

ANNUAL REPORT

2021-22

On a high growth trajectory



NUMALIGARH
REFINERY
LIMITED

A GOVERNMENT OF INDIA ENTERPRISE





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.



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Dear Stakeholders,

It gives me immense pleasure to deliver my first address to you as Chairman of NRL and to present before you the Annual Report of the Company for the year 2021-22. Your Company has continued to maintain its excellent performance during the year amidst challenges faced due to COVID-19 pandemic.

During the year 2021-22, Numaligarh Refinery achieved a throughput of 2,624 TMT which included 23 TMT of imported Crude oil. Crude oil processed during the previous year was 2,707 TMT. Lower crude processing compared to the previous year was mainly due to demand destruction of HSD during the first quarter of the year owing to 2nd wave of COVID pandemic. During the year, NRL commenced blending of Ethanol in MS at the Siliguri and Numaligarh Marketing terminals. The first year marked 1,122 KL Ethanol blending and same is gaining momentum in the current financial year.

Product sold during the year was 2,799 TMT compared to 2,924 TMT in the previous year. Sales within Northeast at 1,090 TMT marked significant improvement (39% of total sales) against 817 TMT (28%) in the previous year which contributed towards savings on account of CST and freight under-recoveries. Sales during the year comprised 56 TMT of Gas Oil exported to Bangladesh and 125 TMT Naphtha to Brahmaputra Cracker and Polymer Limited (BCPL) from external sources.

During the year, the Company has achieved highest ever sales turnover of ₹23,546 Crore which was higher by 26.95% as against ₹18,548 Crore in the previous year, primarily on account of increase in product prices. Highest ever Profit before Tax (PBT) was also achieved by the Company at ₹4,848 Crore, which is higher by 18.37%, as compared to ₹4,083 Crore of the previous financial year mainly due to increase in overall gross margin and higher inventory gains. Accordingly, the Company posted record profits for the year with Profit after Tax (PAT) of ₹3,562 Crore as compared to ₹3,036 Crore of the previous year, registering an increase of ₹525 crore. The Compound Annual Growth Rate (CAGR) for PAT stood at 27.41% since commencement of commercial production. The Earning per Share (EPS) for FY 2021-22 stood at ₹48.42 as compared to ₹41.27 in FY 2020-21.

Net worth of the Company has increased to ₹8,388 Crore as on 31st March, 2022 as compared to ₹5,596 Crore in the previous year. The Company has contributed a total of ₹5,809 Crore to the Government exchequer in the form of taxes, duties and dividends.

NRL recorded the highest ever Standalone Capital expenditure at ₹3,605 Crore, 3 times higher than its previous best of ₹1029 Crore in the FY2020-21. In addition to project CAPEX, NRL has made equity investment of ₹38.54 Crore in the JVs – ABRPL and IGGL.

NRL is determined in its pursuit of executing the major ongoing projects in hand; namely, the Numaligarh Refinery Expansion Project (NREP), Paradip Numaligarh Crude Oil Pipeline (PNCPL) & Crude Oil Import Terminal at Paradip (COIT), 2G Ethanol Project and India-Bangladesh Friendship Pipeline (IBFPL). In the next 5 years, your Company has planned to invest more than ₹35,000 Crore in completing these projects which will enable long term business growth, both in terms of revenue and profit. Hence, completing these projects without any time and cost overrun remains the core focus area of the Company.

Financial Institutions have shown immense faith on NRL for its ability to execute major project by way of granting a long term loan of ₹18,904 Crore for the Numaligarh Refinery Expansion Project. With this loan, financial closure for the project has been achieved in the year 2021-22.

Taking a step forward in digital transformation, NRL became the first PSU in Oil & Gas sector to migrate to S/4 HANA ERP from SAP ECC 6.0 ERP. The project was completed with involvement of the implementing agency in full remote mode. Timely completion of the project has demonstrated the commitment of NRL which requires proper project monitoring and channelization of resources to meet the milestones on time. To enhance the organization's functional capabilities, keep up with the Refinery Expansion project and foray into new business, additional features were also implemented, viz. 'Financial Closing Cockpit' for centralizing and making month end closings seamless and faster and 'Contract Lease Management' for full compliance with Ind AS 116 accounting standard requirements.

To cut down the approval and scrutiny cycle of engineering documents, an electronic data and document management system has been put in place using cloud based technology for NREP (Numaligarh Refinery Expansion Project). This solution is enabling the Company to secure a collaborative environment among engineering consultants engaged in the project and has fully automated the process of document management.

NRL has been very resolute in practicing the highest levels of integrity, transparency, accountability and ethics in all its spheres of business activities and has ensured that it continues travelling in its growth trajectory. During the year under review, your Company complied with the Corporate Governance Guidelines issued by DPE to the extent applicable for a non-listed PSU. You will be glad to know that the Company has been consistently achieving an 'Excellent' score as per the DPE Corporate Governance grading since its introduction

Now that NRL has become a group company of Oil India Limited and both having strong presence in their respective segments of the oil and gas value chain, there are endless possibilities of synergy between the two organizations. I look forward to create and promote a conducive environment for such synergies and am optimistic that such synergy will add value to both the companies.

On behalf of the Board of Directors of the Company, I would like to express sincere appreciation for the hard work and efforts put in by every employee of NRL despite the unprecedented challenges and adversities presented 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 continuous cooperation.

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, 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.

Nothing appears to be more reasonable and proper than taking this opportunity to extend my sincere appreciation to all the colleagues on the NRL Board for their passionate support, co-operation, and deep focus in keeping your Company in a high growth trajectory. 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. With your continued trust and support, I am sure we can achieve greater heights and constantly create value for all our Stakeholders and the Nation.

Warm regards,

Sd/-

Date: 19th August, 2022

Dr. Ranjit Rath
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

Pankagrart
Numaligarh Refinery Complex
Golaghat District, Assam
PIN - 785699

Pipeline & COIT Project Office

Paradip Bhawan, Ground Floor
Near PPT Administrative Building
P.O.: Madhuban
Paradip, Dist. Jagatshinpur
Odisha-754142

Siliguri Office

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

Statutory Auditors

R K P Associates
Chartered Accountants
Room No. 508, 5th Floor, Parmeswari
Chatribari Road, Guwahati-781001

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: dsr cmd@vsnl.com

Bankers

State Bank of India	Bank of Maharashtra
Punjab National Bank	ICICI Bank
Bank of India	UCO Bank
Union Bank	Indian Overseas Bank
Axis Bank	Exim Bank
HDFC Bank	Central Bank

BOARD OF DIRECTORS



Dr. Ranjit Rath
Chairman



Shri Bhaskar Jyoti Phukan
Managing Director



Shri Indranil Mittra
Director (Finance)



Dr Lakshmanan S, IAS
Director



Shri Rajendra Kumar Kureel
Director



Shri Sudip Pradhan
Independent Director



Smt. Priyambada Kumari Keshri
Independent Director



(L to R) Shri Bhaskar Jyoti Phukan, Managing Director and Shri Indranil Mitra, Director (Finance)

Management Team

Shri Amit Saran	Chief Vigilance Officer	Shri Mintu Kr. Handique	GM (CSR)
Shri Nikunja Borthakur	Sr. CGM (CA)	Shri Sujeet Kr. Singh	GM (Project), Siliguri
Shri Gopal Sarma	Resident Chief Executive	Shri Jyoti Bhusan Sarmah	Head (Project-Commercial)
Shri Hemanta Kr. Nath	CGM (Maint.)	Shri Jayanta Goswami	GM (Marketing)
Shri Girish Kr. Borah	CGM (Project)	Shri Manoj Kumar	GM (SMT)
Shri Bimlesh Kr. Gupta	CGM (TS)	Shri Sujit Kumar Das	GM (Project-Pipeline)
Shri Nalini Kr. Buragohain	CGM (Commercial)	Syed Kaiumul Hussain	GM (Project-Pipeline)
Shri Subrata Das	CGM (Marketing)	Shri Mrityunjay Acharjee	GM (Finance)
Shri Pallav Kr. Das	CGM (Internal Audit)	Shri Amarendra N. Choudhury	GM (Finance)
Shri Kajal Saikia	CGM (HR & Legal)	Shri Asif Uddin Ahmed	GM (IBFPL)
Shri Pratul Kr. Saikia	CGM (Finance)	Shri Banajit Saikia	Head (Co-ordination)
Shri Samir Kundu	CGM (Elect. Maintenance)	Shri Bidyut B. Buragohain	GM (Admin. & Security)
Shri Ghanashyam Hazarika	GM (Specialty Chemicals)	Shri Diganta Changmai	GM (Corporate-HSE)
Shri Hemanta Neog	GM (Project)	Shri Lakhya Dhar Kalita	GM (Project Pipeline)
Shri Monjit Kr. Borah	GM (Mechanical Maint.)	Ms. Madhuchanda	GM (Corporate Communication)
Shri Pranab Jyoti Sarma	GM (Project-Pipeline)I/C	Adhikari Choudhury	GM (Vigilance)
Shri Sobhan Konwar	GM (Operations)	Shri Mani Pranjal Saikia	GM (IIS)
Shri Diganta Das	GM (Commercial)	Shri Shyam Sundar Baruah	GM (Marketing)
Shri R M W Khongwir	Country Head- Bangladesh	Shri Suman Goswami	GM (Marketing)
Shri Sanjeev Dibragede	GM (IIS)	Shri Jitu Moni Sarmah	GM (Co-ordination)
Shri Amar Jyoti Phukan	GM (Project-Pipeline)	Ms. Pronita Deka	GM (Vigilance)
Shri Abhijit Ch. Bardalai	GM (HR) – Corporate	Shri Chiranjeeb Sharma	Company Secretary

Notice to the Members

Notice is hereby given that the 29th Annual General Meeting of the Members of Numaligarh Refinery Limited will be held on Monday, the 19th September, 2022 at 3.00 P.M. through Video Conferencing ('VC') facility or Other Audio Visual Means('OAVM') facility to transact the following Ordinary and Special Business:

A. Ordinary Business:

1. To receive, consider and adopt (a) the Audited Standalone Financial Statement of the Company for the financial year ended 31st March, 2022; (b) the Audited Consolidated Financial Statement of the Company for the financial year ended 31st March 2022; and the Reports of the Board of Directors and the Statutory Auditors and the Comments of the Comptroller & Auditor General of India thereon.
2. Declaration of Dividend
To confirm the payment of Interim Dividend @ ₹10/- per Equity Shares and to declare Final Dividend @ ₹5/- per Equity Shares for the financial year ended 31st March 2022.
3. To appoint a Director in place of Shri Bhaskar Jyoti Phukan (DIN:07721895) who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Shri Indranil Mittra, Director (DIN:06883068) who retires by rotation and being eligible, offers himself for reappointment.

B. Special Business:

5. Appointment of Shri Sudip Pradhan as Independent Director

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

"RESOLVED THAT pursuant to the provisions of Section 149, 150, 152 and other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder read with Schedule IV of the Companies Act, 2013 as amended from time to time, Shri Sudip Pradhan (DIN: 09399509), who was appointed by the Government of India as an Independent Director on the Board of the Company for a period of 3 years and thereafter appointed by the Board as an Additional Director w.e.f. 18th November, 2021 and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 and in respect of whom, the Company has received a Notice in writing from a Member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director of the Company, be and is hereby appointed as Independent Director of the Company, not liable to retire by rotation till completion of his tenure."

6. Appointment of Smt. Priyambada Kumari Keshri as Independent Director

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

“RESOLVED THAT pursuant to the provisions of Section 149, 150, 152 and other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder read with Schedule IV of the Companies Act, 2013 as amended from time to time, Smt. Priyambada Kumari Keshri(DIN: 09406006), who was appointed by the Government of India as an Independent Director on the Board of the Company for a period of 3 years and thereafter appointed by the Board as an Additional Director w.e.f. 18th November, 2021 and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 and in respect of whom, the Company has received a Notice in writing from a Member under Section 160 of the Companies Act, 2013 proposing her candidature for the office of Director of the Company, be and is hereby appointed as Independent Director of the Company, not liable to retire by rotation till completion of her tenure.”

7. Appointment of Dr. Lakshmanan S, IAS as Director

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

“RESOLVED THAT pursuant to the provisions of Section 149, 152 and other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder as amended from time to time, Dr. Lakshmanan S, IAS (DIN: 09009335), Secretary to the Government of Assam, Industries, Commerce and Public Enterprises Department, who was appointed by the Board as a Director in casual vacancy pursuant to Article 98 of the Articles of Association of the Company read with Section 161(4) of the Companies Act, 2013 and who holds office upto the date of this Annual General Meeting and in respect of whom, the Company has received a Notice in writing from a Member under Section 160 of the Companies Act, 2013 along with deposit of requisite amount, be and is hereby appointed as Director of the Company, liable to retire by rotation.”

8. Appointment of Shri Rajendra Kumar Kureel

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

“RESOLVED THAT pursuant to the provisions of Section 149, 152 and other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder as amended from time to time, Shri Rajendra Kumar Kureel (DIN:05149486), who was appointed by the Board as an Additional Director w.e.f. 14th June, 2022 and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 and in respect of whom, the Company has received a Notice in writing from a Member under Section 160 of the Companies Act, 2013 along with deposit of requisite amount proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director, liable to retire by rotation.”

9. Appointment of Dr. Ranjit Rath as Director

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

“RESOLVED THAT pursuant to the provisions of Section 149, 152 and other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder as amended from time to time, Dr. Ranjit Rath (DIN: 08275277), who was appointed by the Board as an Additional Director pursuant to Article 84 of the Articles of Association of the Company read with Section 161 of the Companies Act, 2013 and who holds office upto the date of this Annual General Meeting and in respect of whom, the Company has received a Notice in writing from a Member under Section 160 of the Companies Act, 2013 along with deposit of requisite amount, be and is hereby appointed as Director of the Company, liable to retire by rotation.”

10. Approval of Remuneration of the Cost Auditor for the financial year 2022-23

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. Musib & Co., Cost Accountants, Guwahati by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year 2022-23 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.”

11. Issue of Bonus Shares

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution

“RESOLVED THAT pursuant to the provisions of Section 63 of the Companies Act, 2013 and other applicable provisions, if any, including rules notified thereunder as may be amended from time to time including any statutory modifications or re-enactment thereof for the time being in force and as per Articles of Association of the Company and subject to such consents and approvals as may be required from the appropriate authorities/Government, the consent of the shareholders be and is hereby accorded to the Board of Directors of the Company for capitalization of ₹735.63 Crore, out of the amount of ₹7652.44 Crore standing to the credit of free reserves (defined reserve) of the Company as on 31st March, 2022 by way of issuance of bonus shares of ₹10/- each, credited as fully paid-up to the holders of the Equity shares of the Company whose name shall appear on the Register of Members/ Beneficial Owners on the date of the Annual General Meeting in the proportion of 1(one) Bonus Equity Share of ₹10/- each for every 1 (one) fully paid-up Equity Shares of ₹10/- each held by them and the Bonus Shares so distributed shall, for all purposes, be treated as an increase in the Paid-up capital of the Company.

RESOLVED FURTHER THAT the Bonus shares so allotted shall rank pari-passu in all respects with fully paid-up Equity Shares of the Company as existing on the Record Date.

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things and to give such directions as may be necessary or expedient, and to settle any question, difficulty or doubt that may arise in this regard as the Board in its absolute discretion may deem necessary or desirable and its decision shall be final and binding.”

By Order of the Board of Directors

Sd/-

Chiranjeeb Sharma

Company Secretary

Registered Office:

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

Date: 25th August, 2022

Note:

- a. 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 29th AGM shall be the Registered Office of the Company.
- b. 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.
- c. In compliance with the MCA Circular Notice of the AGM along with the Annual Report 2021-22 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 2021-22 will also be available on the Company's website www.nrl.co.in.
- d. Govt. representative / Corporate Members of the Company are to attend and vote at the AGM through VC/OAVM facility. Corporate Members intending to appoint their authorised representatives pursuant to Sections 112 and 113 of the Act, as the case maybe, are requested to send the signed copy of the nomination letter in advance.
- e. 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.
- f. VC link for the AGM will be shared separately.
- g. This Notice is being sent pursuant to the provisions of Section 101(1) of the Companies Act, 2013.
- h. 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.
- i. Since the AGM will be held 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. 5 to 11 of the Special Business included in the Notice dated 25th August, 2022:

Item No. 5: Appointment of Shri Sudip Pradhan as Independent Director

Shri Sudip Pradhan, who was appointed by the Government as Non-Official Independent Director on the Board of the Company for a period of three years as conveyed vide Ministry of Petroleum & Natural Gas letter dated 8th November, 2021, was appointed by the Board as an Additional Director w.e.f. 18th November, 2021 pursuant to the provisions of Article 84 of the Articles of Association of the Company read with section 149, 150, 152, 161 and other applicable provisions of the Companies Act, 2013 and Rules framed there under.

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

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

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

Item No. 6: Appointment of Smt. Priyambada Kumari Keshri as Independent Director

Smt. Priyambada Kumari Keshri, who was appointed by the Government as Non-Official Independent Director on the Board of the Company for a period of three years as conveyed vide Ministry of Petroleum & Natural Gas letter dated 8th November, 2021, was appointed by the Board as an Additional Director w.e.f. 18th November, 2021 pursuant to the provisions of Article 84 of the Articles of Association of the Company read with section 149, 150, 152, 161 and other applicable provisions of the Companies Act, 2013 and Rules framed there under.

Being appointed as an Additional Director, she will hold office up to 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 her name as a Director of the Company. A brief resume of Smt. Priyambada Kumari Keshri is provided separately in the Corporate Governance Report.

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

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

Item No. 7: Appointment of Dr. Lakshmanan S as Director

As per Article 82(iv) of the Articles of Association of the Company, the Government of Assam vide Notification No. MI. 19/2021/16 dated 19th April, 2022 had nominated Dr. Lakshmanan S, IAS, Secretary to the Government of Assam, Industries, Commerce and Public Enterprises Department as a Director on the Board of the Company in place of Dr. K. K. Dwivedi. Accordingly, the Board in its meeting held on 21st April, 2022 had appointed Dr. Lakshmanan S as Director on the Board of the Company to fill the casual vacancy caused by the resignation of Dr. K. K. Dwivedi from the Board of the Company, pursuant to Article 98 of the Articles of Association of the Company read with Section 161(4) of the Companies Act, 2013.

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

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

Item No. 8: Appointment of Shri Rajendra Kumar Kureel as Director

Shri Rajendra Kumar Kureel (DIN:05149486), Director (Exploration –II), MOP & NG was appointed as Additional Director on the Board of the Company w.e.f. 14th June, 2022 pursuant to Article 84 of the Articles of the Association of the Company read with Section 149, 152 and 161 of the Companies Act, 2013 in accordance with the direction of the Government of India.

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

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

Item No. 9: Appointment of Dr. Ranjit Rath as Director

Dr. Ranjit Rath (DIN: 08275277), Chairman and Managing Director, Oil India Limited (OIL) was appointed as Additional Director and elected as Chairman on the Board of the Company w.e.f. 3rd August, 2022 in pursuant to Article 84 & 103 of the Articles of Association of the Company read with Section 149, 152 and 161 of the Companies Act, 2013 as per OIL's letter No. OIL/SEC/40/SUBSI/NRL dated 2nd August, 2022.

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

A brief resume of Dr. Ranjit Rath is provided separately in the Corporate Governance Report. The Board recommends appointment of Dr. Ranjit Rath as Director of the Company.

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

Item No. 10: Approval of Remuneration of Cost Auditor for the financial year 2022-23

M/s. Musib & Co., Cost Accountants, Guwahati was appointed by the Board as the Cost Auditor of the Company for the year 2022-23 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 in any way, concerned or interested, financially or otherwise, in passing of the said Ordinary Resolution.

Item No. 11: Issue of Bonus Shares

Department of Investment & Public Assets Management (DIPAM) had issued “Capital Restructuring of Central Public Sector Enterprises (CPSEs)” guidelines on 27th May 2016, covering the areas of payment of dividend, issue of bonus shares and buyback and splitting of shares. As per DIPAM Guideline dated 27th May, 2016, every CPSE with a defined Reserve and Surplus of equal to or more than 10 times of their paid up equity share capital, shall issue bonus shares. The Board vide Note dated 16th June 2022, was apprised on the status of compliance of the Guideline and was informed that considering that the Defined Free Reserves of ₹7652.44 Crore as on 31st March 2022 was 10.40 times of paid up capital of ₹735.63 Crore, issue of Bonus share by NRL has become mandatory.

Accordingly, the Board in its meeting held on 8th August, 2022, recommended to issue of bonus equity shares in the proportion of 1(one) Bonus Equity Share of ₹10/- for every 1 (one) fully paid-up Equity Shares of ₹10/- each held as on the date of 29th AGM, subject to approval of the shareholders and such other authorities as may be necessary.

The Board of Directors of the Company recommends the Ordinary Resolution as set out in the accompanied Notice for approval of the shareholders. No Directors of the Company are interested in the proposed resolution.

