,027.44	327.40
(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	28.25	40.40
ii) Bank Guarantee	57.93	44.36
(d) Letter of Credit	-	7.51

The Company currently does not have any Contingent Assets

Notes to consolidated Financial Statements for the year ended 31st March 2021

51 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
VAT/ Sales Tax/ Entry Tax	17.48	-	-	17.48	-
Legal cases	9.30	58.40	-	2.73	64.97
Total	26.78	58.40	-	20.21	64.97
Previous year	152.08	4.05	42.23	87.12	26.78

The above provisions are made based on estimates and the expected timing of outflows is not ascertainable at this stage.

52 Disclosure in respect of Expenditure on Corporate Social Responsibility Activities

₹ in Crore

	2020-21	2019-20
a) CSR expenditure incurred in excess carried forward from previous year to be setoff against current year expense (Contribution to PM Care Fund)	25.00	-
b) Amount required to be spent by the company during the year	52.80	62.25
c) Amount spent during the year (on purpose other than construction / acquisition of assets controlled by the company)	28.00	87.61
d) Provision created for balance amount (Closing Provision)	-	-

* Including payables of ₹1.02 Crore (Previous Year ₹1.22 Crore) as on 31.03.2021.

53 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 6.08% (31st March 2020: 7.94%).

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 2021 was as follows:

₹ in Crore

	As at 31 st March 2021	As at 31 st March 2020
Total Liabilities	2,524.80	1,570.09
Less : Cash and Cash equivalent	10.69	136.77
Adjusted net debt	2,514.10	1,433.32
Total equity	5,763.44	5,392.00
Adjusted net debt to adjusted equity ratio	0.44	0.27

Notes to consolidated Financial Statements for the year ended 31st March 2021

54 Interest in Joint Operations

Name		Principal place of Business	Proportion of Ownership Interest	
			March 31, 2021	March 31, 2020
E&P BLOCKS				
1) AA-ONHP-2017/12	A *	India	10%	10%
2) AA-ONHP-2017/20	A *	India	20%	20%

Open Acreage Licensing Policy (OALP), Bid Round -I, block were acquired through farmed-in during the year 2019-20.

55 Disclosure Relating to Exploration Activities

₹ in Crore

	March 31, 2021	March 31, 2020
(i) Assets		
'-Intangible Assets Under Development	1.03	-
(ii) Liabilities		
'-Provision	0.71	-
(iii) Income	-	-
(iv) Expenses		
'- Exploration expenditure written off	4.81	-

56 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-21	31-Mar-20
I Revenue		
India	18,543.59	14,072.66
Other Countries	-	-
Total Revenue	18,543.59	14,072.66
II Non-current Assets *		
India	3,985.41	3,454.70
Other Countries	-	-
Total Non-current Assets	3,985.41	3,454.70

*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 ₹16,048.58 Crore (previous year - ₹11,892.28 Crore)

Notes to consolidated Financial Statements for the year ended 31st March 2021

57 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.

58 The company has elected to continue the policy adopted under previous GAAP for accounting the foreign exchange difference arising on settlement or translation of long term foreign currency monetary item outstanding as of 31st March 2016 i.e. foreign exchange differences 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 assets.

The net amount remaining unamortised as at 31st March 2021 ₹39.24 crore (Previous Year ₹41.79 crore)

59 Details of Impairment loss in respect of Naphtha Splitter Unit (NSU) :

The company setup NSU for supply of Petrochemical Grade Naphtha (PGN) to its associate company Brahmaputra Cracker and Polymer Limited. The unit was designed to produce 160 TMT of PGN annually. However due to prevailing economics, supply commitment to customer is fulfilled through purchase from external sources and unit is not in operation. Accordingly the recoverable value of the asset was reviewed and it is estimated that there would not be any recoverable value for the same. Considering "Nil" recoverable value of the assets, an amount of ₹ 51.26 crs (2019-20 : Nil) has been accounted as impairment loss during the year, in line with the requirement of Ind AS 36.

The impairment provision is sensitive to changes in key judgements, such as alternate use of assets which could result in increase of the recoverable amounts and subsequent recovery of impairment charged.

60 On 26th March 2021, Oil India Limited (OIL), Government of Assam and Engineers India Limited (EIL) acquired 54.16%, 3.12 % and 4.37% stake respectively in paid up equity capital of Numaligarh Refinery Limited (NRL) from Bharat Petroleum Corporation Limited (BPCL). (Refer Note No 22)

61 The outbreak of Coronavirus (COVID-19) pandemic globally and in India, that is continuing for more than one year is causing significant disturbance and slowdown of economic activity. Since petroleum products are under essential services, the refining and marketing operations of the company was continued based on market demand. The company has evaluated the possible impact of COVID-19, if any, in the preparation of the audited standalone financial results, including its assessment of recoverable value of assets based on internal and external information upto the date of approval of the standalone financial results and current indicators of future economic conditions and expects to recover the carrying value of the assets, unless otherwise stated.

62 Research and Development Expenditure

₹ in Crore		
Particulars	2020-21	2019-20
Revenue Expenditure	-	3.30

63 Equity accounted Investees

Information of interest of the Corporation in its equity accounted investees:

	Name of the Investes	Country of Incorporation	31-Mar-21	31-Mar-20
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%

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

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 Crore 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 Crore. NRL invested ₹ 43.49 Crore 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 Crore and paid up capital of ₹ 1,174 Crore. 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 Crore.