By Order of the Board of Directors

Sd/-
Chiranjeeb Sharma
Company Secretary

Registered Office:

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

Date: 25th August, 2022

ANNUAL REPORT
2021-22

NUMALIGARH
REFINERY
LIMITED

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PERFORMANCE PROFILE



Performance Profile

	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13
1 Crude Throughput (TMT) :	2624	2707	2383	2900	2809	2683	2520	2777	2613	2478
2 Capacity Utilisation (%) : [Installed capacity 3000 TMT]	87%	90%	79%	97%	94%	89%	84%	93%	87%	83%
3 Production Quantity (TMT) :	2583	2740	2300	2882	2824	2652	2521	2754	2558	2379
Light Distillates %	24.4%	25.4%	21.8%	20.5%	23.5%	23.0%	21.7%	20.3%	20.5%	19.1%
Middle Distillates %	71.8%	70.6%	74.4%	75.7%	73.3%	74.0%	74.5%	76.2%	76.7%	78.0%
Heavy Ends %	3.9%	4.1%	3.8%	3.8%	3.2%	3.0%	3.9%	3.5%	2.8%	2.9%
4 Refinery Fuel and Loss (%) :	10.09%	10.26%	10.28%	9.73%	10.54%	10.81%	9.64%	9.74%	10.26%	9.33%
5 Market Sales (TMT) :	2,799	2,924	2,361	2,978	2,912	2,679	2,619	2,695	2,550	2,410
6 Manpower (Nos.):	985	977	917	880	864	871	880	878	864	861
7 Sales and Earnings (₹ in Crore) :										
i) Revenue from Operations	23,547.01	18,549.79	14,072.66	18,511.15	15,923.19	13,946.91	11,925.44	10,827.05	9,876.76	8,757.01
ii) Profit Before Depreciation, Interest & Tax	5,172.29	4,438.80	2,215.04	3,261.50	3,341.74	3,333.62	2,109.06	1,342.37	783.42	520.90
iii) Depreciation	320.52	347.36	248.92	194.45	183.60	163.63	220.03	172.90	179.01	180.13
iv) Interest	3.92	8.47	2.05	12.62	15.80	22.42	23.32	36.34	41.91	59.40
v) Profit before Exceptional Items and Tax	4,847.85	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
vi) Exceptional Items	-	-	229.52	2.52	-	-	1.86	(1.12)	(0.15)	18.51
vii) Profit before Tax	4,847.85	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
viii) Tax Expense #	1,286.29	1,046.87	353.23	1,083.81	1,097.69	1,047.00	654.03	415.94	191.56	118.60
ix) Profit for the period	3,561.56	3,036.10	1,381.32	1,968.10	2,044.65	2,100.57	1,209.82	718.31	371.09	144.26
x) Other Comprehensive Income net of tax	(33.89)	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.)	3,527.67	3,050.27	1,350.02	1,969.62	2,041.77	2,096.72	1,210.78	718.31	371.09	144.26
# 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)	8,544.76	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
ii) Net Property Plant and Equipment (including Capital Work-in-Progress and Investment Property)	6,974.46	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
iii) Investment in Joint venture and Associate	434.84	375.65	267.92	234.45	187.34	186.65	171.01	170.39	170.39	170.39
iv) Net Current Assets (including investments)	1,564.81	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
v) Non-Current assets	681.35	204.09	119.42	489.74	61.99	63.04	55.78	54.33	75.75	81.64
Total Assets Net (ii+iii+iv+v)	9,655.46	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
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	7,652.44	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
iii) Total Equity (i)+(ii)	8,388.07	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
iv) Borrowings	1,008.12	0.45	73.78	3.28	162.63	353.10	497.94	668.64	768.30	392.97
v) Deferred Tax Liability (net)	244.56	266.11	267.51	337.13	271.31	229.44	110.69	144.23	191.91	213.56
vi) Non-Current Liabilities	14.71	18.67	21.65	8.25	180.99	126.54	482.37	281.82	165.02	172.49
Total Funds Employed (iii+iv+v+vi)	9,655.46	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
10 Internal Generation (₹ in Crore)	3,883.46	3,392.56	1,580.54	2,233.48	2,331.87	2,439.03	1,594.93	979.81	542.50	396.72

	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13
11 Ratios:										
i) Profit before Depreciation/Amortisation, Interest & Tax as % age of Net Revenue from operations & Other income	26.53%	32.08%	18.08%	20.04%	25.01%	28.70%	20.73%	13.51%	8.42%	6.30%
ii) Profit after Tax as % age of Average Net Worth.	50.94%	55.71%	25.45%	37.15%	39.99%	44.41%	31.69%	22.64%	12.91%	5.29%
iii) Profit after Tax as % age of Share Capital	484.15%	412.72%	187.77%	267.54%	277.95%	285.55%	164.46%	97.65%	50.45%	19.61%
iv) Average Net worth as % age of Share Capital	950%	741%	738%	720%	695%	643%	519%	431%	391%	371%
v) Gross Profit before Depreciation/Amortisation, Interest & Tax as % age of Average Capital Employed.	111.70%	94.76%	51.35%	81.72%	74.90%	73.04%	53.21%	40.52%	25.07%	17.38%
vi) Profit Before Tax as % age of Average Capital Employed	104.70%	87.15%	40.21%	76.47%	70.43%	68.97%	47.02%	34.24%	18.01%	8.77%
vii) Profit After Tax as % age of Average Capital Employed (ROCE)	76.92%	64.80%	32.02%	49.31%	45.83%	46.03%	30.52%	21.68%	11.88%	4.81%
viii) Long Term Debt Equity Ratio	0.11	-	-	-	0.03	0.06	0.12	0.16	0.18	0.02
12 Earning Per Share (₹)	48.42	41.27	18.78	26.76	27.80	28.56	16.45	9.76	5.04	1.96
13 Book Value Per Share (₹)	114.03	76.07	72.11	75.46	68.57	70.43	58.17	45.61	40.66	37.48
14 Dividend Declared										
i) per Equity share of ₹10/- each	10.00	37.50	15.00	17.00	18.50	18.60	7.00	4.00	1.60	1.00
ii) Amount (₹ in Crore)	735.63	2,758.61	1,103.45	1,250.57	1,360.92	1,368.27	514.94	294.25	117.70	73.56
15 SOURCES AND APPLICATION OF FUNDS (₹ In Crore)										
SOURCES OF FUNDS										
OWN :										
Profit after Tax	3,527.67	3,050.27	1,350.02	1,969.62	2,041.77	2,096.73	1,210.78	718.31	371.09	144.26
Depreciation/Amortisation	320.52	347.36	248.92	194.45	183.60	163.63	220.03	172.90	177.24	159.97
Deferred Tax provision	(10.14)	(6.18)	(59.08)	65.00	43.41	120.79	(44.01)	(47.68)	(21.64)	9.69
Investments	149.13	-	1,098.69	-	-	-	89.79	-	-	10.73
BORROWINGS :										
Loans (Net)	999.53	1.94	70.50	-	-	-	-	-	375.33	109.58
Decrease in Working Capital	-	680.70	-	719.31	606.62	-	-	-	-	-
Changes in long term liabilities & provisions	-	-	13.40	-	54.44	-	200.55	116.80	-	1.37
Changes in Long Term Loans & Advances and Non-Current assets	-	-	-	-	2.09	-	-	18.56	5.94	-
Adjustment on account of retirement / reclassification of assets	14.62	41.16	107.70	12.62	13.66	19.46	5.37	5.57	3.93	99.27
	5,001.33	4,115.25	2,830.15	2,961.00	2,945.59	2,400.61	1,682.51	984.46	911.89	534.87
APPLICATION OF FUNDS :										
Capital Expenditure	3,478.50	873.16	641.33	420.66	432.69	462.62	259.00	297.80	450.64	197.69
Adjustment for Misc. Expenditure / Intangible Assets	67.49	88.14	9.40	6.12	2.03	-	0.09	0.12	3.14	0.04
Dividend	735.63	2,758.62	1,324.14	1,213.79	1,809.66	993.10	551.72	294.25	117.70	73.56
Tax on distributed profits	-	-	272.18	249.50	368.40	202.16	112.33	59.91	20.00	12.50
Repayment of Loans (Net)	-	73.33	-	159.35	190.47	144.84	171.19	99.66	-	-
Investments (Net)	-	316.05	-	725.17	142.34	181.70	-	197.36	35.48	-
Changes in long term liabilities & provisions	3.96	2.98	-	172.73	-	355.83	-	-	7.47	-
Increase in Working Capital	297.64	-	551.41	-	-	52.22	586.78	35.36	277.46	242.72
Changes in Non-Current assets & Provisions	418.11	2.97	31.69	13.68	-	8.14	1.40	-	-	8.36
	5,001.33	4,115.25	2,830.15	2,961.00	2,945.59	2,400.61	1,682.51	984.46	911.89	534.87

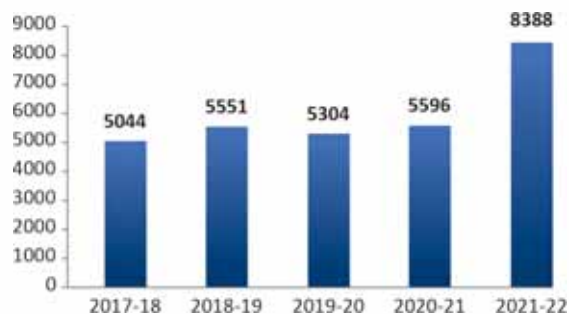
	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13
16 Changes in Working Capital (₹ in Crore) :										
A) Current Assets :										
Inventories	1,089.79	185.02	271.26	(290.96)	178.97	572.99	(542.95)	248.68	142.28	(807.97)
Trade Receivables	(211.52)	553.73	(517.05)	204.42	212.60	(15.80)	(417.57)	958.52	(428.34)	(93.72)
Cash & Bank Balances	181.00	(356.19)	273.66	(716.73)	(656.48)	(259.64)	683.20	88.59	962.52	2.51
Loans & Advances, Others	59.41	13.36	129.80	(10.41)	14.04	(14.73)	(89.39)	0.76	(108.60)	210.48
	1,118.68	395.92	157.67	(813.68)	(250.87)	282.82	(366.71)	1,296.55	567.86	(688.70)
Less:										
B) Current Liabilities & Provisions										
Current Liabilities	804.82	1,045.64	(310.54)	(258.84)	431.38	215.23	(865.20)	888.33	279.31	(915.64)
Provisions	16.22	30.98	(83.20)	164.47	(75.63)	15.37	(88.29)	372.86	11.09	(15.78)
	821.04	1,076.62	(393.74)	(94.37)	355.75	230.60	(953.49)	1,261.19	290.40	(931.42)
C) Working Capital (A - B)	297.64	(680.70)	551.41	(719.31)	(606.62)	52.22	586.78	35.36	277.46	242.72

Value Added

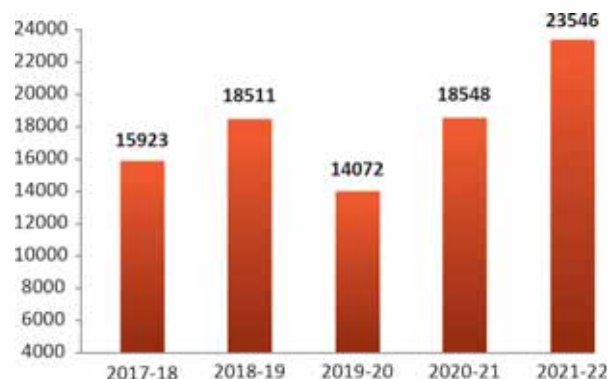
	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13
HOW VALUE IS GENERATED (₹ in Crore) :										
Value of Production :	18,804.48	13,552.64	12,036.79	15,650.94	13,092.28	11,416.58	9,632.41	10,074.11	9,268.47	7,601.63
Less : Direct Materials Consumed :	12,645.77	7,994.87	9,203.57	11,524.73	8,834.98	7,680.06	6,764.52	7,935.63	7,933.91	6,622.87
Value Added	6,158.71	5,557.77	2,833.22	4,126.21	4,257.30	3,736.52	2,867.89	2,138.48	1,334.56	978.76
Add : Other Incomes	85.83	107.11	140.33	122.49	126.65	366.44	140.09	74.90	48.87	64.83
Total Value Generated	6,244.54	5,664.88	2,973.55	4,248.70	4,383.95	4,102.96	3,007.98	2,213.38	1,383.43	1,043.59
HOW VALUE IS DISTRIBUTED (₹ in Crore) :										
A) Operation :										
Employees' Benefits	351.68	344.50	297.84	300.19	308.08	212.99	187.81	178.60	144.53	129.92
Other Costs	1,122.28	866.68	721.49	688.01	737.01	560.20	712.00	691.29	455.33	411.28
	1,473.96	1,211.18	1,019.33	988.20	1,045.09	773.19	899.81	869.89	599.86	541.20
B) Providers of Capital										
Interest on Borrowings	3.92	9.21	2.05	12.62	15.80	22.42	23.32	36.34	41.91	59.40
Dividend	735.63	2,758.62	1,103.45	1,250.57	1,360.92	1,368.27	514.94	294.25	117.70	73.56
	739.55	2,767.83	1,105.50	1,263.19	1,376.72	1,390.69	538.26	330.59	159.61	132.96
C) Taxation:										
Corporate Tax	1,296.43	1,053.04	412.31	1,018.81	1,054.28	926.21	698.05	463.62	213.20	108.91
Tax on distributed profits	-	-	227.25	256.99	277.05	278.54	104.84	59.91	20.00	12.50
	1,296.43	1,053.04	639.56	1,275.80	1,331.33	1,204.75	802.89	523.53	233.20	121.41
D) Re-investment in Business										
Depreciation/ Amortisation	320.52	347.36	248.92	194.45	183.60	163.63	220.03	172.90	179.01	180.13
Deferred Tax	(10.14)	(6.18)	(59.08)	65.00	43.41	120.79	(44.01)	(47.68)	(21.64)	9.69
Retained Profit	2,424.22	291.65	19.32	462.06	403.80	449.91	591.00	364.15	233.39	58.20
	2,734.60	632.83	209.16	721.51	630.81	734.33	767.02	489.37	390.76	248.02
Total Value Distributed	6,244.54	5,664.88	2,973.55	4,248.70	4,383.95	4,102.96	3,007.98	2,213.38	1,383.43	1,043.59

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

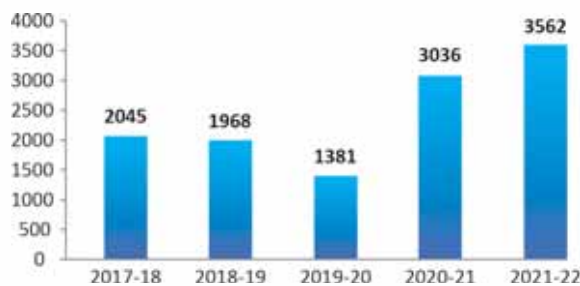
Net Worth in ₹ in Crore



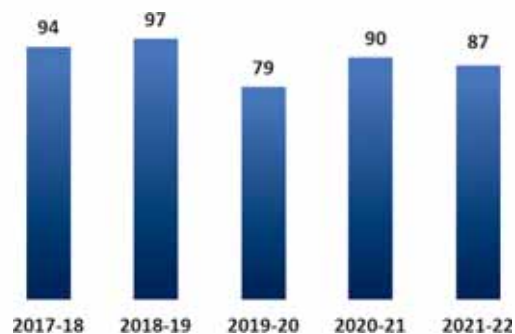
Turnover in ₹ in Crore



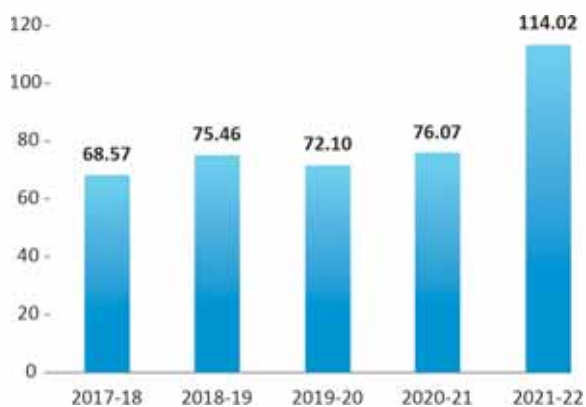
Profit After Tax in ₹ in Crore



Capacity Utilisation (%)



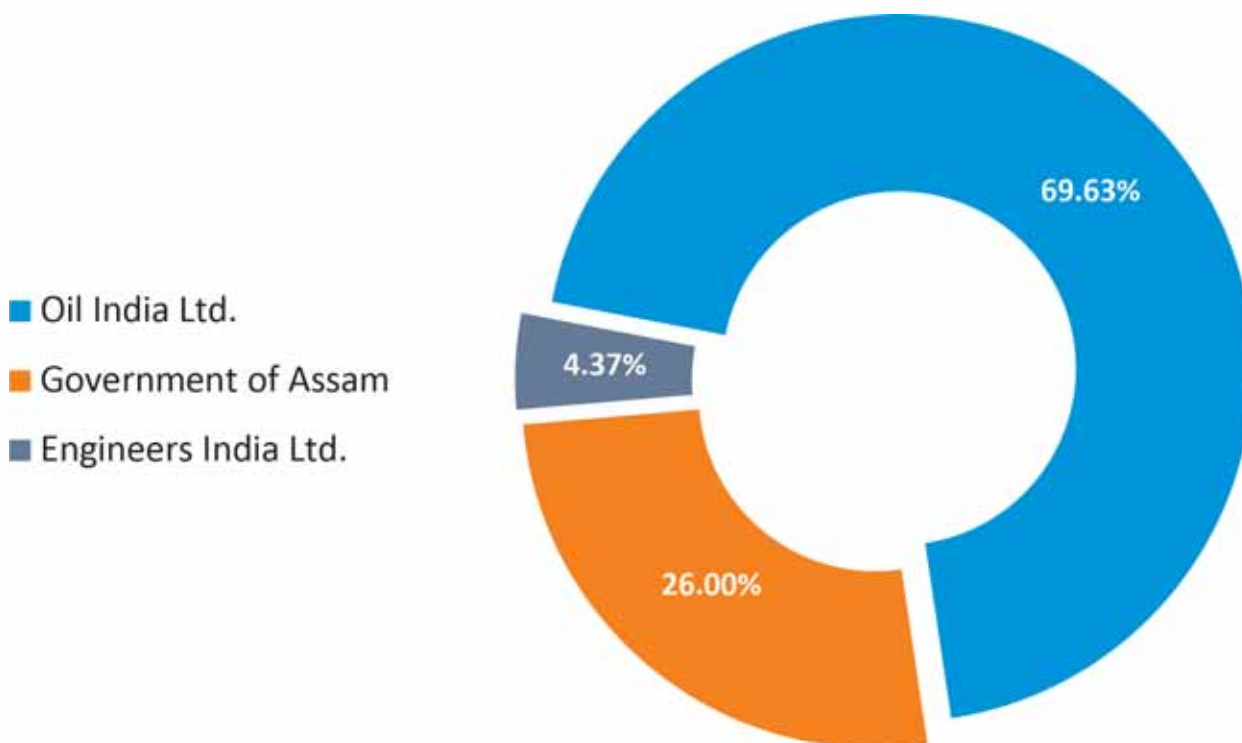
Book Value per share (face value ₹10 each)



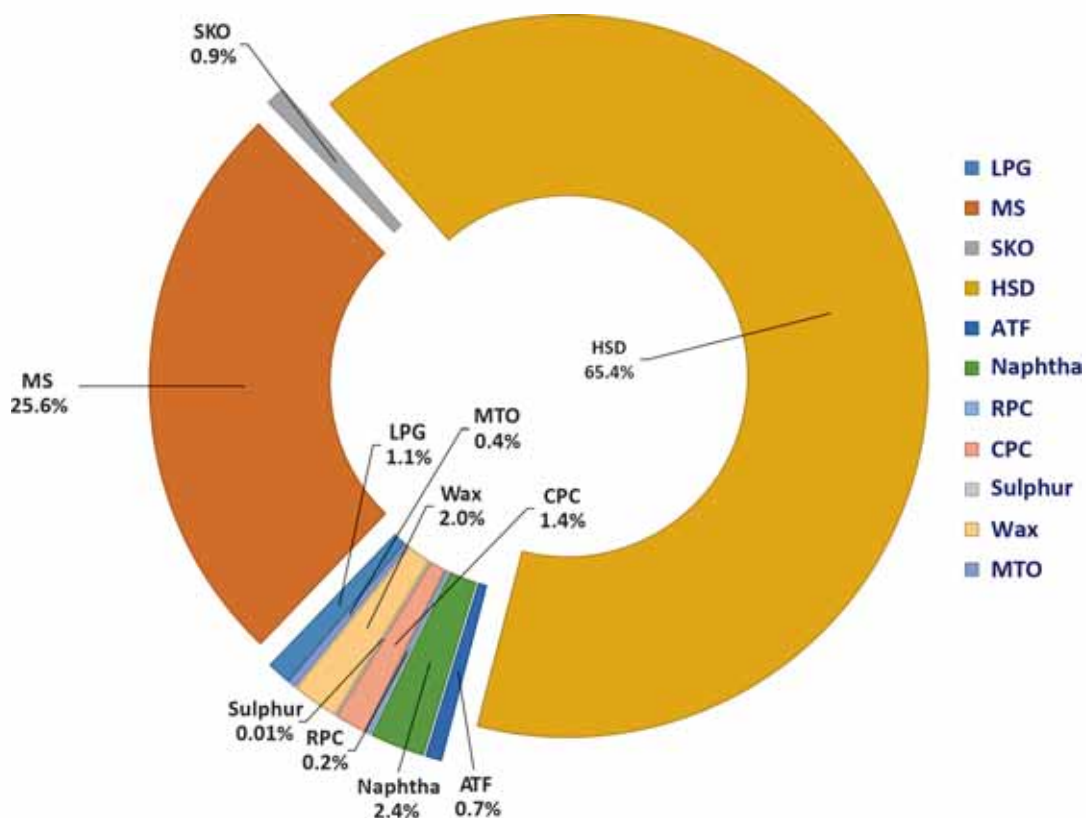
Earning per Share



Shareholding Pattern (%)



Product wise Sales (%)



ANNUAL REPORT
2021-22

NUMALIGARH
REFINERY
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DIRECTORS' REPORT



Directors' Report to Shareholders

Your Directors take pleasure in presenting the 29th Annual Report of the Company together with audited financial statement for the financial year ended 31st March, 2022.

1. Financial Performance

1.1 Consolidated Results

The Consolidated financial results of the Company and its Joint Venture Companies namely, DNP Limited, Assam Bio Refinery Private Limited, Indradhanush Gas Grid Limited and its Associate Company, Brahmaputra Cracker and Polymer Limited for the financial year 2021-22, compared to that of the previous year, are summarized below:

₹ in Crore

	2021-22	2020-21
Revenue from operations	23,547.01	18,549.79
Profit from continuing operation before share of profit of equity accounted investee and income tax	4,823.04	4,078.88
Share of profit of equity accounted investee (net of income tax)	77.30	84.05
Profit from continuing operations before Income Tax	4,900.34	4,162.93
Tax Expense	1,286.29	1,046.87
Profit for the period after tax	3,614.05	3,116.06
Other comprehensive income, net of tax	(33.78)	14.00
Total comprehensive income for the period (comprising Profit and Other Comprehensive Income for the period)	3,580.27	3,130.06
Earnings per share (₹ per share)	49.13	42.36
	31.03.2022	31.03.2021
Net Worth	8,608.08	5,763.44

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

- Revenue from Operations** during the financial year 2021-22 increased to ₹23,547.01 Crore as compared to ₹18,549.79 Crore of the previous financial year. The increase is mainly attributable to increase in product prices.
- Profit from continuing operation before Income Tax** for the financial year ended 31st March 2022 was higher by ₹737.40 Crore at ₹4,900.34 Crore as compared to ₹4,162.93 Crore of the previous financial year. The higher profit is mainly on account of increase in overall gross margins.
- Profit after Tax (PAT)** for the year ended 31st March 2022 was higher by 15.98 % at ₹3,614.05 Crore as compared to ₹3,116.06 Crore of the previous financial year and correspondingly Earnings per share for the year ended 31st March 2022 increased to ₹49.13 per share from ₹42.36 per share during the previous financial year.
- Net worth of the Company** has increased by 49.36 % from ₹5,763.44 Crore as on 31st March 2021 to ₹8,608.08 Crore as on 31st March 2022.

1.2 Standalone Results

Financial Results

During 2021-22 the refinery processed 2,624.41 TMT of crude oil with sales volume of 2,799.07 TMT. Besides Assam crude (2601.14 TMT), imported crude of 23.27 TMT was also processed in the Refinery.



In the year 2021-22, the Company posted highest ever Revenue from Operations at ₹23,547.01 Crore which was higher by 26.98% as against ₹18,543.59 Crore of the previous year primarily on account of increase in product prices.

Profit before tax (PBT) for the year ended 31st March 2022 was higher by 18.37% at ₹4,847.85 Crore as compared to ₹4,082.97 crore of the previous financial year mainly due to increase in overall gross margin and higher inventory gains. Accordingly the Company posted record profits for the year 2021-22 with Profit after Tax (PAT) of ₹3,561.56 Crore as compared to ₹3,036.10 Crore of the previous year registering an

increase of ₹525.46 Crore. The Compound Annual Growth Rate (CAGR) for PAT stood at 27.41% since commencement of commercial production. The Earning per Share (EPS) for the year 2021-22 stood at ₹48.42 as compared to ₹41.27 in 2020-21.

Total comprehensive income for the period stood at ₹3,527.67 Crore as against ₹3,050.27 Crore in 2020-21.

The financial results of the Company for the year 2021-22 as compared to those of the previous year are summarized below:

₹ in Crore

	2021-22	2020-21
Physical Performance		
Crude Throughput (TMT)	2,624.41	2,707.35
Sales (TMT)	2,799.07	2,924.31
Financial Performance		
Gross Revenue from Operations	23,547.01	18,549.79
Profit before Finance Cost, Depreciation & Amortization, Exceptional Items and Tax	5,172.29	4,438.80
Finance Cost	3.92	8.47
Depreciation, Amortization and Impairment Expense	320.52	347.36
Profit before Exceptional Items and tax	4,847.85	4,082.97
Exceptional Items	-	-
Profit before tax	4,847.85	4,082.97
Tax Expense		
(1) Current Tax	1,296.43	1,053.05
(2) Deferred Tax	(10.14)	(6.18)
Net Profit for the Year	3,561.56	3,036.10
Other comprehensive income (OCI)	(33.89)	14.17
Total comprehensive income for the Year	3,527.67	3,050.27
Earnings per Equity Share		
Basic (₹ per share)	48.42	41.27
Diluted (₹ per share)	48.42	41.27
Net Worth	8,388.07	5,596.03
Apportionment of profits for dividend:		
Interim Dividend	735.63	2,758.62
Summarized Cash Flow Statement :		
Cash Flows :		
Inflow/(Outflow) from operations	3,688.12	3,632.42
Inflow/(Outflow) from investing activities	(3,746.02)	(913.61)
Inflow/(Outflow) from financing activities	212.24	(2,771.56)
Net Increase/(decrease) in cash & cash equivalent	154.34	(52.75)

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

1.3 Dividend

During the year, the Company paid a first interim dividend of ₹5.00 per share and a second interim dividend of ₹5.00 per share. In addition, the Board of the Company has recommended a final dividend of ₹5.00 per share for the financial year, thereby making the total dividend for the year to ₹15 per share with a total payout of ₹1,103.45 Crore equivalent to 30.98% of the PAT.

1.3.1 Transfer to Reserves

An amount of ₹2,424.23 Crore has been transferred to General Reserve out of the amount available in Retained Earnings.

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 ₹12.47 Crore during the year (Previous Year ₹40.55 Crore) at an average rate of return of 3.30% (previous year 3.57%) 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 0.11.

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

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

During the year, the Company has achieved 99.61% in e-payment and 100% in e-collection mechanisms respectively.

1.4.1 Borrowings

The Company achieved financial closure for its 6 MMTPA Numaligarh Refinery Expansion Project on 30th December 2021 by tying up a project debt of ₹18,904 Crore with consortium of 12 lenders led by State Bank of India.

Total Borrowings of the Company as on 31st March 2022 stood at ₹979.97 Crore, as against ₹NIL as on 31st March 2021.



Signing of Term Loan Facility with consortium of bankers for NREP.



Interim dividend cheque to Govt. of Assam for the FY 2021-22

1.5 Deposits from Public

The Company did not accept any deposit from the public during the financial year 2021-22.

1.6 Capital Expenditure

Capital Expenditure during the year 2021-22 amounted to ₹3,605.41 Crore as compared to ₹923.60 Crore during the year 2020-21. Capital expenditure during the first three quarters of the year (i.e., up to 31st Dec'21) was ₹1,938.83 Crore.

The Capital Expenditure for the year includes Right-of-Use assets of ₹29.70 Crore (previous year ₹78.82 Crore) pertaining of leases of properties/facilities entered into during the year as per Ind AS 116 "Leases".

Capital expenditure including investment in joint venture and associate company during the year 2021-22 is ₹3,664.24 crore as compared to ₹1,027.28 crore during FY 2020-21. With regard to proportionate JV capex, achievement during the year was ₹867.72 Crore.

1.7 Contribution to Exchequer

Your Company has contributed a total of ₹5,329.56 Crore to the Central Exchequer and ₹480.06 Crore to the State Exchequers in the form of taxes, duties and dividends as compared to ₹5,863.02 Crore and ₹604.53 Crore respectively in the previous year. Lowering of excise duty rates on Petrol and Diesel and lower dividend during the year has primarily led to reduction in contribution to the Exchequer.

1.8 Cost Control Initiatives

Your Company follows a system of online budgetary control through ERP system whereby expenditures are monitored and controlled on a day-to-day basis vis-à-vis approved budget. Besides taking adequate measures towards austerity and rationalization of expenditures, your Company continuously monitors for reduction in fuel and loss, conservation of energy, improvement in distillate yield, optimization of product mix.

1.9 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 the accounts (both Standalone and Consolidated) for the year ended 31st March, 2022 are enclosed as annexure with Statutory Auditors Report. We are pleased to report that the C&AG has no comments and issued no supplement to the Statutory Auditors' Report under section 143 (6) (b) of the Companies Act 2013.

C&AG Audit on Other Matters: As at 31st March, 2022, there are two pending published paras as detailed below:

a) Audit Para No 6.8 of CAG Report No 13 of 2019 for the year ended March 2018 related to payment to the executives in the form of running and maintenance expenses of vehicles:

Management Reply:

NRL has been following the norms as prevailing in other PSU. In view of the above it is recommended by Ministry to CAG not to pursue the matter further.

b) Audit Para No 2.3 of CAG Report No 14 of 2021 for the year ended March 2020 related to investment of ₹82.70 Crore towards installation of Naphtha Splitter Unit (NSU):

Management Reply:

Investment of ₹82.70 Crore by NRL in setting up the NSU unit was taken to ensure assured supply of Petrochemical Grade Naphtha (PGN) to Brahmaputra Cracker and Polymer Limited (BCPL) to increase its viability and reduce subsidy to the project from Government of India as well as to dispose surplus Naphtha available at NRL and get a better return. However, based on the prevailing economics it was found that sourcing of external Naphtha for supply to BCPL and use of internal Naphtha for MS production makes a better economic sense to NRL. However, in case of change in the current economics, NRL can always operate the NSU again to supply the agreed quantity of PGN to BCPL.

Both the audit observations have been suitably replied to CAG.



1.10 Consolidated Financial Statement

The Consolidated Financial Statements were 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 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, 2022.

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).

1.11 Risk Management

The Company considers risk management as a key element of its business operations and has put in place effective systems to identify, analyse, monitor

and mitigate risks to ensure the organisation's sustained growth. The Company has also laid down an Enterprise Risk Management (ERM) Framework under which the Board Members & sub-committees are periodically appraised about various corporate risks faced by the organization and steps taken for minimizing/mitigating the risks. During the financial year, the Company has reviewed and updated its corporate risk register in line with laid down policies. The Company is managing its corporate risk register through a digitalized tool as it helps 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 mitigation steps are being taken for addressing these risks.

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

Particulars of investments made, loans given to its Joint Venture, and guarantees given by the Company are provided in the standalone financial statement (Please refer to Note 7, 8, 12, 16 and 52 to the standalone financial statement).

1.13 Contracts and Arrangements with Related Parties

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company has not entered into any contract / arrangement / transaction with related parties which were in conflict with the Company's interest. Relevant information on related party transactions in Form AOC -2 is provided as Annexure C to the Director's Report.

Your Directors draw attention of the members to Note 49 to the standalone financial statement which sets out related party disclosures.

1.14 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

In the financial year 2021-22, the refinery faced few challenges, both external and internal and could overcome them successfully. Crude processing during Q1 was less due to demand destruction with the onset of 2nd wave of COVID in the month of April 21. Refinery throughput could be increased gradually with improvement in domestic demand. There was also an issue of shorter run length of the Delayed Coker Unit of the refinery which was successfully resolved by changing the operational parameters. Refinery shut down was taken for a period of 11 days in the month of December 21 for reinsertion of HTERp tube bundle in the Hydrogen Unit, which was taken out during the RTA in December 2019 for repairing. Post reinsertion of HTERp tube bundles and exchanger reformer taken on stream, Hydrogen production has increased and resulted in higher capacity utilization of the Hydrocracker Unit. Domestic crude oil supply to the refinery was continued without any interruption during the period of shutdown through proper inventory planning.

The refinery processed 2624 TMT of crude oil during the financial year, which includes 23 TMT of imported crude oil. The refinery continued to process imported crude oil positioned through Haldia port as and when there was opportunity to utilize surplus capacity of the refinery.

The refinery maintained a Distillate Yield of 85.69% and a Volumetric Expansion Index (VEI) of 92.3%. Operational availability of the refinery was 98.1% during the year. Initiatives were taken to improve the reliability of the refinery assets and maintain operational availability at a higher level.

The refinery continued to show impressive performance with respect to Specific Energy Consumption (SEC) and Energy Intensity Index (EII). Specific Energy Consumption (SEC) at 63.51 MBN has improved further from 64.37 MBN achieved during the previous year. Energy Intensity Index (EII) of the refinery during the year was 84.68.

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. Fresh water consumption in the refinery is continuously monitored. Specific Fresh Water Consumption in the refinery during the year was 148.75 MTN against 152.50 MTN recorded during the previous year.

MS production was maximized at 591 TMT during the year in response to the growth in market demand since Q2. MS production from the plant was maximized to the extent of 334 TMT in addition to 257 TMT of MS produced through blending. NRL also started supplying Ethanol Blended MS from both the marketing terminals, NRMT and SMT.

Production of HSD was also maximized to the extent of 1724 TMT, which is in line with crude processed by the refinery. Total production of finished product during the year was 2583 TMT comprising of the following:

- | | | |
|------|-------------------------|------------|
| (i) | High Speed Diesel (HSD) | : 1724 TMT |
| (ii) | Motor Spirits (MS) | : 591 TMT |

(iii) Aviation Turbine Fuel (ATF)	:	28 TMT
(iv) Liquefied Petroleum Gas (LPG)	:	44 TMT
(v) Superior Kerosene Oil (SKO)	:	49 TMT
(vi) Mineral Turpentine Oil (MTO)	:	10 TMT
(vii) Paraffin Wax	:	46 TMT
(viii) Raw Petroleum Coke (RPC)	:	23 TMT
(ix) Calcined Petroleum Coke (CPC)	:	63 TMT
(x) Sulphur	:	4 TMT

Packed LPG production in the bottling plant was maximized to meet the increase in demand in the Northeast market and 58 TMT packed LPG was produced in the bottling plant which is the highest ever production achieved so far. 14 TMT of LPG was received from external sources in addition to 44 TMT of production in the refinery.

3. Safety

NRL Management has strong commitment for continual improvement of our Health, Safety & Environment performance through planned & controlled efforts throughout, including certification under ISO 9001, 14001 and 45001 standards for Quality, Environment & Occupational Health and Safety Management Systems. NRL also has a well-defined Health, Safety and Environment (HS&E) Policy that gives direction and impetus to all the activities required to safeguard the environment and ensure the health and safety of its employees, contractors, contractors' employees & members of the local community.



Safety awareness programme

All work practices, procedures and production endeavors comply with the highest Health and Safety standards as per the statutory norms. NRL complies with all the safety legislation, standards, guidelines & codes of practices. The Company had implemented occupational hygiene measures and medical surveillance programmes to monitor and control the occupational health of its employees and workers as per OISD guidelines.

Area Safety Committees consisting of Management and Non-Management staff represented in equal numbers have been constituted to take up safety issues in their designated areas and played a vital role in improving the safety standards of the company. The recommendations made by these committees to enhance safety are periodically reviewed and fast tracked for compliance by CGMs in Area Safety Committee Review Meeting. In Apex Loss Control Committee chaired by Director (Technical), details of High Potential Near Miss Incidents, Fire Incidents and Loss Time Accidents (LTA) are discussed in order to prevent recurrence.

At NRL, Safety Audit plays an important role in testing and ensuring the effectiveness of all the components of its safety systems. Internal Safety Audits are conducted on a regular basis by in-house multi-functional teams. All the audit recommendations and suggestions found feasible are thereafter implemented through special drives. The last such Audit was held in February 2022.

Apart from Internal Safety Audits, NRL welcomes and facilitates audit by external agencies as a tool



Safety mock drill

for continuous improvement and adoption of best practices. An External Safety Audit based on MSIHC rules and IS-14489 was lined up and a certified third party Auditor conducted the Audit from 31st January to 2nd February 2022. A mock drill was also conducted by the Audit Team, the response was to the satisfaction of the Team. Safety awareness survey was carried out from 28th February to 2nd March 2022. The overall total average of safety awareness level of management and non-management staff together was found to be 82.14% at Numaligarh location and 90.85% at Siliguri location, which is very good as per the scoring evaluation scale. Further, Industrial Hygiene survey was carried out from 7th to 10th March 2022 at Numaligarh and Siliguri locations. As per report submitted, all parameters were found to be within permissible limits except for inadequate Lux levels at few areas, corrective action for which has been taken.

In addition, NRL has taken following new initiatives during the year in order to enhance safety standards:

- Commissioning of Virtual Reality Training Modules.
- Installation of Indian Oiltanking Limited (IOT) enabled pressure transmitter for monitoring fire water pressure in different network loops.
- Fire and Safety Refresher Training for employees with evaluation was carried out for the first time.
- Software has been developed for issue and return record of detectors in refinery which is named as Portable Gas Detector and Management System (PGDMS).
- Fire Tender and Fire Hydrant Drill competition conducted on 20th April 2021 for Fireman on the occasion of Fire Service Week.
- Implemented mandatory donning of Fire Retardant Boiler suits of Orange Color by Fire and Safety group for distinction from other employees which was also pointed out during various audits.

NRL also observes various events to spread awareness on safety. As in previous years, National Safety Week was observed at NRL from 4th March 2022 to 10th March 2022. Road Safety Month was observed from 18th January 2022 to 17th February 2022 with the involvement of NRL employees as well as the general

public. Training programmes for POL Drivers & LPG Trucks were held in coordination with District Transport Officer and Motor Vehicle Inspector, Golaghat. Safety Awareness programs were organized inside and outside the Refinery.

To bring safety awareness among new joiners and existing NRL employees, contractors and their workers, CISF, security staff, POL drivers, various means of training and demonstration are conducted regularly.

NRL rehearses its emergency preparedness by conducting Mock-Drills on Level-1, Level-2 and Level-3 emergency regularly in a planned manner and recommendations for improvement are documented and implemented. The 19th Off-site Disaster mock drill was conducted on 3rd December 2021 with full involvement of District Authority, local public and Civil Defense, apart from NRL employees.

In addition to work permit system, for improvement in safety systems during job execution, job safety analysis (JSA) by cross-functional team for every critical, hazardous and non-routine jobs has been implemented at NRL. JSA is a systematic analysis of a specific job in a specific location to identify the hazards and determine the controls.

4. Health

NRL has an Occupational Health Centre inside refinery premise which operates on 24 hr. basis to take care of emergencies and the fully equipped 100 bedded Vivekananda Kendra NRL (VKNRL) Hospital at Township provides all the required emergency medical services to the personnel engaged at NRL.

Regular periodic health check-ups of employees and contract workers are done for safeguarding from occupational health hazards as per OISD-GDN-166. The periodic health check-up reports of individual employees as well as contract workers are scrutinized by health coordinator of respective department in OHC Software and same is recorded in their individual health records.

Apart from the regular employees, the occupational health department regularly conducts periodic health check-up of all contract workers. Employees as well



International Day of Yoga celebration

as workers are intimated individually about deviated parameter observed during their periodic health check-up and the Occupational Health Department renders remedial measures accordingly to correct the deviation.

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. The yearly targets for health check-up are included in the business plan. In FY 21-22, health checkup was conducted for 82% of the employees of NRL and 86% of the contract employees.

5. Environment Management and Sustainability Initiatives:

Like in previous years, NRL continued its effort for improvement in environment management measures. The following major initiatives were taken during the year 2021-22.

- Water consumption:

- Raw water consumption during last year was average 784 m³/hr against permissible limit of 1200 m³/hr.
- Specific Fresh Water Consumption of the refinery during the year 2021-22 was 148.75 MTN (M3 per TMT crude per NRGF) against MOU target of 152 MTN which is 2.45% reduction over previous year.

- GHG emission:

NRL is focusing on energy efficiency, building carbon sink to minimize Green House Gas (GHG) emission.

- NRL continues to monitor its GHG inventory and get it validated through accredited agency. Company commissioned TUV India Private Limited to conduct the independent assurance of Refinery's GHG emission, which includes "limited level of assurance" of NRL direct and other indirect (Scope 1 and 3, there are no Scope 2 emissions presently) GHG emission. This assurance engagement has been conducted against the methodology & standards of API compendium 2021, ISO 14064, GHG protocol ISAE 3000 (revised), and ISAE 3410 (GHGs) for verification process under the operational control approach. GHG emission stands at 0.817 and 0.740 Million ton CO₂ equivalent during FY 2020-21 & 2021-22 respectively. The carbon footprint has been reduced by 10.4% as compare to previous year.
- NRL has taken up a flagship initiative for plantation under afforestation drive. In a significant development for plantation of approx. 40000 tree saplings (equivalent to 240 Ton of Carbon absorption), an MoU was signed on 23rd August 2021 between NRL and Nagaon Forest Division, Govt. of Assam for compensatory afforestation of 35 Hectare land in Kondoli PRF under Nagaon Forest Division with a total budget of ₹1.97 Crore.



Plantation drive to mark AKAM Mega Show

- Stack emission:

- As a result of our best practices, we were able to contain SO₂ emission at 91 kg/hr avg. against allowable limit of 256 kg/hr.

- Air quality:

- The pollutant level in ambient air throughout the year was much below NAAQ limit. To monitor air quality, NRL has 6 ambient air quality monitoring stations including 2 (two) CAAQMS (Continuous ambient air quality monitoring station) inside refinery.

AMBIENT AIR QUALITY AT REFINERY PREMISES			
Sl. No.	PARAMETERS	STANDARD (µg/m ³)	AVG. (µg/m ³)
1	SO ₂	80	11.25
2	NO ₂	80	14.85
3	PM 10	100	50.73
4	PM 2.5	60	23.15

- 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 standard limit.

TREATED EFFLUENT POLLUTANT LEVELS			
Sl.No.	PARAMETERS	STANDARD (mg/lit)	AVG (mg/lit)
1	BOD ₃	15	9.2
2	COD	125	62.83
3	Oil & grease	5	3.15
4	Phenol	0.35	0.16

- NRL re-uses 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. PCBA collects storm water sample on monthly basis. No deviation of water quality was reported in the year.

- Statutory requirements

- All the refinery stacks are equipped with online SO_x, NO_x, CO & PM analyzers. Realtime emission and effluent data is being transmitted to CPCB server with remote alert facility.
- Connectivity of real time data to SPCB server completed.

- Waste management

- Hazardous waste generated during the year 2021-22 is:

Type of waste	Quantity Generated (MT)
Spent Catalyst	NIL
Chem & Oily sludge from ETP	28
Tank bottom sludge	620

- NRL is pursuing Bioremediation of oily sludge generated in the tanks. Bioremediation of 500 MT tank bottom sludge under progress.
- Approx. 350 MT spent catalyst generated during Refinery Turn Around was sold to CPCB approved recyclers and initiated action for sale of approx. 30 MT spent catalyst containing precious metals.

- Important Environmental monitoring:

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

6. Marketing Performance

In terms of Marketing activities, in 2021-22, NRL achieved the highest ever sales turnover at ₹23,547 Crore against ₹18,550 Crore in the previous year. Sales volume however declined by 4.3% mainly on account of lower product availability arising out of lower crude processing.

During the year, against total production of 2583 TMT, total sales during the year was 2799 TMT. HSD sales during the year was 1760 TMT while MS sales was 598 TMT. Wax sales was 44 TMT. NRL continued to remain the market leader in terms of Wax sales in the country. Wax export during the year was 10.3 TMT.

Sale of MTO during the year was 11 TMT while RPC, CPC and Sulphur sales were 13 TMT, 63 TMT, and 4 TMT respectively. The LPG bottling plant recorded highest ever capacity utilization during the year at 138% with the production of 58 TMT packed LPG.

BPCL remained NRL's prime customer with 2165 TMT product upliftment amounting to 77% of total sales. Sales to HPCL at 136.3 TMT was 5% of total sales. Sales to private oil companies amounted to 6% and 12% sales was on account of direct customers and export. Sales from NRL's terminal at Numaligarh and Siliguri were 1208 TMT and 1589 TMT respectively and that from Wax warehouse at Guwahati was 2 TMT.

Sales within Northeast at 1090 TMT marked significant improvement (39% of total sales) against 817 TMT (28%) in the previous year which contributed towards savings on account of tax and freight under-recoveries. Sales during the year comprised 56 TMT of Gas Oil exported to Bangladesh and 125 TMT Naphtha to Brahmaputra Cracker and Polymer Limited (BCPL) from external sources.

In 2021-22, NRL commenced blending of ethanol in MS at the Siliguri and Numaligarh marketing terminals. The first year marked 1122 kl ethanol blending and same is gaining momentum in the current financial year.



Inauguration of 6th Customers' Meet

As a part of NRL's endeavour towards enhancing customer satisfaction, an interactive "in-person" Customers' meet was organized on 09.12.2021 at Guwahati which enticed wide scale participation from all stakeholders.