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 ₹300 Crore and paid up capital of ₹247.84 Crore. ABRPL is a joint venture company comprising stakeholders viz.. Numaligarh Refinery Ltd.(50%), M/s Fortum 3V, Neiterland (28%) and M/s Chempolis Oy, Finland (22%). NRL's equity investment in ABRPL currently stands at ₹123.92 Crore.

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 ₹1200 Crore and paid up capital of ₹305 Crore. 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 ₹ 61.00 Crore.

The following table comprises the financial information of the Company's material Joint Venture and Associate with their respective carrying amount.

	As at 31 st March, 2021 (₹ 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%
Summarised financial information				
Non Current Assets	259.37	7,524.47	502.45	310.56
Current Assets (excluding cash and cash equivalent)	94.78	1,849.81	10.86	42.79
Cash and cash equivalent	4.76	1,340.57	0.54	290.63
Less:				
Non Current liabilities (non current liabilities other than trade payables, other non current liabilities and provisions)	53.89	6,162.73	223.18	192.75
Current liabilities (current liabilities other than trade payables, other current liabilities and provisions)	4.25	993.93	45.79	159.98
Trade Payables, other current liabilities, other non-current liabilities and provisions	8.19	741.47	1.33	0.87
Net Assets	292.59	2,816.72	243.55	290.38
Groups share of net assets	76.07	281.67	121.77	58.08
Carrying amount of interest in Investees	76.07	281.67	121.77	58.08

	As at 31 st March, 2021 (₹ 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%
	For the period ended 31.03.2021 (₹ in Crore)			
Revenue	100.84	3,440.77	0.34	3.12
Less:				
Cost of materials consumed	-	1,212.98	-	-
Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	-	128.35	-	-
Employee Benefits Expense	3.32	161.89	0.96	0.13
Finance Costs	0.09	235.32	-	-
Depreciation and Amortisation	14.16	392.68	0.23	-
Other Expenses	32.53	296.61	1.99	0.17
Income tax expense	10.18	267.57	-	-
Other Comprehensive Income	-	(1.69)	(0.01)	-
Total Comprehensive Income	40.56	745.37	(2.84)	2.82
Groups share of profit	10.54	74.54	(1.42)	0.56
Groups share of OCI	-	(0.17)	(0.00)	-
Groups share of total comprehensive Income	10.54	74.37	(1.42)	0.56
Dividend received from the Investees	4.26	-	-	-

31-Mar-2020	As at 31 st March, 2020 (₹ 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	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
Company's 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 period ended 31st March, 2020 (₹ in Crore)			
	Audited	Audited	Audited	Audited
Revenue	87.96	4,653.00	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

31-Mar-2020	As at 31 st March, 2020 (₹ 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%
Other Expenses	26.15	305.26	0.60	1.98
Income tax expense	8.99	339.79	-	-
Other Comprehensive Income	-	(1.49)	-	-
Total Comprehensive Income	35.42	1,509.09	(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			

64 Previous year figures

Previous period figures have been reclassified / regrouped to conforms to current period's classification.

Signature to Notes '1' to '64'

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: 21064393AAAAEB4914

Place: Kolkata
Date : 07th May 2021

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

Sd/-
H. K. Sarmah
Company Secretary

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

Place: Guwahati
Date : 07th May 2021

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	53	119	118	78	368
Workmen	24	28	90	72	214
Sub Total	77	147	208	150	582
Others					
Executives	31	29	38	55	153
Workmen	15	63	116	48	242
Sub Total	46	92	154	103	395
Grand Total	123	239	362	253	977
Average age 43 Years					

The human resources have been valued by adopting Lev and Schwartz model with the following assumptions:

- Continuity of present pattern of employee compensation, both direct and indirect.
- Continuity in career growth as per present policy of the company.
- The future earnings have been discounted at the risk free rate of return 6.82% (previous year 6.87%)

Value of Human Resources

	in ₹ Crore				
	2020-21	2019-20	2018-19	2017-18	2016-17
Executives	2,142.02	1,981.53	1,909.15	1,956.84	1,319.17
Workmen	845.76	833.25	752.09	839.60	832.34
	2,987.78	2,814.78	2,661.24	2,796.44	2,151.51
Human Assets vis-à-vis Total Assets					
Value of Human Assets	2,987.78	2,814.78	2,661.24	2,796.44	2,151.51
Net Property Plant and Equipment (Net)	3,832.27	3,382.54	3,105.44	2,891.20	2,664.60
Net Current Assets	1,468.80	1,823.67	2,066.42	2,364.02	2,662.98
	8,288.85	8,020.99	7,833.10	8,051.66	7,479.09
Profit before tax	4,082.97	1,734.55	3,051.91	3,142.34	3,147.57
Value Added	5,655.67	2,971.50	4,248.70	4,383.95	4,102.96
Ratio of :					
Profit (before tax) to Human Resources	137%	62%	115%	112%	146%
Value Added to Human Resources	189%	106%	160%	157%	191%
Human Resources to Total Resources	36%	35%	34%	35%	29%