7. Projects

A. On-going Projects

i) Numaligarh Refinery Expansion Project (NREP):

SYNOPSIS OF THE PROJECT:

- Numaligarh Refinery Expansion Project (NREP) is for capacity expansion of the existing Refinery from the present 3 MMTPA to 9 MMTPA within a period of 48 months.
- The NREP consists of 02 major components, the Refinery Expansion with new train of process units (6 MMTPA) and Paradeep-Numaligarh Pipeline along with Crude Oil Import Terminal at Paradeep (1630 km, 9 MMTPA).
- Approved budget for the project is ₹28,026 Crore.
- Environmental Clearance for Refinery was received on 27th July 2020 and EC-CRZ clearance for COIT was received on 19th May 2021
- Project duration: 48 months from the statutory clearance.

IMPLEMENTATION STRATEGY:

Numaligarh Refinery Expansion Project (NREP) is being implemented by engaging a combination of PMC, EPCM and other supporting consultants. M/s. Technip India Limited, Chennai is appointed as Managing PMC for the project while also looking after EPC jobs of CDU-VDU, DHT & SRB and EPCM jobs for offsite and utilities. M/s Thyssen Krupp Industrial Solutions (I) Pvt. Ltd. is performing EPCM scope of jobs of PFCC, MSB and GDS units and M/s Technip, India Limited, Noida is performing EPCM scope of jobs for RPTU. M/s Engineers India Limited, New Delhi is performing EPCM scope of jobs for execution of Paradip Numaligarh Crude Oil Pipeline (PNCPL), Crude Oil Import Terminal (COIT) at Paradip and additional Tankages in Siliguri Marketing Terminal.



Construction activities of Refinery Expansion Project in progress

M/s Deloitte has been engaged to implement a Project Monitoring Office for NREP and is performing as owner's consultant and extended arm of NRL for monitoring the project.

CURRENT STATUS:

Overall progress of NREP as on 31st March 2022 is 16.2%. Progress for refinery scope of job is 11.1% while progress for pipeline scope of jobs is 24.5%

Overall capital expenditure for NREP as on 31st March 2022 is ₹3718 Crore. Outgo for refinery and pipeline scope of jobs is ₹1182 Crore and ₹2536 Crore respectively.

Major Highlights: NREP Refinery

- Engineering activities in progressive stage and 60% model review for process units have commenced.
- All three EPC packages for process units have been awarded and jobs commenced at site
- All major utility and off-site packages have been ordered.
- Procurement activities for long lead items are nearing completion.
- Manufacturing activities in progress at vendor shop and first lot of equipment expected by 3rd quarter for FY 22-23.
- Piling jobs in progress in all construction areas. Civil and structural contracts being lined up for all areas under EPCM scope

PIPELINES, COIT & SMT:

- Process Design Basis (PDB), Engineering Design Basis (EDB) and HAZOP completed for COIT and PNCPL.
- COIT: Tendering activities in progressive stage. Enabling contracts for boundary wall construction and construction power lined up. Enabling works II and BOOT contract is under award. Dredging jobs in progress.
- PNCPL: Line Pipe manufacturing and receipt at site nearing completion. Pipeline laying jobs commenced. Contracts for HDD works at various river locations being progressively awarded.
- ROU approvals and permissions being secured in an expeditious manner.
- Land acquisition: Identification job completed for all 87 plots of land. Price negotiations and registration jobs in progress.

ii) India Bangladesh Friendship Product Pipeline (IBFPL):

NRL is constructing a 129.50 km long India Bangla Friendship Product Pipeline (IBFPL) from NRL's Siliguri Marketing Terminal in India to Parbatipur in Bangladesh. The 10 inch diameter pipeline will facilitate export of 1 MMT HSD annually. The original estimated cost involved in laying the pipeline was ₹346.04 crore and subsequently it is revised upto ₹377.08 crore. The project is being implemented with Grant-in-aid support of ₹285.24 crore from the Govt. of India for the Bangladesh portion of the pipeline

and NRL's investment of ₹91.80 (revised) crore for the Indian portion. Procurement of all materials was completed and Pipeline laying & Terminal construction works are in progress. As on 31.03.2022, overall progress of the project was 90.3%.

B. FUTURE PROJECTS:

PETROCHEMICAL PROJECT FOR NRL

NRL is setting up a Petrochemical Complex to produce 360 KTPA of homopolymer grade polypropylene by leveraging on the capability to produce high value petrochemical feedstock from NRL's 6 MMTPA new refinery (NREP) presently under implementation. The project will consist of polypropylene production unit & dispatch facilities, along with associated utility systems. The approved cost for the petrochemical project is ₹6,555 Crore. The investment approval for the project was obtained in March 2022. The project is anticipated to be completed in FY 2025-26.

The polypropylene plant will utilize propylene as feedstock, which will be made available from high severity Petro-FCC of NREP. Once implemented, the integration of petrochemical with refinery will provide significant value addition from the complex.

The process licensor for the technology has been already engaged and process package is under preparation.

8. Upstream Investment

NRL has ventured into upstream oil and gas exploration activities by acquiring Participating Interest (PI) in two oil blocks in North East, namely Namrup Block and West Mechaki Block. NRL has PI of 20% in Namrup Block along with Assam Hydrocarbon and Energy Company Ltd (AHECL) - 10% and Oil India Ltd (70% and Operator of the block). In the West Mechaki Block, NRL has 10% participating interest along with Oil India Limited (60% and operator), IOCL (20%) and BPRL (10%). Total investment earmarked by NRL in these two oil blocks is estimated at ₹90 Crore over a period of three years.

Both 2D and 3D Seismic Data acquisition as per committed work program completed in West Mechaki

Block and interpretation of the acquired seismic data are in progress to discover prospects and identify exploratory drilling location. In Namrup block, land acquired for drilling first exploratory well, rig mobilized and the first exploratory well spudded on 07.07.2022. Drilling is in progress. Airborne Gravity Gradiometry & Gravity-Magnetic (AGG & GM) Survey was also additionally carried out in both the blocks for better assessment of hydrocarbon prospectivity in logistically inaccessible block areas.

9. Joint Venture and Associate Companies

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

Brahmaputra Cracker and Polymer Limited (BCPL):

BCPL is an associate 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 February 2016. As on 31st March, 2022, 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.

BCPL's Revenue for the year 2021-22 stood at ₹3,243.36 Crore as against ₹2,902.62 Crore in the previous year. For the year 2021-22, BCPL has

registered a Profit after Tax of ₹690.53 crore as against ₹739.90 Crore in the previous year. Earnings per Share (EPS) for the year 2021-22 accordingly decreased to ₹4.87 as against ₹5.21 in 2020-21.

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 2022, the paid up share capital of DNP Limited is ₹167.25 Crore. The present shareholding of the Company as on 31st March 2022 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 2021-22, the Company transported 2,86,038 TSCM of natural gas as against 3,00,136 TSCM of natural gas in 2020-21.

DNP's total revenue for the year 2021-22 stood at ₹98.52 crore as against ₹100.83 crore in the previous year. During the year, the company earned a profit after tax of ₹36.02 Crore as against ₹40.56 Crore in the previous year. Earnings per Share (EPS) for the year 2021-22 stands at ₹2.15 as against ₹2.42 in 2020-21.

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

3B.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 ₹276.92 Crore respectively. As on 31st March, 2022, NRL has contributed its 50% share of equity amounting to ₹138.46 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 co-production 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 2018. 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, 2022 was 66.6%. Due to travel restrictions



The first digester package of Bio Refinery arrives at Silghat, Assam

as well as uncertainties for COVID-19 pandemic situation, scheduled engineering activities were delayed and accordingly, the Project schedule has been revised with commissioning by December, 2022.

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 2022, the paid up share capital of IGGL was ₹425 Crore of which NRL had contributed ₹85.00 Crore towards 20% share of its equity in the project. Overall physical progress of the project as on 31st March, 2022 was 43.1%.

10. Research and Development (R&D)

The Company has been actively pursuing various R&D projects towards developing novel technologies which can add value to the Organisation. As per Govt. of India guidelines on collaborative research and development (R&D) among PSUs, NRL and EIL have entered into a Memorandum of Understanding ("MOU") on 31.03.2022 to exchange scientific knowledge, encourage joint research in the field of hydrocarbon, petrochemicals, energy technology, and commercialize such jointly developed technologies. Both the parties have already identified a list of projects for joint development of its technology with separate Memorandum of Agreement having defined objectives, scope of work, roles of parties, deliverables, cost and royalty sharing etc. Under this MoU, NRL and EIL are now desirous to entering into a Memorandum of Agreement (MoA) for joint development and commercialization of Above Ground Sulphur Seal technology.

With an aim of research collaboration, NRL entered into a framework collaboration with CSIR:NEIST for Identification of critical research areas

pertinent to microbial remediation, soil chemistry, fractionalization of low grade / weight hydrocarbons and subsequent up-gradation, training of scientists, technologists and officials in specialized areas. As part of the framework, one project titled "Removal of Phenol from sour/strip water, it's re-use and value addition" is taken up at an estimated cost of ₹1.27 Crore for a total project duration of 2 years with the aim of reducing water foot print and to produce value added chemical. Under this project, lab scale demonstration for phenol removal is successfully completed and design and fabrication of pilot plant is ready for demonstration at NRL site.

NRL had set up the '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. Under this Centre of Excellence, one project titled "Development of Biodegradable Plastics from Oil and Bio-Refinery Streams" at an estimated cost of ₹4 Crore is taken up. The aim of the project is to convert "Furfural", one of the by-products of the ABRPL, to biodegradable polymer "Polycaprolactone (PCL)". Under this project, a pilot plant for research study on polymer material has been installed at NRL-CoE, IITG.

In another development, NRL engaged CSIR:IIP for research studies for Efficient Utilisation of Unconverted Oil (UCO) stream generated from upcoming Ebullated Bed (EB) Resid Hydrocracker under Numaligarh Refinery Expansion Project, with the objective to convert UCO stream into value added products or specialty products like Bitumen. The estimated cost of the project is ₹34 Lakh and project duration is 10 Months.

To boost up regional research activities, NRL has engaged St. Edmund's College, Shillong for research study on Utilization of cyanobacteria in the bio-remediation of crude oil, hydrocarbon storage tank bottom sludge, and ETP hydrocarbon sludge and its environmental biotechnology implications at an estimated cost of ₹83 Lakh. Under this project, significant development on culture of cyanobacteria samples collected from NRL have been achieved and bio-accumulation study with the cultured bacteria on hydrocarbon sludge is being investigated.

During the year, the Company's R&D expenditure was ₹2.73 Crore.



MoU with EIL for Scientific and Technical collaboration

11. Public Procurement

Procurement Policy from Micro and Small Enterprises(MSEs)

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, Works Contracts, EPCM based Projects, Imported Items etc.) during the year was as under:

F.Y. 2021-22	₹/ Cr.	% of Total Procurement	Comparative National Procurement Figures
Total Procurement	667.59	100.00%	
Procurement from MSEs	374.51	56.1%	
Procurement from SC/ST MSEs	10.66	1.6%	0.81%
Procurement from MSEs owned by Women	12.00	1.8%	1.08%

The above table is a pointer on our continuous endeavor towards procurement from the MSEs owned by SC/ST and Women Entrepreneurs where the % of procurement done for the FY 21-22 is much above the National Procurement Figures.

Further NRL's commitment towards enhancing the procurement figures from MSEs owned by Women Entrepreneurs is well exemplified in the table below wherein the trend of the procurement figures from this sector is self-explanatory.

	2019-20	2020-21	2021-22
Total Procurement from MSEs owned by Women	1.51 Cr	10.02 Cr	12.00 Cr

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 by way of conducting vendor development programmes.

MSE procurement plan for 2022-23 has been put up in the NRL website. It can be viewed at <https://www.nrl.co.in/upload/NRL-Annual-Procurement-Plan-2022-23.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 2022-23 is estimated to be ₹586 Crore.

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

NRL is on board 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 2021-22 there was no complaint lodged against NRL, for delayed payment by any MSE entrepreneur.

Government e-Marketplace (GeM):

NRL has embarked on procuring from GeM in a big way. Starting from a modest beginning in 2017-18, NRL has come a long way and this is evident from the stellar performance of the Company in the FY- 2021-22.

Total Value of Order placed in GeM during the year was ₹3829 Crore and Total no of Orders placed was 714 nos.

Pursuant to this procurement initiative, NRL has bagged the prestigious award for 2nd highest procurement by value amongst the CPSEs for FY 2021-22 from GeM, India and this is also the Highest among the Oil Sector PSUs.



GeM Director's Award presented to NRL

Digital Initiatives in Procurement Process:

NRL embarked on Paperless Office Concept by implementing work flow based e-office solution build over IBM BAW Platform from August'2020. This platform seamlessly enables Paperless Business Process Flow including creation of Proposals and Approvals from Requisition Generation, Tendering & Ordering up to clearing of Vendor Invoices.

As an enhancement of this platform in the FY 2021-22 the following document based work-flow have been introduced-

- Goods Receipt / Inspection / Acceptance.
- Works Measurement Certification and Vendor Payment clearance.

NRL Vendor Reach Out Program at the time of Covid Pandemic.

At a time when Covid Pandemic was at its highest level and there were lot of travel restrictions, NRL took a special initiative in engaging their business partners in a planned manner. All our Business Partners were addressed region-wise and following theme based webinars were conducted on regular intervals in the FY 21-22:

1. Webinar with Delhi region business partners.
2. Webinar with Business Partners on GeM Registration Process.
3. Webinar with Kolkata region business partners.
4. Webinar on Udyam registration – All MSEs including SC/ST & Women Entrepreneurs.
5. Webinar on tendering transparency, evaluation process and role of Vigilance.
6. Webinar with Paradip region business partners.
7. Webinar with Siliguri Marketing Terminal based business partners.
8. Addressed MSME partners in the North East MSME Conclave organized by CII- North East Chapter.

Apart from these scheduled programs, on-line deliberation with our Business Partners on various issues were discussed as and when required.

12. 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, Govt. of India, Ministry of Home Affairs, New Delhi. To achieve the annual target set by Official Language Department, New Delhi, Hindi Workshop, OLIC meetings are being organized periodically. Hindi learning through "Aajka Shabd" & "Aajka Suvichar" for employees are being displayed on Display Boards daily. Under the incentive scheme, a sum of ₹5.61 Lakh was paid as a cash incentive to 317 employees for using Hindi in official work during the year 2021-22. "Hindi Fortnight" was celebrated from 14th September 2021 to 28th September, 2021 with various competitions involving employees, their family members, school children & CISF personnel with strict maintaining of the COVID-19 guidelines with a view to increase interest in Hindi and its propagation. A special Hindi E-Bulletin was released by the Director (Tech) on 14th September, 2021 and an annual Hindi Magazine "Prayas" (11th edition) was released by Director(Finance) on 28th September, 2021. To increase Hindi correspondence through email, competition in every quarter has been organized amongst employees during the year.

Numaligarh Refinery has achieved 'Rajbhasha Chal Vijayanti Shield' and Third Prize for best Implementation of official language by the TOLIC (PSUs), Guwahati on 07.12.2021 and also won the Second Prize for its publication of Hindi magazine "Prayas"(11th edition).



Award for official language implementation

13. Right to Information Act

NRL continues to honour in letter and spirit the essence, 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. For the Financial Year 2021-22, the status of RTI applications at NRL is provided below:

Number of RTI applications received in FY 2021-22	259
Number of RTI applications disposed off in FY 2021-22	255
Number of pending RTI applications as on 31-03-22	04

Your Company has nominated Nodal Officer/ CPIO/ Appellate Authority for dealing with the provisions of the RTI Act. As a proactive measure in order to ensure transparency and accountability, all relevant information about the Company is regularly updated in the 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 the public domain through the Company's website in order to minimise queries. RTI replies are uploaded to the official website on 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 to RTI Annual Return Information System.

14. Vigilance

NRL Vigilance function is headed by Shri Amit Saran, IRSME, who is the Chief Vigilance Officer of NRL as well as OIL. The objective of 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



Walkathon organised as part of celebration of Vigilance Awareness week

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 the system-driven mechanism of business process 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 (4nos) viz., CTE, routine surprise inspections were carried out during this year at a few of the operative locations of Refinery. Further, the department undertook investigations on complaints with the purpose of safeguarding the interests of stakeholders and recommended suitable actions including systemic improvements to the management. A summary of complaints handled by Vigilance during 2021-22 is tabled below:

Opening (01.04.2021)	Received during the year	Taken-up for investigation during the year	Closed (31.03.2022)
2	8	10	7

“Vigilance Awareness Week – 2021” was observed at all locations of the Company from 26th October to 1st

November, 2021 with the theme ‘Independent India @75: Self Reliance with Integrity’ in line with the directives from Central Vigilance Commission.

The functions and various activities of the week were conducted with great zeal and enthusiasm. Competitions like essay writing, slogan, debate etc. were organised for NRL employees and family, NRL CISF unit and students at nearby schools including DPS Numaligarh adhering to extant Covid-19 prevention guidelines issued from time to time by the competent authority. Regarding outreach activities, Walkathon at Golaghat, Vendor Meet among enlisted vendors of NRL and Gram Sabha at Napathar were arranged during the week.

During the year, the vigilance journal ‘Chaitanya’ (2021 edition) was released covering various kinds of vigilance initiatives undertaken during 2020-21 with a view to enhance mass awareness.

15. Integrated Information System(IIS)

Your Company has taken a leap of faith, to migrate to S/4 HANA ERP from the reliable, mature and time proven SAP ECC 6.0 ERP. The project was completed successfully within the time and budget and go-live was witnessed on 7th February, 2022. With this NRL become the first among the PSU in Oil & Gas and

the first in the downstream sector. The project was completed with involvement of the implementing agency in full remote mode. Timely completion of the project has demonstrated the commitment of NRL which requires proper project monitoring and channelization of the resources to meet the milestones on time.

S/4 HANA, an ERP business suite based on the SAP HANA in-memory database allows companies to perform transactions and analyze business data on real time. With adoption of S4 HANA, NRL has enriched its wings of digital roadmap which will help in faster processing of transactions and report generation against ECC 6.0 and has the provision to develop analytical reporting to augment the decision support system.

Along with the S/4 HANA migration, to enhance the organization's functional capabilities and to keep up with the refinery expansion and foraying into new business, additional features were also implemented, viz. 'Financial Closing Cockpit' for centralizing and making month end closings seamless and faster and 'Contract Lease Management' for full compliance with IndAS 116 accounting standard requirements.

In pursuit of paperless drive, one step ahead, your Company has implemented an Integrated Electronic Data & Document Management System (IEDDMS) in cloud for NREP (Numaligarh Refinery Expansion Project), the massive solution is enabling secure collaborative environment among engineering consultants. It integrates the activities of different engineering consultants, enabling improved decision-making in project workflow with correct engineering master data, review and approvals. The Operations Management Solution (OMS) which was implemented to ensure safe, efficient, and compliant operations of its industrial sites was extended to all the core units of the refinery and marketing terminals, thereby eliminating the use of manual records for Company's logbook, shift handover, work instructions activities etc. OMS, creates a digital shift logbook, digitalize shift operations which will improve shift-to-shift communication and help operation team to reduce the risk of hazardous incidents.

Following the roadmap of Ethanol Blended Motor Spirit (EBMS) of the Govt. of India, NRL has implemented the necessary configuration in SAP to handle EBMS loading from both the terminals (NRMT and SMT) with flexibility to handle blending percentage of Ethanol as per the need of the customers.

16. e-Governance

To bring better governance and control with transparency, the following functionalities have been implemented in various business functions.

- In the case of Contract Worker, we have been able to fully digitize the access control in the form of in-house developed application ("Saral Pravesh"), right from Worker's enrollment against work order, verification, safety training, daily attendance and exit of workers on completion of job. This system completely did away with the time consuming manual paper based process and ensured that no time is lost in the actual field work by the contractors/workers. Also wage payments have become seamless based on readily available attendance records.
- In the case of new employees or on probation, workflow for confirmation process for HR has been implemented leading to timely issue of confirmation letter. Another workflow process, "Change of Reporting" in HR has been made online, which has provided the line managers the flexibility of organizing their resources optimally.
- For generating vehicle running expenses, of pooled vehicles running inside the refinery, contractors have been empowered to generate measurement sheet from web portal with backward integration with smart fleet management system thus ensuring transparency and accountability.
- **"eNote" approval process-** Workflow-based application developed in IBM Business Automation Workflow (BAW) platform to generate different kinds of Inter-departmental note and circulating it within the committee members to take approval on note related to

- different subjects. The workflow-based eNote approval process helps in eliminating different problem likes tracking and keeping eNote in physical form, getting approval on eNote from committee members sitting in different locations in the organisation.
- After digitization of inter-departmental eNote approval process, now user could track the eNote easily, could keep all the supporting documents of a note in digital form which helps in its quick retrieval and retention for longer time. The eNote approval process makes the note approval process faster which help in taking decision making process quicker, transparent, more effective, Increase accountability, releasing employee energy and time from unproductive procedures.
 - Billing for service rendered by NRL by lease/hire equipment's (thru' **"Tools Power"**) to contractors is integrated with SAP, where the vendor billing happens against consumption of resources automatically, thus ensuring that asset utilization is accounted correctly.
 - Cloud based **"Online Board Meeting"** service has enabled NRL for transition from paper and email based meeting system to digital and paperless meetings system right from scheduling, agenda preparation, distribution, collaboration and post meeting action item tracking.
 - Online Approval System for CER (Corporate Environment Responsibility) has been implemented to monitor the compliance of project CER expenditures.
 - COVID-19 vaccination tracking **"VacTrack"** was developed to track vaccination details of NRL employees and their dependents, to ensure compliance to COVID-19 protocols.
 - Online application facility for engagement of Apprentice trainees, enabling broader and equal opportunity for participation.
 - Eureka Intranet portal has also been redesigned with new look and feel with enhanced functionalities.
 - Observance of **National Cyber Security Awareness Month**: October 2021, conducted slogan competition on Cyber Security in Assamese, Hindi, & English languages among the employees of NRL, CISF, DPS, & VKNRL to increase awareness on Cyber Security threats.

17. Social Media Presence

NRL has made full use of the opportunities available in the virtual space for effective corporate communication, marketing and nation-building through its social media presence across platforms like Facebook, Twitter and YouTube. The NRL family stands bigger than ever today with more than 13,000 plus organic likes on Facebook, over 2,000 followers on Twitter and over 2,400 subscribers on YouTube.

Unique and tailor-made content is created, published and shared across Company social media handles by Corporate Communications. NRL has played an active role in mass-scale Govt. of India, information campaigns under hashtags #AzaadiKaAmritMahotsav, #Saksham2022, #WorldBiofuelDay2022, #WorldEnvironmentDay2022, #SwachhtaPakhwada, #AkamMegaShow, #Yogautsav2022, #IYD2022, #YogaDay, apart from creating its own unique campaigns such as #TuesdayTrivia, #SafeSaturday, #NRLCaresetc. NRL social media handles are active



NRL Stall at AKAM Mega Show in Gandhinagar, Gujarat

with company news and developments shared on regular basis which have received widespread following and appreciation from all quarters including stakeholders in the Central and the State Governments as well as the general public.

18. 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.

19. 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.

20. Foreign Exchange Earnings & Outgo

The Company earned foreign exchange of ₹308.83 Crore on export of Diesel to Bangladesh and Paraffin Wax to various countries during 2021-22. Foreign exchange outgo during the year was ₹169.66 Crore mainly on account of purchase of materials, know-how, professional consultancy fees, travelling, etc.

21. 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.

22. Board of Directors

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 pursuant to Section 2(45) of the Companies Act, 2013 by virtue of being subsidiary of Oil India Limited, the above provision is not applicable.

23. 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.

24. Audit Committee

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

25. Number of Board Meetings held during the year

10 (ten) nos. of Board meetings were held during the year 2021-22, the details of which are provided in the Corporate Governance Report that forms part of this Report.

26. 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://www.nrl.co.in/Annual-returns>.

27. Statutory Auditors

M/s. RKP ASSOCIATES, Chartered Accountants, Guwahati- 781001 was appointed as Statutory Auditors of the Company for the year 2021-22 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.

28. Cost Auditors

M/s. A. C. Dutta & Co., Cost Accountants, Kolkata were appointed as the Cost Auditor of the Company for the financial year 2020-21 in accordance with the provisions of Section 148(3) of the Companies Act, 2013. Cost Audit Report for the financial year 2020-21 was filed with the Ministry of Corporate Affairs on 18th September, 2021 in Form CRA-4 as specified by MCA as per requirements of the Companies (Cost Records and Audit) Rules, 2014.

For the financial year 2021-22, M/s. A. C. Dutta & Co., Cost Accountants, Kolkata were appointed as Cost Auditor to conduct the Cost Audit of the Company. The Cost Auditors 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 2021-22 within the stipulated time i.e. within 30 days of receipt of the same.



ICAI Award to NRL for Excellence in Financial reporting for FY 2020-21



30th Foundation Day of NRL celebrated on 22nd April 2022

29. 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 2021-22.

The Secretarial Audit Report for the financial year ended 31st March, 2022 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.

30. 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, 2022.

31. 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:

- (i) In the preparation of the Annual Accounts, applicable accounting standards have been followed along with proper explanation relating to material departures.
- (ii) 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.
- (iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (iv) The Directors have prepared the annual accounts on a going concern basis;
- (v) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

32. 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.

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

Shri S. K. Barua, erstwhile Managing Director of the Company ceased to be Director of NRL w.e.f. 1st February, 2022 on attaining his age of superannuation.

Shri Rajendra Kumar Kureel, Director representing Govt. of India ceased to be Director on the Board of the Company on 11th March, 2022 on completion of his three years tenure as per Govt. of India directive. However, he was re-appointed by Board as Director w.e.f. 14th June, 2022 as per notification of the Govt. of India.

Shri Jaswant Singh Saini, Independent Director had resigned from the Board on 26th March, 2022 on his appointment as Minister in the Uttar Pradesh Government.

Dr. Krishna Kumar Dwivedi, IAS, Director representing Govt. of Assam had resigned from the Board on 30th March, 2022 on his transfer on Central Deputation.

Shri Sushil Chandra Mishra, erstwhile C&MD, Oil India Limited and Chairman of the Company ceased to be Director on the Board of the Company w.e.f. 1st July, 2022 on attaining his age of superannuation from OIL.

Dr. S. Lamare and Shri Gagann Jain, Independent Directors ceased to be Director on the Board of the Company on 11th July, 2022 on completion of their successful tenure.

Further, Shri Harish Madhav, Director (Finance), OIL who was holding additional charge of C&MD, OIL was appointed as Additional Director and elected as Chairman on the Board of the Company w.e.f. 1st July, 2022. Shri Madhav ceased to be a Director and Chairman of the Company on joining of Dr. Ranjit Rath, C&MD, OIL on the Board as Director & Chairman w.e.f. 3rd August 2022.

The Board placed on record their sincere appreciation of the valuable contributions made, guidance and support provided by Shri S. C. Mishra, Shri S. K. Barua, Shri Jaswant Singh Saini, Dr. K. K. Dwivedi, Dr. S. Lamare, Shri Gagann Jain and Shri Harish Madhav for the development and progress of the Company's business during their tenure as Director on the Board.

Shri Sudip Pradhan and Smt. Priyambada Kumari Keshri, who have been appointed by the Government

as Independent Directors on the Board of the Company for a period of three years, were appointed by the Board as Additional Director w.e.f. 18th November, 2021. Being appointed as Additional Directors, they will hold office till the date of the Annual General Meeting. Notice under Section 160 of the Companies Act, 2013 has been received proposing their name for appointment as Director at the ensuing Annual General Meeting.

Dr. Lakshmanan S, IAS, Secretary to the Govt. of Assam, Industries, Commerce and Public Enterprises Department was appointed as Director on the Board of the Company w.e.f. 21st April, 2022 in place of Dr. K. K. Dwivedi, pursuant to Article 98 of the Articles of Association of the Company read with Section 161(4) of the Companies Act, 2013. Being appointed in casual vacancy, he will hold office till the ensuing Annual General Meeting upto which Dr. K. K. Dwivedi would have held office as Director, had he not resigned from the Board. 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 Rajendra Kumar Kureel, Director (Exploration-II), MOP&NG was appointed as Additional Director representing Govt. of India on the Board of the Company w.e.f. 14th June, 2022. Being appointed as Additional Director, he will hold office till the 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.

Dr. Ranjit Rath, Chairman & Managing Director, OIL was appointed as Additional Director and elected as Chairman on the Board of the Company w.e.f. 3rd August, 2022. Being appointed as Additional Director, he will hold office till the ensuing Annual General Meeting. Notice under Section 160 of the Companies Act, 2013 has been received proposing his name for appointment as Director at the ensuing Annual General Meeting.

In accordance with provisions of section 152 of the Companies Act, 2013, Shri B. J. Phukan, Managing Director and Shri Indranil Mittra, Director (Finance) will retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for

re-appointment as Director in the Annual General Meeting.

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.

34. Acknowledgment

Your Directors take this opportunity to express their gratitude to all employees for achieving robust financial and operating performance despite various 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, Ministry of

Finance, Department of Public Enterprise, Goods and Service 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 viz. Oil India Limited, Government of Assam and Engineers India Limited for reposing their confidence and continued support to the management.

For and on behalf of Board of Directors

Sd/-

Dr. Ranjit Rath

Chairman

Dated: 25th August 2022
Place: Noida, UP



Har Ghar Tiranga campaign from 13th to 15th August 2022

Management Discussion and Analysis

The scale of the economic cost and disruption caused due to COVID-19 pandemic will have significant and persistent impact on the global economy and energy system producing uncertainty in the near, medium and long terms. Amidst war in Europe, the urgent need to reduce greenhouse gas emissions, and many other factors, global energy markets are under stress.

1. Economic Scenario Review

World scenario

The war in Ukraine has triggered a costly humanitarian crisis that demands a peaceful resolution. Economic damage from the conflict will contribute to a significant slowdown in global growth in 2022. A severe double-digit drop in GDP for Ukraine and a large contraction in Russia are more than likely, along with worldwide spillovers through commodity markets, trade, and financial channels. Even as the war reduces growth, it will add to inflation. As per World Economic Outlook 2022, global growth is projected to slow from an estimated 6.1 percent in 2021 to 3.6 percent in 2022 and 2023.

After having declined in 2020, headline inflation has increased strongly in both the United States and the Europe region in 2021 (ECB Economic Bulletin). Elevated inflation is expected to persist for longer as per World Economic Outlook 2022, with ongoing supply chain disruptions and high energy prices continuing in 2022. For 2022, inflation is projected at

5.7 percent in advanced economies and 8.7 percent in emerging market and developing economies.

Indian scenario

As per Asian Development Outlook (ADO) 2022, India's economy will grow 7.5% in fiscal year (FY) 2022 and 8% in FY 2023, supported by increased public investment in infrastructure and a pickup in private investment. Sustained progress in corona virus disease (COVID-19) vaccinations and limited severity of new variants of the virus has been assumed. It also factors in the impacts of Russia's invasion of Ukraine—primarily higher global oil and commodity prices that will contribute to rising inflation and a widening of the current account deficit.

Headline inflation decelerated from 6.2% in FY 2020 to 5.4% for most of FY 2021, despite rising fuel prices and global chip shortages, as supply chain disruptions caused by local COVID-19 restrictions eased and food prices moderated. With inflation remaining within the 2%–6% target of the Reserve Bank of India (RBI) due to easing supply-side factors and a weaker-than-expected recovery in private consumption and investment, the repurchase rate remained unchanged in FY 2021, contrary to market expectations. The RBI, however, injected ample surplus liquidity into the banking system to nurture nascent growth impulses and support a durable recovery.



Ground Breaking Ceremony for Laying of Paradip Numaligarh Crude Oil Pipeline



NRL contribution towards Chief Minister's Relief Fund

2. Energy Trends Review

World scenario

Even before Russia's invasion of Ukraine, Brent crude spot prices rose from an average of \$42/ bbl in 2020 to \$71/bbl in 2021. By early March 2022, as Russian tanks rolled across the border, Brent prices spiked to more than \$120/ bbl.

As per latest Economist Intelligence Report, in 2022 global energy consumption will rise by 2.2% to reach 91,749 Million Barrel of Oil Equivalent (BOE) as economies recover from the impact of the pandemic. The growth is higher than in 2019, compensating for the decline in consumption seen during the pandemic. However, it is also a slowdown from the rebound in 2021, as energy consumption gradually normalizes. Much of that demand growth will come through the power sector, as the electrification of the global economy (from digitalization to transport) continues.

Taken together, the aggregate impact of nuclear, hydroelectric, and solar/wind generation reduced global reliance on fossil fuels from ~95% of primary energy in 1975 to ~85% in 2020. In 2021 renewables are for the first time expected to garner more capital spending than upstream oil & gas. This process is influenced by diverging costs of capital: 3% – 5% for solar and wind, 10% – 15% for natural gas and up to

20% for oil projects. However, the IEA still projects that 70%-75% of global primary energy consumption may be met via fossil fuels till the year 2040.

Stronger energy demand will support high prices, at least compared with the years leading up to the pandemic. If the current OPEC+ production deal remains in place, oil prices may average \$78.5/ bbl in 2022, after averaging an estimated \$72/ bbl in 2021. Despite the improving outlook for energy consumption, many companies will need to undertake an urgent review of their strategies in 2022, as the energy transition accelerates, and governments try to fulfil the pledges made at UN Climate Conference (COP26) in Glasgow in late 2021.

Indian Scenario

As India's energy demand is likely to grow at a CAGR of 3.7% – 4.5% till 2047, the pressure on natural resources to fuel the demand would only rise in the interim future. With a share of 18% in the world population, India consumes only 6% of the world's primary energy. According to IEA (India Energy Outlook 2021), primary energy demand is expected to nearly double to 1,123 million tonnes of oil equivalent, as the country's gross domestic product (GDP) is expected to increase to USD 8.6 trillion by 2040.

In Indian oil and gas scenario, indigenous crude oil

production during FY 2021-2022 (29.7 MMT) was lower by 2.62 % than that of the previous year FY 2020-21 (30.5 MMT) whereas crude oil processed by refineries was 242 MMT. Crude oil import during the year was 212 MMT amounting to around \$120.4 billion. Consumption of petroleum products was 202.7 MMT against production of 254 MMT. Net export of petroleum products during the year 2021-22 was 62.7 MMT amounting to around \$44.4 billion.

India through its National Policy on Biofuels 2018 (NPB-2018) continues to remain focused on Ethanol Blended Petrol (EBP) Program, with an indicative target of 20% blending of ethanol in petrol by 2030. India's net import of petroleum was 185 MT at a cost of US \$ 551 billion in 2020-21. Most of the petroleum products are used in transportation. Hence, a successful E20 program can save the country US \$4 billion per annum, i.e., ₹ 30,000 cr. (NITI Aayog Expert Committee Report June 2021)

Natural gas consumption during 2021-22 was recorded at 65,037 MMSCM against domestic production of 34,024 MMSCM. During the year, 31,906 MMSCM of LNG worth USD 13.7 billion was imported to meet the demand-supply gap. On a year-on-year basis, production of petroleum products in 2021-22 rose by 8.9% along with an increase in consumption of petroleum products by 4.3%. HSD demand registered a growth of 5.5% during the year along with MS by 10.4%.

The average FOB price for Indian crude basket increased to \$79.18/ bbl in 2021-22 from \$44.82/ bbl in the previous year. Average FOB price of major products like petrol and diesel were \$89.66/ bbl and \$88.45/ bbl respectively.

3. Organizational Analysis

Internal Factors

Strengths

Bolstering Govt. of India's Act East Policy, NRL's strong understanding of regional markets of NER has amassed a significant presence in the region and continues to be a key strength of the organization. NRL has a well-built brand presence in the NER

domestic market which helps in retaining existing customers and its geo-strategic location makes it to highly capable to meet the growing energy demands of neighbouring countries in the South East Asian region. NRL's first foray into exploiting its geo-strategic location in South East Asia is the Indo-Bangladesh Friendship Pipeline (IBFPL) project. The IBFPL is a 130 km long and 1 MMTPA capacity product pipeline from Siliguri in West Bengal to Parbatipur in Bangladesh.

Another core strength of NRL is its high complexity factor refinery owing to advanced secondary processing technologies that has enabled achievement of high distillate yield. Product slate of NRL comprises LPG, Naphtha, Motor Spirit, Aviation Turbine Fuel, High Speed Diesel, Superior Kerosene Oil, Paraffin Wax, Raw/Calcined Petroleum Coke and Sulphur. 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 produces high quality food grade wax, which has high demand in domestic as well as export markets.

Over the last two decades, NRL's net worth has increased more than manifold from around ₹1000 Crore to ₹8,388 Crore (2021-22). 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.

In the 2018, study report published by Solomon, NRL has improved its Energy Intensity Index (EII) to 85 which is acknowledged by Solomon as significant improvement over five biennial study cycles starting with EII of 116 in 2010. It is worthwhile to mention that worldwide, the average refinery improves energy efficiency by one EII point per year.

The Company enjoys unstinted support from stakeholders particularly from its current holding company, OIL, Assam Govt. and the administrative Ministry, MoP&NG thus providing the needed support to maintain its high growth trajectory.

Weaknesses

Currently, NRL operates a small 3 MMTPA petroleum refinery which is sub-economic in size in the parlance of a modern oil refinery at Numaligarh in Golaghat district in Assam. NRL's operating cost in terms of per barrel of crude processed is higher compared to bigger refineries where cost optimization opportunities are more.

Being situated in North East, NRL is in a product surplus zone and therefore must send majority of its products outside of North East to other parts of India incurring additional freight cost. However, in recent years, MS and HSD demand in North East is growing at a higher rate compared to national average allowing the Company to explore opportunities to increase local sale.

External Factors

Opportunities

Opportunities in refining depend on several factors, including regional demand for refined products, available crude oil supplies, and unique regional environmental regulations, among others. BPCL is the major customer contributing to more than 80% of product sales followed by IOCL, HPCL and other private OMCs.

NRL has the biggest refinery in Northeast region and is a major supplier for OMCs 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. To leverage this opportunity, NRL has already invested in a project to expansion of its refinery to 9 MMTPA, for which, Government of India has already accorded approval for investment of ₹ 28,026 Crore.

With an eye on the emerging 'New Refineries of the Future' which will consist of petrochemicals 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. NRL is proposing to implement its first petrochemical project and set up a Poly Propylene Unit (PPU) of 360 KTPA capacity at an estimated cost of ₹ 6,555 Crore.

The project is anticipated to be completed in FY 2025-26. 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 Furfuryl Alcohol (FA). Furfuryl Alcohol (FA) is being planned to be produced by hydrogenation using Furfural as feed which will be produced from its bio refinery plant.



Agreement for pipeline RoU between NRL and IGGL

In line with Govt. of India's mandate, NRL has taken an initiative to set up a 20MW capacity water Electrolyzer for production of 3 KTPA of green hydrogen. The green Hydrogen produced shall replace part of its present grey hydrogen used in refinery.

Threats

In the medium to long term, uncertainty of economic recovery from impact of COVID-19 continues to be a threat for all oil refiners including NRL. Any future pandemic induced lockdown may disrupt the supply chain once again which will lead to project delays.

Inadequate availability of crude oil and natural gas in Northeast India continues to be a threat for the Company. In the long-term scenario and in a broad industry perspective, with rising global demand, highly volatile prices and increasingly stringent environmental regulations, the oil and gas industry continue to face three major challenges: reduce costs, optimize the performance of its industrial base assets, and reduce its carbon footprint.

Strategically, IT being part of modern Oil & Gas infrastructure setup, cyber attacks have recently become one of the key areas of threat for the petroleum sector as a whole and NRL has already sprung into action to deploy an array of cyber security measures to become resilient to such attacks in future.

4. Outlook

Global oil markets have ridden a roller coaster over the last two years. In the first four months of 2020, as the COVID-19 pandemic crushed the demand for transportation fuels, spot prices for Brent crude, a standard international benchmark, fell from \$70 per barrel (bbl) to less than \$10/bbl. However, global oil demand rebounded relatively quickly after its collapse in 2020 but remains below its 2019 levels of 99.7 mb/d. In its Oil 2021 report, which assesses market trends through 2026, IEA projects that

global demand will surpass the 2019 level by 2023 and then grow at nearly 1 mb/d per year, reaching 104.1 mb/d by 2026.

Despite considerable uncertainty, the projections highlight the central role of developing nations in driving future demand. Non-OECD economies, led by China, India, and southeast Asia, lead annual demand growth of about 1 mb/d, while oil consumption in OECD nations flattens at about 46 mb/d and does not return to pre-pandemic levels.

Various analysis also points to petrochemicals as the main driver of medium-term growth. Demand for ethane and naphtha, two of the leading feedstocks for petrochemicals production, grows much more strongly than transportation fuels, and global gasoline demand declines moderately as electric and energy-efficient vehicles become more prevalent. Nonetheless, demand for transport fuel continues to grow strongly in developing nations, led again by China, India, and developing Asia. With above scenario in consideration, NRL needs to build resilience in addition to maintaining business continuity. NRL's high focus on petrochemicals needs to be retained and new processes and priorities need to be set for the organization for early construction of the foundations for staying relevant in near future.

The challenge for the Company continues to be achieving 100% capacity utilization within the constraints of limited availability of domestic crude with the added challenge of operating the refinery



Felicitation of 75 prominent personalities from Golaghat District as part of AKAM celebrations

at a higher on-stream day during the year. On the brighter side, according to IEA (India Energy Outlook 2021), primary energy demand is expected to nearly double to 7,685 million Barrel of oil equivalent, as the country's gross domestic product (GDP) is expected to increase to USD 8.6 trillion by 2040. India's oil demand is projected to jump 8.2 per cent to 5.15 million barrels per day in 2022 as the economy continues to rebound from the devastation caused by the pandemic. The OPEC in its latest monthly oil market report projected the world's third-biggest energy consumer to add 0.39 million barrels per day (bpd) of crude oil demand in 2022.

The year 2022-23 will bring new challenges to be conquered in terms of executing its three major projects viz., Numaligarh Refinery Expansion Project (NREP), Indo-Bangla Friendship Pipeline (IBFPL) and Assam Bio Refinery Pvt. Ltd. (ABRPL) within the less severe lockdowns, travel restrictions, mild to severe supply chain disruptions, sustained migrant worker woes.

5. Risks and Concerns

Most of the energy outlook scenarios belong to suites of narratives intended to address the uncertainty in future global CO₂ emissions. However, the relative likelihood of different outcomes is typically not quantified. Another risk in 2022-23 outlooks, despite their wide variation in assumptions, the various scenarios do not incorporate the full range of uncertainty around important emissions drivers such as population and economic growth, geopolitics, new technologies, or discoveries of new fossil fuel resources. Russia's invasion has reinforced the desire for many European nations to reduce their dependence on energy supplies from Russia, a strategy that aligns with Europe's long-term climate goals and would tend to push prices downward. Even before the invasion of Ukraine, policy and market trends were leading many analysts to the conclusion that oil price volatility would rise in the years ahead, raising concerns for producers and consumers and highlighting the practical challenges of deeply reducing greenhouse gas emissions.

Another risk and associated concern for 2022-23 might be any decline in demand of petroleum products in the country in the event of a new variant of COVID-19 related adversity increases and lockdown are reinstituted. This may once again force refineries to curtail production and may even resort to temporary shutdowns. 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.

6. Product-wise Performance

NRL's total production during 2021-22 was 2,583 TMT. Marginally lower production vis-à-vis the previous year could be attributed to lower throughput in Q1 of 2021-22 due to demand destruction with the onset of 2nd wave of COVID in the month of Apr'21 and a short shut down taken for a period of 11 days in the month of Dec'21 for reinsertion of HTERp tube bundle in the Hydrogen Unit.

Petroleum products produced in the refinery during FY 2021-22 was as below:

SL.	Product	Quantity (TMT)
1	HSD	1724
2	MS	591
3	LPG	43
4	ATF	28
5	SKO	49
6	MTO	10
7	Paraffin Wax	46
8	RPC	23
9	CPC	63
10	Sulfur	4

7. Operational & Financial Performance

During 2021-22, NRL processed 2,624 TMT of crude oil compared to 2,707 TMT in 2020-21. Operational availability remained high in 2021-22 at 98.1% compared to 98% in 2020-21. High distillate yield is maintained at 85.69% compared to 86.36% of previous year and high Energy Intensity Index (EII)

during 2021-22 improved to 84.7% from previous years 86.9%. Similarly, Specific Energy Consumption (SEC) during the year was recorded at 63.5 MBN compared to 64.4 MBN in the previous year.

Product sale during the year was 2,799 TMT against production of 2,583 TMT. Total manpower constitutes 985 compared to 977 in the previous year 2020-21. Gross Refinery Margin (GRM) during 2021-22 was recorded at \$14.33/ bbl as compared to \$4.09/ bbl in 2020-21. Higher GRM during the year is mainly due to improved cracks in 2021-22.

The revenue from operations was ₹23,547 crore as compared to ₹ 18,550 crore in the previous year, registering a jump of 27%. Profit before tax (PBT) recorded in 2021-22 was ₹ 4,848 crore from ₹ 4,083 crore in the previous year. Consequently, Profit after tax (PAT) also increased to ₹ 3,562 crore during 2021-22 as compared to ₹ 3,036 crore in the previous year. The Earning per Share (EPS) for the year 2021-22 stood at ₹48.42 as compared to ₹ 41.27 in 2020-21.

Internal Control Systems and their Adequacy

Company has adequate internal control systems that are designed to provide a reasonable assurance of reliable financial reporting and safeguarding of assets with the objective of encouraging ethical conduct by complying with applicable laws and adherence to management's prescribed policies and procedures while ensuring smooth and efficient business processes. For this, internal processes and policies are put in place for prevention and detection of frauds and errors, accuracy and completeness of accounting records and other key control aspects of the Company like assessment of risk and control environment, monitoring control processes and adequate flow of information to the management which are reviewed from time to time to align them with the changing business/ statutory requirements.

The Company has a clearly defined organizational structure, delegation of authorities, service manuals and operating procedures for its business units and service entities to ensure smooth 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 seamless exchange of information with access controls. The SAP systems also provide an audit trail of the transactions.

The Company has implemented a digital solution 'Aarohan' to capture the entire procure to pay process and make it paperless, increasing transparency and robustness to the business process.

The Company promotes ethical behavior in all its business activities and has put in place mechanisms for reporting illegal or unethical behavior. It has a Whistle Blower Policy under which employees are free to report any improper activity entailing violations of laws, rules, regulations, or code of conduct by any of the employees. Further, to address fraud risks. "Irregularity Report" is circulated regularly in line with the Fraud Prevention Policy.

During the year under review, Auditor has not reported to the Audit Committee [under section 143 (12) of the Companies Act, 2013] any instances of fraud.

It has an independent Internal Audit function consisting of professionally qualified persons from accounting, engineering, and IT domains, reporting to the Chairman of the Audit Committee, to assess the adequacy of internal control systems through risk-based audit by monitoring compliance with the internal control structure, assessing its effectiveness and providing recommendations to improve controls and correct deficiencies. The audit reports published by the Internal Audit Department are shared with the Statutory/Government Auditors, who also review the efficacy of internal financial controls. The 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 the Internal Financial Controls of the Company under Clause (i) of Sub-Section 3 of Section 143 of the Companies Act 2013 is placed as an annexure to the Statutory Auditor's Report in the printed Annual Accounts of the Company.

Award and Accolades

Your Company has been bestowed with the following prestigious awards in recognition of its accomplishments in different spheres of activities for the Financial Year 2021-22:

- i) Top Income Tax Payer in North East Region for the year 2020-21 in Corporate category.
- ii) Greentech Leading Director Award 2021 to Director (Finance) Mr. Indranil Mittra.
- iii) ICAI Award for Excellence in Financial Reporting 2020-21 in the category 'Manufacturing and Trading Sector (Turnover equal to ₹ 3,000 Crore or more)' - Silver Shield.
- iv) FAME International Award 2020-21 for Excellence in Environment Management in Platinum category.



NRL wins BEE CHT Award



FAME Award in 3 categories

- v) FAME National Award 2021-22 in the following categories- (a) Platinum Award for Excellence in Safety. (b) Gold Award for Excellence in Occupational Health and Safety and c) Gold Award for Excellence in Health and Safety in workers.

In addition, NRL has recently been recognized and awarded for 'Best Energy Efficiency Practices by Refinery' for the PAT (Perform Achieve Trade) Cycle 2016-19 by BEE and CHT.

Human Resource

HR department of your Company is committed to maximize employee productivity and protecting the Company from any issues that may arise within the workforce. HR responsibilities include Compensation and Benefits, Recruitment, IR/PR, Admin, HRD, Training and Development, Legal along with CSR and keeping up to date with any laws that may affect the Company and its employees for future success of the Company.

HR department of your Company plays a perfect role in securing the future success of the Company guided by its long-term vision of creating an environment where employees can thrive and are enabled to deliver sustainable organizational performances. Specifically, three long-term strategic priorities are:

- the process of aligning the human resource function with the strategic objectives of the organization to improve performance;
- promoting employee well-being and mental health along with diversity, equity;
- staffing, development, compensation, safety and health, and employee and labour relations

In this way, HR department plays a strategic role to increase productivity and also to increase the market value. HR department of your Company is the witness and participant of transition and globalization, which brings new understandings and adoption.

Your Company is concerned for employees of all categories and provides all the opportunities for involvement, performance and growth. The



MoU with JIST for strengthening industry-academia linkage

Manpower strength of NRL as on 31st March, 2022 was as detailed below:

Group	Total	SC	ST	OBC	Female	Minority	PH
A	539*	68	34	146	53	23	7
B	NIL	NIL	NIL	NIL	NIL	NIL	NIL
C	446	38	66	160	15	28	15
D	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Total	985	106	100	306	68	51	22

* Including 2 Functional Director

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 & in-house training programs. Due to the pandemic situation in current financial year, maximum training programs were imparted in online mode.

During the year, 2779 sessions of training were imparted to employees comprising 1011 Management staff and 311 Non-Management staff. Total 123 Nos. of online /in-house training programs were conducted. As a part of these training Programs, 120 numbers officers participated online training program conducted through IIM, Ahmedabad

10 Nos. officers successfully completed M. Tech. in Industrial Engineering from Kaziranga University during FY 2021-22.

63 Nos. GETs have joined in FY 2021-22 were also exposed to various functional and developmental areas through a well-structured module.

160 Nos. Apprentice Trainees have joined for one year training period during the year. 50 Nos. Employees have registered at various web learning courses during this year.

495 Nos. of students from various institutes of India have undergone for Internship training 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 per **Annexure- D.**

Reservation and other Welfare Measures for SC/ST/OBC

Your Company is constantly following the Presidential directives, policies issued from time to time in respect of implementation of reservation, concessions and relaxations to the candidates belonging to Scheduled Castes (SCs), Scheduled Tribes (STs), Other Backward Classes (OBCs) and Persons with Benchmarked Disabilities (PwBD) in the matter of recruitment. The reservation percentages are ensured through maintenance of Post Based Roster system as prescribed by the Govt. of India. The Rosters are being followed/ consulted in every recruitment cycle before issue of advertisement/ notification.

Candidates belonging to SC/ST categories who are called for written test/Interview are reimbursed for travelling expenses as per Govt. guidelines. In addition to providing reservation in Employment, your Company is also adopting relaxed criteria in promotions, as per existing guidelines.

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

During the year 2021-22 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 Benchmarked Disabilities (PwBD)

Your Company is providing reservations and concessions to the Persons with Benchmarked Disabilities since inception for appointments in all categories of identified posts, based on Government guidelines. Accordingly, 4% of the vacancies identified in Group A posts and 4% of total posts in Group C & D are reserved for PwBD candidates.

The Company also ensures to achieve the desired percentage for PwBDs in identified posts and is also

conducting special recruitment drives for them in direct recruitment. Besides, as a corporate body, various initiatives have been undertaken as a part of community development programme to give benefits to PwBDs.

Gender Friendly Work Place

Your Company has strived to achieve a gender friendly work place with equal opportunity for men and women. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is in force to provide protection against sexual harassment of women at workplace and for the prevention and redressal of complaints therewith or incidental thereto.

Constitution of Committee on Sexual Harassment at Work Place and action taken during the year

NRL's Internal Committee is functioning as per provisions of the Act. During the year 2021-22, one complaint of sexual harassment was received and the same has been disposed of.

Communication to Employees

The communication strategy of your Company has evolved over the past couple of years, in the aftermath of the pandemic. Even as employees got back to 'Work from Office', safety norms and technological advancements necessitated by remote work proved to be a progressive influence on the earlier systems in place.



#BreaktheBias - International Women's Day celebration 2022 at Numaligarh

NRL leveraged the accelerated adoption of web-based technologies among employees, stakeholders, customers and vendors to effectively conduct meetings, seminars, and conferences for a wider audience, whilst being more productive, more inclusive and at lower logistical costs.

Upgrades and improvements in internal communication and self-service platforms, i.e. Eureka and ESS/MSS continued to add value to employees and users, with added functionalities and a fresh graphical user interface. NRL Human Resources team further streamlined and simplified personnel management processes for improving the user experience for our valued employees.

The Company continued to pursue a policy of clear, direct and effective communication with its employees by actively ensuring access and timely dissemination of information related to Company performance, HR interventions and operational issues. This has helped create a working environment of trust, empowerment and transparency strengthening the bond between the Company and its employees.

The Managing Director of the Company directly communicate with NRL's workforce, in times of important announcements, festivities and key corporate developments, creating a culture of accessibility that enhances professional performance by a personal touch.

Team NRL is also tied together through the award-winning quarterly house journal 'Rodali', whose every issue is eagerly awaited across NRL's offices, employee homes and even by external partners. House publications such as 'Chaitanya' - the Vigilance newsletter, Safety Newsletter, 'Prayas' - the Hindi magazine are passionate efforts by internal teams to connect employees at all levels so that they are abreast with the latest updates and developments.

The Company also takes pride in regularly organizing professional and social gatherings, whose numbers are now higher than ever after the Covid-19 pandemic, which provides important platforms and occasions for recognition, learning and bonding for employees. The Company's website www.nrl.co.in

continues to be regularly updated 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 the external audience.

The monthly Functional Coordination Meeting (FCM) simplifies Cross-Functional Communication where major developments are taken up, regular processes are 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 resolving 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.

Industrial Relations

Industrial relations were cordial and harmonious throughout 2021-22. Regular meetings were held with various unions and other stakeholders and issues relating to employees and others were amicably resolved. This has facilitated smooth conduct of business during the year.

Corporate Social Responsibility and Sustainability

NRL CSR has achieved a paramount importance due to its unconditional and constant support to the neighborhood and also to the District Administration during the years. With the growth of the Company, NRL CSR Activities are also diversifying in different locations with the emergence of new operational areas of the Company. NRL has also been given the responsibility by Niti Aayog to work in Darrang district which is allotted as an Aspirational District to the Company. NRL has involved itself closely with the district administration of Darrang district which is allotted as an Aspirational District to the Company.



Handing over of tractors to Village Development Committee

CSR and Sustainability activities of NRL are pursued in line with the activities specified under schedule VII of the Companies Act 2013 and as per 'CSR and Sustainability Policy' conforming to stipulations under Section 135 of the Companies Act 2013. CSR Activities also conforms to the CSR Rules issued by the Ministry of Corporate Affairs and applicable Guidelines on CSR and Sustainability issued by the DPE.

In the year 2021-22, NRL CSR Expenditure mostly concentrated on 'Health and Nutrition' and COVID related Expenditure and creating COVID care infrastructure as per guidelines of Department of Public Enterprise and Ministry of Corporate Affairs.

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.

Out of the allocated budget of ₹ 59.05 Crore, an amount of ₹ 74.14 Crore has been spent during the Financial Year 2021-22. The amount spent includes the amount of ₹ 15.00 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 30th March, 2022 in the FY 2021-22. However, in line with the clarification provided by the Ministry of Corporate Affairs, the contributed amount to PM CARES Fund will be set off against the CSR budget of subsequent years.

Some of the key CSR and sustainable initiatives undertaken by your Company during the year 2021-22 including the focus areas of the policy are:



Inauguration of Drinking Water ATM plant in neighbouring village

i) Health Care:

As per notification issued by Ministry, on 'Health & Nutrition' being the thematic area of CSR activities for FY 2021-22, NRL had extensively focused on improving Community Healthcare in the region. Some of the noteworthy projects are as below:

- NRL has associated itself with Assam Cancer Care Foundation (ACCF) for a greater cause of setting up a Radiation Block coming up as an Annexe to Barpeta Medical College Hospital which was formally inaugurated by Hon'ble Prime Minister of India on 28th April'2022.
- As a flagship project under CSR, Numaligarh Refinery Ltd. set up a 120 bedded makeshift Covid Hospital in Jorhat Medical College & Hospital (JMCH), Jorhat within a period of one month. The 120 bedded Hospital have 20 ICU beds having ventilators, cardiac monitor, Oxygen Concentrators, Oxygen cylinders and other ICU related equipment. Apart from the same, Five (5) bedded ICU ward also set up at Sri Sri Pitambar Dev Goswami Civil Hospital at Majuli. NRL also extended support for renovation of the block which includes civil and electrical job.
- Mobile medical health camps organized through VKNRL Hospital and Eye camps are continued in addition to providing subsidized treatment to people belonging to weaker section of the society through VKNRL hospital.
- NRL with its Medical Assistance Scheme for critical ailment such as cancer, lung and heart diseases, kidney problem etc. has been continuously supporting the needy and economically weaker section of the society in terms of healthcare.
- Seven numbers of ambulances were provided to

different Medical Colleges, PHCs, MPHCs during the year to access healthcare facilities in remote areas.

ii) Education and Skill Development:

Few projects that impacted the society during the year are:

- Construction and renovation of 25 numbers of schools completed during the Financial Year.
- Scholarship scheme **“Gyandeep”** for the students passing in Class X and XII and special scholarship **“Prerona”** has been continuing since last 12 years. Under the continuing **“Gyandeep Scholarship”** scheme, 230 nos. of students were benefitted based on their performance in Class X and XII. **“Prerona scholarship”** for promoting girl education has been provided to 288 nos. of top three girl students of class VII to X. 29 nos. of meritorious children of **‘Contract workers’** were provided scholarship for their good result in class X examination. Additionally 26 nos. of students were provided scholarship under **“Pratibha”** scheme to pursue higher education. Total expenditure against the scholarship schemes was ₹ 74.27 Lakh.
- NRL continues to support Coaching Centre through Centre for Social Responsibility & Leadership, New Delhi for students of Class IX & X of nearby Schools. The coaching is for students to make themselves eligible to get enrolled in engineering and medical courses.
- NRL supported Vivekananda Kendra Rock Memorial & Vivekananda Kendra for construction of Classrooms at Vivekananda Kendra Vidyalaya, Mangaldoi.
- Skill development initiatives undertaken in Welding, Fitter and Hospitality sector are being continued through Golaghat ITI and presently there are 93 number of students in total Five Trades.
- VKNRL School of Nursing enrolled its 5th batch of 40 students to pursue GNM course from January, 2022. Presently, there are 118 number of Girls studying in the school and 2 batch of students passed out.

- A project on Disaster Management **“Sakhi – Women movement for a Disaster Resilient Society”** for developing the Asha Karmi and other socially active ladies to train them to rescue people during flood and other natural disaster is continuing under leadership of Deputy Commissioner of Golaghat district.

iii) Swachhta Action Plan:

Under this programme mandated by MoPNG, an amount of ₹5.91 Crore was spent against target for ₹5.50 Crore under different heads of expenditure.

- Under Project **‘Parichhannata’**, construction of school toilets including maintenance for 5 years has been taken up. Moreover, NRL CSR has extended support for construction of public toilets in different locations.
- Project **‘Jeevandhara’** focuses on providing clean drinking water to villages, schools and other community places. During the year, NRL has installed 14 nos. of Safe and Clean Drinking Water Purification Plants with ATM facility in nearby Villages and community places under Golaghat District. All these plants were installed with a provision for 3 years Annual Maintenance Contract.
- NRL has provided 5 Mini Garbage Tipper vehicles to the following Municipalities/Town Committees and NGO to equipped themselves for effective waste management and treatment.
- NRL has also extended financial support to Assam Tea Tribes Welfare Samity and Golaghat Sakha Sahitya Sabha towards renovation and construction of existing drinking water systems.

iv) Livelihood Generation:

Project **“Swanirbhar”** is a prestigious project initiated for the livelihood generation of village people. This project encourages the villagers to take up small projects like piggery farms, goatary farms, fabrication units, grocery shops, rice mills, cloth shops, dairy farms etc. for their livelihood. The women of the villages were also motivated with such initiative and could find a scope to offer small contribution to their own family.

v) Infrastructure Development:

Several developmental works were taken up in and around NRL during the Financial Year which included projects for Village Road construction and renovation, installation and commissioning of solar streetlights as well as domestic lights, construction of bridges/culverts and other infrastructure development work in rural areas etc.

- Paver blocked roads were developed towards Phulanibari-Madhapur Road, Gutibari Link Road, NH37 to Jyoti Academy School and Halua Gaon road, Barchapari (PWD pool to AWC) and Rajabari-Ouguri-Ahom Gaon Road. The road construction of Phulanibari-Madhapur Road and Barchapari (PWD pool to AWC) and Rajabari-Ouguri-Ahom Gaon Road has been completed and other two roads are under progress.
- As a measure to develop rural infrastructure and promote renewable source of energy, NRL has undertaken projects for installation and commissioning of 220 nos. of Solar Street lights in approach roads to the village of nearby locality including Ponka Model Village and some

important community locations. 275 nos. of solar home lights were provided in Chinakan village which is a flood effected village in Bokakhat.

vi) Promotion of Arts, Sports, Literature and Culture:

- NRL is promoting sports and cultural activities for a long period of time and this year also few new projects were taken up apart from continuing with the continuing projects. By way of art and cultural activities, NRL CSR tried to preserve and carry forward the traditional art forms among the new generations.
- NRL has been running NRL Football Academy on continuous basis. After COVID pandemic, NRL has started operating the academy again from November, 2021. Presently, it has 69 Numbers of players playing under 13, under 15 and under 18 categories.

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



ANNUAL REPORT
2021-22

NUMALIGARH
REFINERY
LIMITED

A GOVERNMENT OF INDIA ENTERPRISE



ANNEXURES TO DIRECTORS' REPORT



Annexure –A

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

A. Conservation of Energy

Numaligarh Refinery emphasizes utmost importance to maintain energy efficiency and energy conservation. Refinery closely monitor the key Energy performance measurement indicators viz Specific Energy Consumption (SEC) and Energy Intensity Index (EII) out of several operations parameters. Unit performance is gauged on a continual basis and efforts are on incorporating best in class technology and global best practices. The SEC at 63.5 MBN and EII 84.68% against target of 64 MBN and 86.0 % respectively are an improvement of more than 1% over previous year.

Numaligarh Refinery has a portfolio of 1.05 MW of Solar photovoltaic capacity, which is 0.4% of the total captive power generation. The total generation from the project is 1083 MWh in 2021-22 which translates to reduction of global warming potential at 10 lac lbs CO₂.

The energy savings out of the Encon schemes commissioned in 2021-22 are outcome of internal initiative as well as quick win recommendation from external audit. The total direct energy savings is 7400 SRFT and monetary savings of ₹25 Crore. Further, around 0.27 Lac ton CO₂ reduction by means of energy conservation projects and 20 ton of CO₂ emission reduction achieved through pipeline transportation.

The details relating to energy conservation measures is as below:

S.I.	Encon schemes in 2021-22	SRFT
1	Boiler blowdown recovery system commissioning in Hydrocracker Unit	65
2	Reduction in external fuel NG in Hydrogen generation unit and increasing internal off-gas in reformer by optimising steam carbon ratio at 2.45 instead of earlier 2.5 since later Oct'21	450
3	CDU Preheat temperature in heater increased at 288° C consistently after opportunity shutdown in Dec'21	1920
4	Plate type Diesel Product cooler installed in Hydrocracker Unit	2500
5	Waste Heat Recovery Boiler in Sulphur Recovery Unit for steam generation(@1.5Tph) after installation of NOx reduction furnace	900
6	Steam trap performance rate at 98% in working condition	950
7	Reduction in flue gas loss from Utility Boiler	274
8	Improving performance of condenser of steam turbine	110
9	Optimize Boiler Feed Water System of CCU WHRB Boiler	96
10	Bag filter and duct leakage in WHRB of CCU attended	135
	Total	7400

S.I.	Details of energy efficiency best practice measures in 2021-22
1	Reuse of phenolic stripped water ex SRB as Desalter wash water make up replacing DMW make up.
2	Utilise Enriched Oxygen in Utility Boiler and improved fuel efficiency and capacity utilization
3	Decanter system skid for efficient slop processing at 10-20KL per day
4	Closed sampling process for LPG and Fuel gas to enhance safety and reduce flushing loss
5	APC up gradated version implementation in process unit (uptime >98%) viz CDUVDU, HCU, HGU, DCU, MSP, Wax unit.
6	Dedicated Stack for individual HRSG 1 and 2 along with GTG1 and GTG2 during parallel GTG operation to recover waste heat steam generation fully.
7	New elevated flare (77m height) commissioned replacing the old one(60m height) with FT to measure loss during ground flare isolation

Energy conservation measures planned for commissioning in FY 2022-23 and beyond:

1. Online predictive analysis tools with AI & ML to detect loss from steam traps, ultrasonic PSV, IP21, wireless sensors
2. Condensate recovery scheme in balance units
3. Replacement with energy efficient motor and pump in process units
4. VAM for low heat recovery /reduce waste steam energy
5. Pressure energy recovery from PRDS with turbo generator
6. PRT arrangement to run motor in sync and reduce waste energy

Solomon benchmarking study results for calendar year 2020 places NRL in second quartile in a row for the last two biennial study cycle.

EnMS ISO 50001 certification since 2014: NRL is continuing the energy management system with EnMS ISO 50001:2018. In Feb 2022, 2nd periodic audit post recertification of the system accomplished successfully.

B. Technology Absorption

i) Efforts on towards technology absorption, adaptation & Innovation

- a. NRL is in the process of 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 existing 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

The project is being executed using a mix implementation model engaging a combination of PMC, EPC, EPCM and other supporting consultants. The Hydrogen Generation Unit will be set up in BOO mode. Basic Engineering & Design Package for all the major units are complete and overall progress made as on 31st March 2022 is 19.4%. Noteworthy technologies adopted are PFCC giving high yield of Propylene & Ebullated Bed Resid Hydrocracker of RPTU.

- b. NRL is setting up a 49 TMTPA Bio Refinery project 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'. The process for production of bio-ethanol from bamboo biomass is based on the Formicobio™ Technology from M/s Chempolis. Major equipment like Digester & Washpress are erected at site. Physical progress of the project is 70.2%.
- c. For 50 TMTPA Wax plant, NRL wax is marketed only as slabs of 5kg produced in an Automatic stabbing and packaging unit (ASPU). However, to cater customers requirement and augment wax sale with flexibility in marketing, NRL is going for a new Wax Pastillation Unit (WPU) having production capacity 144 TPD. M/s IPCO, Germany is the technology provider and process licensor of the WPU. This involves an efficient and cost effective process, in which molten liquid wax is converted to pastille form (5 to 6 mm size) with the help of Rotoformer and Steel belt cooler. The wax pastille is then shifted to bagging/storage facility with the help of conveyor belt and bucket elevator. Mechanical progress of WPU is near completion and target commission of the unit is FY 2022-23.

- d. Aq. Ammonia 25% (NH₃) project with estimated cost of ₹74 crore will be set up to meet 10 TPD aq. ammonia requirement in Bio refinery to maintain pH for proper performance of enzymes. It is noteworthy that NRL is going to produce aq. NH₃ (25%) from a waste NH₃ rich stream of sour water stripper utilizing technology that is developed & licensed indigenously by EIL and it is 1st of its kind that NRL is going to implement in refinery. It will be a skid mounted solution with target completion period of 28 months from date of order.
- e. NRL has been playing a pivotal role amongst the Indian PSU to meet the Green Hydrogen Consumption Obligation (GHCO) as per Govt. of India mandate. Green Hydrogen offers a renewable energy based alternative for meeting Hydrogen requirements in fertilizer production and petroleum refining. This has the potential to reduce the country's dependence on fossil fuels and decrease the carbon footprint of these industrial processes. The MNRE on 31st May 2021 came up with a mandate for production of green hydrogen upto 10% of total hydrogen consumption by 2030 in PSUs of Fertilisers and Refining sector. The draft mandate was further revised on 20th January 2022 to change the GHCO targets to 50% by 2029-30 and 70% by 2034-35.

To meet the target of this mandate, NRL floated an EOI on October 2021 for detail Engg., Supply, Installation and Commissioning of Electrolyser module/s along with all auxiliaries for production of 3 KTPA (375 Kg/h) Green Hydrogen. Multiple responses received against EOI having different electrolyser technology namely AEL (alkaline water electrolysis), PEM (proton exchange membrane) and SOEC (solid oxide electrolyser cell).

Based on the information received against the responses of EOI, a tender was floated on 3rd April 2022 for "Design, Engg. Supply, Installation & Commissioning of Water Electrolyser system for 300 KG/HR (2.4 KTPA) of Green Hydrogen production at Numaligarh". By implementing 3 KTPA green hydrogen production, NRL shall meet 5% of GHCO by 2024-25.

ii) Benefits envisaged to derive 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. Bio Ethanol production from the Bio-Refinery shall be used in blending with Motor spirit by North-East refineries. Bio Refinery project will help in meeting the (Ethanol Blended Petrol at 20%) EBP20 programme of GOI's National Bio-fuel policy by 2023-24 which will in turn help to strengthen country's energy security, enable local enterprises and farmers to participate in the energy economy and reduce vehicular emissions.
- c. With commissioning of WPU, NRL will be able to cater additional customers requirement and augment wax sale with the flexibility in marketing. This plant will also improve capacity utilization of Wax block as existing ASPU is sensitive to maintenance.
- d. Aq. Ammonia 25% (NH₃) project will reduce NOX generation it releases to atmosphere. Moreover this project will convert waste to value added by product.
- e. Green Hydrogen offers a renewable energy based alternative for meeting Hydrogen requirements in fertilizer Unit and petroleum refining. This has the potential to reduce the country's dependence on fossil fuels, energy security and decrease the carbon footprint of these industrial processes.

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
Wax Pastillation Unit	2020-21
Technology imported for NREP	Year
Diesel Hydrotreater Unit	2020-21
Motor Spirit Plant	2020-21
Gasoline Desulphurisation Unit	2020-21
Residue Processing & Treating Unit	2020-21
Petro FCC Unit	2020-21
Technology Indigenous	Year
Sulphur Recovery Unit under NREP	2020-21
Delayed Coker Unit revamp project	2021-22
Aqueous NH ₃ (25%) Project	2021-22
Technology absorbed	Year
Diesel Hydrotreater Unit	2017-18
Flare Gas Recovery System (FGRS)	2017-18
LPG Mounded Bullet	2018-19
Motor Spirit Plant capacity revamp	2019-20
Decanter Skid system	2020-21
Tail Gas Treating Unit	2020-21

C. Research and Development:

Specialty Chemical division of the Company has been actively playing an essential role on strengthening 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. Research Collaboration with Engineers India Limited

As per Govt. of India guidelines on collaborative research and development (R&D) among PSUs, NRL and EIL have entered into a Memorandum of Understanding ("MOU") dated 31.03.2022 to exchange scientific knowledge, encourage joint research in the field of hydrocarbon, petrochemicals, energy technology, and commercialize such jointly developed technologies. Both the parties have already identified a list of projects for joint development of its technology with separate Memorandum of Agreement having defined objectives, scope of work, roles of parties, deliverables, cost and royalty sharing etc.

2. R&D Collaboration with CSIR: NEIST

NRL entered into a framework collaboration with CSIR: NEIST for Identification of critical research areas pertinent to microbial remediation, soil chemistry, functionalization of low grade / weight hydrocarbons and subsequent upgradation, training of scientists, technologists and officials in specialized areas. As part of this collaboration, a project "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. 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.

4. 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.

5. Research Project at St. Edmund's College, Shillong

NRL has engaged St. Edmund's College, Shillong for research study on Utilization of cyanobacteria in the bioremediation of crude oil, hydrocarbon storage tank bottom sludge, and ETP hydrocarbon sludge and its environmental biotechnology implications.

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

1. Joint Technology Development on Overground Sulphur Seal: NRL and EIL are entering into a Memorandum of Agreement (MoA) for joint development and commercialization of Above Ground Sulphur Seal technology.
2. Technology for removal of phenol from sour water and stripped water: Development of indigenous technology to remove phenol from sour and strip water will reduce water foot print and produce value added chemicals. Under this project, lab scale demonstration for phenol removal is successfully completed and design and fabrication of pilot plant is ready for demonstration at NRL site.
3. 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. The aim of the project is to convert "Furfural", one of the by-products of the ABRPL, to biodegradable polymer "Polycaprolactone (PCL)". Under this project, a pilot plant for research study on polymer material has been installed at NRL-CoE, IITG.
4. Technology for conversion of Unconverted Oil (UCO) into value added products: Development of indigenous technology to produce value added speciality products from UCO. The extensive R & D study to formulate desirable VG grade Bitumen by employing maximum UCO, so far did not yield a positive result. Further new Experiments are being envisaged to achieve requisite characteristics of VG bitumen from Vacuum Tower Bottom L-398, (UCO); using highly aromatic cutter, such as FCC residue or any other aromatic rich stream likely to be available at NRL post expansion.
5. Bio-remediation through Cyanobacterial Culture: The aim of this project is Utilization of cyanobacteria in the bioremediation of crude oil, hydrocarbon storage tank bottom sludge, and ETP hydrocarbon sludge. Under this project, significant development on culture of cyanobacteria samples collected from NRL have been achieved and bio-accumulation study with the cultured bacteria on hydrocarbon sludge is being investigated.

Annexure –B

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 stakeholder's from time to time through Press release, Annual Report, NRL Web site and through Social media etc. Being a non- listed entity, disclosures required to be made under SEBI (Listing Obligations and Disclosure Requirements) Regulations pertaining to Corporate Governance are 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 2021-22 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 Oil India Limited (OIL), a Government Company. In terms of Articles of Association of the Company, the number of Directors shall not be less than three and more than fifteen.

As on 31st March, 2022, the Board of NRL comprised of two nos. of Whole Time Directors, four nos. of Independent Directors, one Part-time (Ex-Officio) Director from Promoters, namely, Oil India Limited.

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

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

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

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

Board Meetings:

Ten nos. of Board Meetings were held during the financial year 2021-22 on the following dates:

13 th April, 2021	7 th May, 2021	30 th June, 2021	23 th July, 2021
5 th August, 2021	8 th November, 2021	30 th November, 2021	17 th January, 2022
8 th February, 2022	16 th March, 2022		

Particulars of Directors including their attendance at Board/ Shareholders' Meeting during the financial year 2021-22:

Sl. No.	Name of the Directors	Academic Qualifications	Date of joining as Director of the Company	Attendance out of 10 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 31.03.2022)
(a)	Whole Time Directors :			No. of Meetings Attended	%		
1.	Shri S. K. Barua Managing Director (Upto 31.01.2022)	ACMA and LLB from Dibrugarh University	01.05.2013	8	100	Attended	--
2.	Shri B. J. Phukan Director (Technical) and Managing Director I/c	BE (Mechanical Engineering) from Assam Engineering College	01.02.2017	10	100	Attended	Director: 1. BCPL
3.	Shri Indranil Mittra Director (Finance)	CA & ACMA and PG Diploma from S P Jain Institute of Mgt. & Research, Mumbai	12.10.2018	10	100	Attended	Chairman: 1. ABRPL
(b)	Part-time (Ex-Officio)						
1.	Shri Sushil Chandra Mishra Chairman & Managing Director Oil India Limited Noida, Uttar Pradesh	BE (Electronics) and MBA (Finance)	04.11.2019	10	100	Attended	1. C&MD -Oil India Limited 2. Director - Oil India (USA) Inc.
2.	Shri Rajendra Kumar Kureel Director (Exploration-II) MOP&NG, Govt. of India New Delhi -110001 (Upto 11.03.2022)	Graduate in Science	26.03.2019	7	78	Attended	--
3.	Dr. Krishna Kumar Dwivedi, IAS Principal Secretary to the Govt. of Assam, Industries & Commerce Department (Upto 30.03.2022)	MA and Ph. D. in Modern Indian History	16.08.2019	4	40	Attended	--
C.	Part-Time (Non-Official)/ Independent Directors						
1.	Dr. Sylvanus Lamare Principal, St. Edmund's College, Shillong, Meghalaya	M.A. in Khasi and Ph.D in Socio-linguistics	16.07.2019	10	100	Attended	Nil
2.	Shri Jaswant Singh Saini Advocate Saharanpur, Uttar Pradesh (Upto 26.03.2022)	M.A and LLB from Meerut University	29.11.2019	10	100	Attended	--

Sl. No.	Name of the Directors	Academic Qualifications	Date of joining as Director of the Company	Attendance out of 10 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 31.03.2022)
3.	Shri Gagann Jain Chartered Accountant (w.e.f. 28.07.2021)	Graduate in Science from NEHU and CA	28.07.2021	6	100	NA	Independent Director 1. Oil India Ltd.
4.	Shri Sudip Pradhan Social Worker and Academician (w.e.f. 18.11.2021)	Graduate in Arts from North Bengal University	18.11.2021	4	100	NA	Nil
5.	Smt. Priyambada Kumari Keshri Agriculturist and Social Worker (w.e.f. 18.11.2021)	MA in History from Bhagalpur University and PG Diploma in Human Rights	18.11.2021	4	100	NA	Nil

BCPL: Brahmaputra Cracker and Polymer Limited; **ABRPL:** Assam Bio-Refinery Pvt. Limited.

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

As on 31st March 2022, the Audit Committee comprised of Shri Gagann Jain, Independent Director as Chairman, Dr. Sylvanus Lamare, Independent Director and Shri B. J. Phukan as members. With the completion of tenures of Shri Gagann Jain and Dr. Sylvanus Lamare, the Committee was reconstituted on 28th July 2022 with Shri Sudip Pradhan, Independent Director, Smti Priyambada Kumari Keshri, Independent Director and Shri B. J. Phukan, Managing Director, 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), OIL, Director(Finance), NRL and Head of Internal Audit are invited to attend the meetings of the Audit Committee as Special Invitees.

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

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, appointment, re-appointment and if, required, replacement or removal of the statutory auditor, fixation of audit fee and also approval for payment for any other services rendered by the statutory auditors.
3. Reviewing with management, the annual financial statements and auditor's report thereon before submission to the Board, focusing primarily on:

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

During the financial year 2021-22, seven nos. of meeting of the Audit Committee were held on the following dates:

7 th May, 2021	23 rd July, 2021	5 th August, 2021	5 th October, 2021	8 th November, 2021
17 th January, 2022	8 th February, 2022			

Attendance at the Audit Committee Meetings during the financial year 2021-22:

Name of the members	No of Meetings attended	% age thereof [out of 7 nos. meeting held]	Attendance at the last Annual General Meeting
Dr. Sylvanus Lamare (As a Chairman upto 5.08.2021)	7	100	Attended
Shri B. J. Phukan	7	100	Attended
Shri Jaswant Singh Saini (Upto 26.03.2022)	7	100	Attended
Shri Gagann Jain (As Chairman w.e.f 05.08.2021)	4	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 last reconstituted on 17.1.2022 with Dr. Sylvanus Lamare, Independent Director as Chairman, Jaswant Singh Saini, Independent Director, Shri Sudip Pradhan, Independent Director, Smt. Priyambada Kumari Keshri, Independent Director, Shri R. K. Kureel, Director and Dr. K. K. Dwivedi, Director as Members.

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

During the financial year 2021-22, 3 nos. of meeting of the Nomination and Remuneration Committee were held on the following dates:

6 th May, 2021	17 th January, 2022	3 rd February, 2022
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Attendance at the Nomination & Remuneration Committee Meetings during the financial year 2021-22:

Name of the members	No of Meetings attended	% age thereof [out of 3 nos. meeting held]	Attendance at the last Annual General Meeting
Dr. Sylvanus Lamare	3	100	Attended
Shri Jaswant Singh Saini (Upto 26.03.2022)	3	100	Attended
Shri R. K. Kureel (Upto 11.03.2022)	2	67	Attended
Dr. K. K. Dwivedi (upto 30.03.2022)	Nil	0	Attended
Shri Sudip Pradhan (w.e.f. 17.1.2022)	1	100	NA
Smt. Priyambada Kumari Keshri (w.e.f. 17.1.2022)	1	100	NA

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

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, NRL has constituted CSR and Sustainability Committee of the Board. The CSR and Sustainability Committee of the Board was last reconstituted on 17.1.2022 with Dr. Sylvanus Lamare, Independent Director as Chairman, Shri Gagann Jain, Independent Director, Shri Sudip Pradhan, Independent Director, Smt. Priyambada Kumari Keshri, Independent Director, 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 2021-22, 6 nos. of meeting of the CSR and Sustainability Committee were held on the following dates:

11 th June, 2021	29 th June, 2021	3 rd January, 2022	3 rd February, 2022	25 th February, 2022
29 th March, 2022				

Attendance at the CSR and Sustainability Committee Meetings during the financial year 2021-22:

Name of the members	No of Meetings attended	% age thereof [out of 6 nos. meeting held]	Attendance at the last Annual General Meeting
Dr. Sylvanus Lamare	6	100	Attended
Shri B. J. Phukan	6	100	Attended
Shri Indranil Mittra	6	100	Attended
Shri Gagann Jain (w.e.f. 05.08.2021)	4	100	Attended
Shri Sudip Pradhan (w.e.f. 17.01.2022)	3	100	NA
Smt. Priyambada Kumari Keshri (w.e.f. 17.01.2022)	3	100	NA

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

Remuneration to Directors

NRL being a Govt. Company, appointment and remuneration of Whole Time Directors are determined by the Government through the Ministry of Petroleum & Natural Gas. However, certain perquisites and facilities not specifically spelt out in their appointment letters are governed in accordance with the rules and regulations of the Company. The Part-time (Ex-officio) Directors do not receive any remuneration from the Company. The Part-time (Non-Official) Directors i.e. Independent Directors received sitting fees of ₹40,000/- for attending each meeting of the Board/Audit Committee and ₹20,000/- each for other Board sub-Committee meetings attended by them during the FY 2021-22.

Details of remuneration paid/payable to the Whole-time Directors during the financial year 2021-22 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 (Upto 31.01.2022)	67,67,347.15	Fixed Com : 47,12,719.90 PRP : 15,38,727.00	5,15,900.25	Ceased to be Managing Director on attaining the age of superannuation on 31.01.2022.
Shri B. J. Phukan Director (Technical) & MD I/c	65,56,249.76	Fixed Com: 41,97,954.59 PRP : 17,97,888.00	5,60,407.17	Appointed for a period of five years w.e.f. 01-02-2022 or till the date his superannuation or until further orders whichever is earliest.
Shri Indranil Mittra Director (Finance)	66,67,858.76	Fixed Com: 42,04,050.76 PRP : 19,07,357.00	5,56,451.00	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 earliest.

During the year 2021-22, the part-time (Independent) Directors received sitting fees for attending the meetings of the Board/Committees as follows:

Name of Director	Sitting Fees(₹)
Dr. Sylvanus Lamare	12,20,000/-
Shri Jaswant Singh Saini	9,40,000/-
Shri Gagann Jain	6,20,000/-
Shri Sudip Pradhan	2,60,000/-
Smt. Priyambada Kumari Keshri	2,60,000/-
Total=	33,00,000/-

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
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
Extra - Ordinary General Meeting	26 th May, 2021 at 11.00 A.M.	Through Video Conferencing facility
28 th Annual General Meeting	18 th September, 2021 at 3.00 P.M.	Through Video Conferencing ('VC')/ Other Audio Visual Means (OAVM)
Extra-Ordinary General Meeting	27 th May, 2022 at 10.30 A.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 of the Company, 122A, G. S. Road, Christianbasti, Guwahati-781005	1. Increase of Authorised Share Capital of the Company from ₹1000 Crore to ₹5000 Crore.
26 th Annual General Meeting	16 th August, 2019 at 3.00 P.M. at the Registered Office of the Company, 122 A, G. S. Road, Christianbasti, Guwahati-781005	2. Amendment of Clause V of the Memorandum of Association of the Company
Extra-Ordinary General Meeting	26 th May, 2021 at 11.00 A.M.	3. Amendment of Articles of Association of the Company by deleting existing Article 82(iii)(a) and renumbering Article 82(iii)(b) as Article 82(iii)
28 th Annual General Meeting	18 th September, 2021 at 3.00 P.M. Via Video Conferencing or OAVM facility	4. Approval for Enhancement of the Borrowing Powers of the Company.
Extra- Ordinary General Meeting	27 th May, 2022 at 10.30 A.M. Through Video Conferencing facility	5. Partial modification of resolution passed by Shareholders at the 28 th AGM dated 18 th September, 2021 pertaining to Borrowing Powers of the Company.

c) Voting through Electronic means/ Postal Ballot

Number of Member 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 B. J. Phukan:

Shri B. J. Phukan is a Mechanical Engineer from Assam Engineering College, Guwahati with more than 31 years of experience in the Oil Industry including Logistics, Marketing, Technical Services and Operations. Shri Phukan started his career in Indian Oil Corporation Limited (Assam Oil Division) in the year 1990 and thereafter joined NRL in the year 1999. Prior to his assuming the office of post of Director(Technical), NRL w.e.f. 1.2.2017, he was working as General Manager(Operation) in NRL. He has assumed the office of Managing Director w.e.f. 19th July, 2022.

Shri B. J. Phukan was last appointed as Director by the shareholders in the 27th Annual General Meeting held on 10th August, 2020. He is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

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 33 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.

Shri Indranil Mittra was last appointed as Director by the Shareholders in the 28th Annual General Meeting held on 18th September, 2021. He is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Shri Sudip Pradhan

Shri Sudip Pradhan was appointed as an Independent Director (being Additional Director) on the Board of the Company w.e.f. 18th November, 2021 as per Notification of the Govt. of India dated 8th November, 2021.

Shri Pradhan is a Social Worker and businessman from Gangtok, Sikkim. He did his Graduation in Arts from North Bengal University. He is Honorary Chairman of Central Pendam Multi-Purpose Cooperative Society and Honorary Director of Padma Kumari Public School, Duga, East Sikkim. He is associated with various socio-cultural activities in Sikkim.

Smt. Priyambada Kumari Keshri

Smt. Priyambada Kumari Keshri was appointed as an Independent Director (being Additional Director) on the Board of NRL w.e.f. 18th November, 2021 as per Notification of the Govt. of India dated 8th November, 2021.

Smt. Priyambada Kumari Keshri is an Agriculturist and Social Worker from Patna, Bihar. She is a Post Graduate in History from Bhagalpur University and Post Graduate Diploma holder in Human Rights. She is associated with various socio-cultural activities like setting up Medical Camps etc.

Dr. Lakshmanan S

Dr. Lakshmanan S, IAS, presently holding the position of Secretary to the Govt. of Assam, Industries, Commerce & Public Enterprises Department was appointed as Director on the Board of the Company w.e.f. 21st April, 2022 in place of Dr. K. K. Dwivedi in accordance with Section 161(4) of the Companies Act, 2013 read with Article 98 of the Articles of Association of the Company.

Dr. Lakshmanan S is a senior IAS Officer of 2011 batch of Assam Meghalaya Cadre. He is also a Medical Graduate. In his tenure as Mission Director, NHM, he played a pivotal role in spearheading the COVID -19 management in the State of Assam. He was awarded 'Assam Saurav' in the year 2021 for his excellence in 'Public Service'.

Shri Rajendra Kumar Kureel

Shri Rajendra Kumar Kureel, Director (Exploration -II), MOP & NG was appointed as Additional Director on the Board of the Company w.e.f. 14th June, 2022 pursuant to Article 84 of the Articles of the Association of the Company in accordance with the direction of the Govt. of India.

Shri Kureel is a Graduate in Science. He belongs to Central Secretariat Service (CSS) cadre and joined the Govt. of India in 1987. During his tenure, he served in various responsible positions under the Govt. of India. 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.

He was Director on the Board of NRL w.e.f. 26th March, 2019 till 11th March, 2022.

Dr. Ranjit Rath

Dr. Ranjit Rath, Chairman & Managing Director, Oil India Limited(OIL) was appointed as Additional Director on the Board of the Company and was elected as Chairman on the Board w.e.f. 3rd August, 2022.

Prior to joining OIL, Dr. Ranjit Rath was C&MD of Mineral Exploration and Consultancy Limited, a Mini Ratna CPSE under the Ministry of Mines. A practitioner Geoscientist, Dr. Ranjit Rath is an alumni of IIT Bombay, IIT Kharagpur and Utkal University. Before joining MECL, he was General Manager in Engineers India Limited, New Delhi and was posted with Indian Strategic Petroleum Reserves Ltd., New Delhi, a SPV under the Ministry of Petroleum & Natural Gas.

He has a portfolio of multifarious roles spanning from strategy formulation, business development, upstream asset management and application of geosciences & exploration geology in several important projects including creation of Strategic Petroleum Reserves (SPRs), a first of its kind initiative in India entailing underground rock caverns for strategic storage of crude oil - An intervention towards energy security.

Dr. Rath is a recipient of the prestigious National Geosciences Award 2016 from the Hon`ble President of India. He has co-authored an important book on "Underground Storage Technologies" and has published several technical papers and participated in conferences in India and overseas. He has more than 25 years of impeccable experience & expertise in the field of Geosciences as well as in Corporates.

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 ₹74.15 crore was spent on CSR and Sustainability activities during the year of which an amount of ₹15 crore contributed to PM CARES Fund to fight COVID 19 pandemic shall be set off against CSR Budget of subsequent years.
- 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 7.60% 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 Corporate and Project Risk.
- 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 one case of Sexual Harassment of Women at Workplace reported on 28th July, 2021. Internal Committee for Sexual Harassment, NRL submitted its findings and recommendations to the Competent Authority within the stipulated time as per POSH Act, 2013.

10. Code of Conduct, Procedure and Disclosures for Prevention of Insider Trading and Code of Corporate Disclosure Practice

The Company has a Code of Business Conduct and Ethics for the Board members and the Senior Management Personnel and all the members of the Board and Senior Management personnel have affirmed compliance of the Code of Conduct for the financial ended on 31st March, 2022.

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

11. Means of Communication of Financial Performance

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

12. Management Discussion & Analysis Report:

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

13. General Information to Shareholders:

a.

Number of AGM	29 th Annual General Meeting
Date and Time	19 th September, 2022 at 3.00 P. M.
Venue	Through Video Conferencing (VC) facility or Other Audio Visual Means (OAVM)
Dividend payment	The Company has paid Interim Dividend of 100% (₹10/- per fully paid equity share of ₹10/- each) during the year which has absorbed a sum of ₹735.63 Crore out of the Company's PAT. After considering the current year's Profits and keeping in view the need to maintain funds for ongoing capital expenditure projects and future projects, a final dividend of ₹5/- per fully paid equity share has been recommended by the Board for the year.

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

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

d. Registrars & Share Transfer Agents:

M/s. Data Software Research Co. Pvt. Limited
19, Pycrofts Garden Road
Off. Haddows Road, Nungambakkam
Chennai - 600006
Ph: +91-44-28213738/ 28214487
Fax: +91-44-28214636
Email: dsr cmd@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. Requests 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 31-03-2022.

Sl. No.	Name of share holder	Capital contribution (In ₹)	Nos. of shares held	Percentage of holding (%)
1.	Oil India Limited	512,22,03,790/-	51,22,20,379	69.63
2.	Governor of Assam	191,26,41,950/-	19,12,64,195	26
3.	Engineers India Limited	32,14,69,570/-	3,21,46,957	4.37
5.	Nominees of Promoters i.e. OIL & Govt. of Assam	130/-	13	Negligible
	Total	735,63,15,440/-	73,56,31,544	100.00

g. Plant location:

Numaligarh Refinery Limited
Pankagranti,
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

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

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

We have examined the compliance of conditions of Corporate Governance by **Numaligarh Refinery Limited** (a Non-Listed PSU) for the year ended **31st March, 2022** 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: 24/06/2022
UDIN: F006717D000580884

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2022

*[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, 2022** 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, 2022** 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 systems, software, 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 Women Director. During the financial year under review there was no Women Director on the Board of the Company w.e.f. 01.04.2021 to 17.11.2021.*

As appraised by the Management, Numaligarh Refinery Limited being a Central Public Sector Enterprise, the issue of appointment of Women Director lies with the Government and accordingly Women Director was appointed w.e.f. 18.11.2021.

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/-

Place: Guwahati
Date: 24th June, 2022
UDIN: F006717D000574108

CS Biman Debnath
Proprietor
C.P. No.5857/ FCS No. 6717

Annexure-C

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 2021-22.

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
OIL INDIA LIMITED (Holding Company)	Crude purchase & transportation charges	Ongoing transaction	Purchase of crude by NRL from OIL at market price – ₹8,174.17 Crore during the year	Not applicable	Nil
OIL INDIA LIMITED (Holding Company)	Natural Gas Purchase	Ongoing transaction	Purchase of natural gas by NRL from OIL at market price – ₹201.64 Crore during the year	Not applicable	Nil
OIL INDIA LIMITED (Holding Company)	Pipe Line Freight for transport of products	Ongoing transaction	Pipeline Transportation charges paid by NRL to OIL for finished goods transportation – ₹157.38 Crore during the year	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 – ₹91.27 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 - ₹675.61 Crore during the year	Not applicable	Nil
OIL INDIA LIMITED (Holding Company)	Sale of product	Ongoing transaction	Sale of HSD by NRL to OIL at market price – ₹18.67 Crore during the year	Not applicable	Nil
OIL INDIA LIMITED (Holding Company)	Charges for Facilities availed by OIL at NRL	Ongoing transaction	Charges received by NRL from OIL for various facilities provided by NRL to OIL - ₹6.29 Crore during the year	Not applicable	Nil
OIL INDIA LIMITED (Holding Company)	Charges for Facilities availed by NRL	Ongoing transaction	Reimbursement for expenses incurred towards Saksham : Cyclophone - ₹0.36 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
OIL INDIA LIMITED (Holding Company)	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 - ₹10.69 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 - ₹8.81 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 - ₹7.21 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 - ₹5.07 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 01.01.2022

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	520	66	12.69	33	6.35	-
Lowest rung of Group-A (O1 & O2)	Permanent	21	4	19	1	4.76	-
Total		541	70	12.94	34	6.28	-
Group – B	Permanent	-	-	-	-	-	-
Group – C	Permanent	444	37	8.33	66	14.86	-
Group – D (Excluding Sweepers)	Permanent	-	-	-	-	-	-
Group - D (Sweepers)	Nil	-	-	-	-	-	-
Total		985	107	10.86	100	10.15	

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

(a) Position as on 1.1.2022

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	₹ 22000-56000	D	0	0	0	0	0
II	₹ 23500-62000	C	2	2	0	2	0
III	₹ 24500-94000	C	4	4	2	0	2
IV	₹ 25000- 95000	C	12	12	8	0	4
V	₹ 27700- 98000	C	39	39	33	2	4
VI	₹ 28700- 100000	C	47	47	42	3	2
VII	₹ 29500 -105000	C	78	78	61	8	9
VIII	₹ 31500- 125000	C	53	53	35	7	11
IX	₹ 38000- 135000	C	139	139	105	11	23
X	₹ 39000- 139000	C	70	70	55	4	11
SUPERVISORY EMPLOYEES							
O1	₹ 40000 - 140000	A	18	18	14	4	0
O2	₹ 50000 - 160000	A	3	3	2	0	1
A	₹ 60000 - 180000	A	124	124	102	16	6
B	₹ 70000 - 200000	A	49	49	38	7	4
C	₹ 80000 - 220000	A	59	59	50	6	3
D	₹ 90000 - 240000	A	111	111	89	13	9
E	₹ 100000 - 260000	A	57	57	37	14	6
F	₹ 120000 - 280000	A	72	72	63	6	3
G	₹ 120000 - 280000	A	33	33	28	3	2
H	₹ 120000 - 280000	A	15	15	14	1	0

Statement showing the Number of Reserved vacancies filled by Members of Scheduled Castes & Scheduled Tribes during the year 2021-22

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	72	70	15	16	16	NIL	NIL	NIL	5	6	6	NIL	NIL	NIL	Out of 72 candidates, 70 joined within 31 st Mar'22
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	35**	NIL	NIL	NIL	NIL	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.

** 35 nos. vacancy notified against Group-C post. Selection and posting is under process.

Annexure-E

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 2022.

PART "A": Subsidiaries : NIL

Part "B": Associates and Joint Ventures

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

Name of associates/Joint Ventures	DNP Limited	Brahmaputra Cracker and Polymer Limited	Assam Bio Refinery Pvt. Ltd.	Indradhanush Gas Grid Ltd.
1. Latest audited Balance Sheet Date	31 st March 2021	31 st March 2021	31 st March 2021	31 st March 2022
2. Shares of Associate/Joint Ventures held by the company on the year end				
• No. of Equity Shares	43490000	141767000	138467078	85000000
• Amount of Investment in Associates/Joint Venture	₹ 43.49 Crore	₹ 141.77 Crore	₹ 138.47 Crore	₹85.00 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	₹82.86 Crore	₹328.08 Crore	₹330.66 Crore	₹82.31 Crore
6. Profit/Loss for the year				
i. Considered in Consolidation	₹9.36 Crore	₹69.15 Crore	₹(0.79) Crore	₹. 0.37 Crore
ii. Not Considered in Consolidation	₹26.66 Crore	₹622.39 Crore	₹(0.79) Crore	₹. 1.46 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 RKP ASSOCIATES
Chartered Accountants
ICAI FRN: 322473E

Sd/-
CA. Ravi Kumar Patwa
Partner
Membership No. 056409
UDIN: 22056409AJIMGA5435
Place: Guwahati
Date : 20th May 2022

For and on behalf of the Board of Directors

Sd/-
B J Phukan
Director Technical & MD I/c
DIN:07721895

Sd/-
Chiranjeeb Sharma
Company Secretary

Place: Guwahati
Date : 20th May 2022

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

Annexure-F

Annual Report on Corporate Social Responsibility (CSR) & Sustainability Activities of NRL for the Financial Year 2021-22

[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 Independent Directors and two whole-time Directors as the other members. Independent Director Chaired the Meeting.

Sl No	Name of Director	Designation/Nature of Directorship	Number of CSR committee meetings held during the year 2021-22	Number of CSR committee meetings attended during the year 2021-22
1	Dr. Sylvanus Lamare	Independent Director	6	6
2	Shri Gagann Jain (*)	Independent Director	4	4
3	Shri Sudip Pradhan (*)	Independent Director	3	3
4	Smti Priyambada Kumari Keshri (*)	Independent Director	3	3
5	Shri Bhaskar Jyoti Phukan	Director (Technical), NRL	6	6
6	Shri Indranil Mittra	Director (Finance), NRL	6	6

Note : (*) Shri Gagann Jain was inducted in the CSR Committee w.e.f. 05.08.2021, while Shri Sudip Pradhan and Smti Priyambada Kumari Keshri were inducted w.e.f. 17.01.2022.

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 https://www.nrl.co.in/Internal_TenderNew.aspx?MenuId=54&PageID=2
- 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 11th July, 2022, has approved the annual action plan / projects for fiscal 2022-23, the details of which are available on our website, at http://www.nrl.co.in/Internal_TenderNew.aspx?MenuId=58&PageID=2

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).

As per sub-rule (3)(a) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, dated 22nd January, 2021, Company shall undertake impact assessment, through an independent agency, of their CSR projects having outlays of ₹1 Crore or more, and which have been completed not less than One year before undertaking the impact study. Accordingly, impact assessment of such CSR projects is being carried out as mandated. Reports once finalized shall be hosted on the website www.nrl.co.in.

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.	2020-21	0.20	NIL
2.	2019-20	25.36	25.00
3.	2018-19	0.49	NIL

6. Average net profit of the Company as per section 135 (5) ₹2952.64 Crore.

7. a) Two percent of average net profit of the Company as per section 135 (5) ₹59.05 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 Nil

d) Total CSR obligation for the financial year (7a+7b-7c) ₹59.05 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
₹74.15 Crore	Not Applicable		Not Applicable	

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

Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local Area (Yes/No)	Location of the project.		Project Duration	Amount allocated for the project (₹ in Crore)	Amount spent in the current financial Year (₹ in Crore)	Balance amount for ongoing project (₹ in Crore)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹ in Crore)*	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				Location State	Location District							Name	CSR Regn. No
1	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	Yes	Assam	Golaghat	Within FY 22-23	1.47	0.28	1.20	-	Yes		
2	Construction and renovation of Toilets facility in public places for maintaining clean and hygienic environment	Sanitation	No	Assam	Jorhat	Within FY 22-23	0.14	0.10	0.04	-	Yes		
3	Construction / Development of village road, culvert, road side drain system, retaining wall, waiting shed, crematorium, installation of street light etc. for ensuring Swachhta in Rural Areas.	Rural Development	Yes	Assam	Golaghat	Within FY 22-23	2.94	0.76	2.18	-	Yes		
4	Contribution towards Physical & Mental development of children/youth/Sr citizen etc. and greening initiative in public places	Health Care	No	Assam	Kamrup (M)	Within FY 22-23	0.10	0.03	0.07	-	Yes		
5	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	Karinganji	Within FY 22-23	0.30	0.08	0.23	-	No	Vivekananda Kendra Medical & Research Foundation	CSR00014614
6	Installations of Solar Cold Storage at nearby villages for safe storage of farmers products.	Livelihood enhancement	Yes	Assam	Golaghat	Within FY 22-23	0.91	0.40	0.50	-	No	The Energy and Resources Institute, New Delhi	CSR00002051

Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local Area (Yes/No)	Location of the project.		Project Duration	Amount allocated for the project (₹ in Crore)	Amount spent in the current financial year (₹ in Crore)	Balance amount for ongoing project (₹ in Crore)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹ in Crore)*	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				Location State	Location District							Name	CSR Regn. No
7	Offering pediatric therapy for children with delayed development milestones and disability in Golaghat District	Health Care	Yes	Assam	Golaghat	Within FY 22-23	0.25	0.09	0.16	-	No	Shishu Sarathi-Centre for Rehabilitation and Training for Multiple Disability, Guwahati	CSR00001148
8	Providing Ambulance, Mobile Blood collection vehicle to cater the medical emergency among needy people; Provide Horse Vehicle for carrying dead body to facilitate the need of the Community.	Health Care	Yes	Assam	Within Assam	Within FY 22-23	0.88	0.00	0.88	-	Yes		
9	Setting up old age homes, day care centres, community hall for elderly people	Promoting Gender equality	No	Assam	Kamrup (Metro)	Within FY 22-23	0.10	0.04	0.06	-	Yes		
10	Swacchh Vidyalaya Abhiyan - A project to construct School toilet with water supply facility including maintenance within Assam.	Sanitation	Yes	Assam	Golaghat	Within FY 22-23	0.25	0.11	0.14	-	Yes		
	Grand Total						7.64	1.97	5.66	-			

* NRL has spent an amount of ₹74.15 Crore on CSR activities during the year 2021-22 as against its obligation to spend Rs.59.05 Crore under Section 135(5). In view of the same, requirement to transfer amount to a separate account does not arise.

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

Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location State	Location District	Mode of implementation - Direct (Yes/No).	Name of Implementing Agency	CSR Regn. No of Implementing Agency	Total (₹ in Crore)
1	Adoption of ITI Golaghat by NRL as ITI Golaghat-NRL Centre of Excellence under Project 'Uttoron'	Skill Development	Yes	Assam	Golaghat	Yes			0.69
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	No			0.03
			Yes	Assam	Golaghat	No	Jorhat Lions Service Trust	CSR00007067	0.08
				West Bengal	Darjeeling	Yes			0.03
						Yes			0.00

Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location State	Location District	Mode of implementation - Direct (Yes/No).	Name of Implementing Agency	CSR Regn. No of Implementing Agency	Total (₹ in Crore)
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	No	West Bengal	Uttar Dinaipur	Yes			0.02
			Yes	Assam	Golaghat	Yes			0.04
4	Conducting Remedial & Mentoring coaching program, Career Development Programme, Coaching classes for the students of nearby School & Colleges	Education	Yes	Assam	Golaghat	No	Centre For Social Responsibility and Leadership, New Delhi	CSR00001414	0.42
					Jorhat	Yes			0.05
5	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	Kamrup (Metro)	Yes			0.08
			Yes	Assam	Golaghat	Yes			0.95
6	Construction and renovation of Toilets facility in public places for maintaining clean and hygienic environment	Sanitation	No	Assam	Jorhat	Yes			0.09
			Yes	Assam	Golaghat	Yes			0.08
7	Construction/ Development of village road, culvert, road side drain system, retaining wall, waiting shed, creamatongroud, installation of street light etc. for ensuring Swachhta in Rural Areas.	Rural Development	No	Meghalaya	East Khasi Hills	Yes			0.01
			Yes	Assam	Golaghat	Yes			0.91
8	Contribution to the Prime Minister's National Relief Fund	Contribution to the Prime Minister's National Relief Fund	No	(blank)	(blank)	Yes			15.00
9	Contribution towards benefit to armed forces, veterans, War widows and their dependents	Benefit to armed forces, veterans, War widows and their dependents	No	Assam	Within Assam	Yes			0.05
10	Contribution towards Physical & Mental development of children/youth/Sr citizen etc. and greening initiative in public places	Health Care	No	Assam	Kamrup (Metro)	Yes			0.06
			Yes	Assam	Golaghat	Yes			0.03
				West Bengal	Darjeeling	Yes			0.16
11	Developing nearby villages as Model Village giving emphasis on development of road infrastructure, sanitation, water supply, electrification, health & hygiene	Rural Development	Yes	Assam	Golaghat	Yes			0.06
12	Development of Badminton coaching centres at Golaghat under project "Khel Prashikshan"	Sports	Yes	Assam	Golaghat	Yes			0.01

Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location State	Location District	Mode of implementation - Direct (Yes/No).	Name of Implementing Agency	CSR Regn. No of Implementing Agency	Total (₹ in Crore)
13	Development of Custom Hiring Centres to promote farm mechanization. Also providing assistance to farmers for traditional and alternate farming by way of providing improve seed, fertilizer, pump set, machineries etc.	Livelihood enhancement	Yes	Assam	Golaghat	Yes			0.37
14	Development of Infrastructure facility at various historical places, tourist place of interest and world heritage sites	Protection of national heritage, Art and culture, setting up public libraries etc.	Yes	Assam	Golaghat	Yes			0.30
15	Development of infrastructure facility of Skill training institute including supply of equipment, Tools, furniture to provide better environment.	Skill Development	No	Assam	Jorhat	Yes			0.10
16	Employability Skill Training for Construction Sector	Skill Development	Yes	Assam	Majuli	Yes			0.10
17	Expenditure on various activities related to COVID-19	Health Care	No	Assam	Golaghat	Yes			0.27
					Jorhat	Yes			7.26
					Kamrup (Metro)	No			0.22
					Majuli	Yes			1.16
					Nagaon	Yes			1.48
				Bihar	Within Assam	Yes			3.09
					Bettiah	Yes			2.13
					Bhagalpur	Yes			4.43
					Darbhanga	Yes			2.13
					Muzaffarpur	Yes			2.13
18	Financial assistance to promote awareness on various social issues including educate and training young people, women etc.	Education	Yes	Tripura	Dhalai	Yes			0.05
					Golaghat	Yes			1.88
					Within Assam	Yes			0.16
					Darjeeling	Yes			0.05
				Assam	Jorhat	Yes			0.02
					Golaghat	Yes			0.02
					Darrang	No	Vivekananda Kendra Medical & Research Foundation	CSR00014614	0.10
					Golaghat	Yes			0.01
19	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	No	Vivekananda Kendra Medical & Research Foundation	CSR00014614	0.10
20	Improvement of infrastructure facilities at public premises for the benefit of general public.	Rural Development	Yes	Assam	Golaghat	Yes			0.01

Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location State	Location District	Mode of implementation - Direct (Yes/No).	Name of Implementing Agency	CSR Regn. No of Implementing Agency	Total (₹ in Crore)
21	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	Dibrugarh	Yes			0.13
22	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	Jorhat	Yes			0.31
23	Nirmal Chahar - A project to provide waste handling equipments to various Municipalities/ Town Committees/Market committees; Development of waste treatment plant / dumping yard to promote Swachh Bharat Mission.	Environmental sustainability	Yes	Assam	Karbi Anglong	Yes			0.11
24	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	No	Assam	Golaghat	Yes			2.16
25	Offering pediatric therapy for children with delayed development milestones and disability in Golaghat District	Health Care	Yes	Assam	Within Assam	No	Vivekananda Kendra Medical & Research Foundation	CSR00014614	1.51
26	Operation & Maintenance of VK NRL School of Nursing at Numaligarh	Education	Yes	Assam	Golaghat	Yes			0.26
27	Operation and maintenance of NRL Football Academy and its feeder centre under project "Khel Prashikhan"	Sports	Yes	Assam	Golaghat	Yes			0.03
28	Organize various activities to promote Swachh Bharat Mission	Sanitation	No	Assam	East Khasi Hills	Yes			0.01
29	Plantation on Green Corridor and at various key locations, development- beautification of garden as a project under Swachh Bharat Mission	Environmental sustainability	Yes	Assam	Golaghat	Yes			0.11
30	Preservation and promotion of Art, Literature and culture of Assam by providing financial assistance for promoting culture, Repairing & renovation of Community hall, Club, Setting up Libraries, providing Books & other furniture etc.	Protection of national heritage, Art and culture, setting up public libraries etc.	No	Assam	Golaghat	Yes			0.03
			Yes	Assam	Kamrup (Metro)	Yes			0.08
			No	Assam	Golaghat	Yes			0.01
			Yes	Assam	Kamrup (Metro)	Yes			0.05
			Yes	Assam	Within Assam	Yes			0.16
			Yes	Assam	Jorhat	Yes			
			Yes	Assam	Kamrup (Metro)	Yes			
			Yes	Assam	Golaghat	Yes			
			Yes	Assam	Kamrup (Metro)	Yes			
			Yes	Assam	Within Assam	Yes			
			Yes	Assam	Jorhat	Yes			
			Yes	Assam	Kamrup (Metro)	Yes			
			Yes	Assam	Golaghat	Yes			
			Yes	Assam	Kamrup (Metro)	Yes			
			Yes	Assam	Within Assam	Yes			
			Yes	Assam	Jorhat	Yes			
			Yes	Assam	Kamrup (Metro)	Yes			
			Yes	Assam	Golaghat	Yes			
			Yes	Assam	Kamrup (Metro)	Yes			
			Yes	Assam	Within Assam	Yes			
			Yes	Assam	Jorhat	Yes			
			Yes	Assam	Kamrup (Metro)	Yes			
			Yes	Assam	Golaghat	Yes			
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			Yes	Assam	Within Assam	Yes			
			Yes	Assam	Jorhat	Yes			
			Yes	Assam	Kamrup (Metro)	Yes			
			Yes	Assam	Golaghat	Yes			
			Yes	Assam	Kamrup (Metro)	Yes			
			Yes	Assam	Within Assam	Yes			
			Yes	Assam	Jorhat	Yes			
			Yes	Assam	Kamrup (Metro)	Yes			
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			Yes	Assam	Jorhat	Yes			
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			Yes	Assam	Golaghat	Yes			
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			Yes	Assam	Within Assam	Yes			
			Yes	Assam	Jorhat	Yes			
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			Yes	Assam	Golaghat	Yes			
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			Yes	Assam	Jorhat	Yes			
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			Yes	Assam	Golaghat	Yes			
			Yes	Assam	Kamrup (Metro)	Yes			
			Yes	Assam	Within Assam	Yes			
			Yes	Assam	Jorhat	Yes			
			Yes	Assam	Kamrup (Metro)	Yes			
			Yes	Assam	Golaghat	Yes			
			Yes	Assam	Kamrup (Metro)	Yes			
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			Yes	Assam	Jorhat	Yes			
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			Yes	Assam	Within Assam	Yes			
			Yes	Assam	Jorhat	Yes			
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			Yes	Assam	Jorhat	Yes			
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			Yes	Assam	Jorhat	Yes			
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			Yes	Assam	Golaghat	Yes			
			Yes	Assam	Kamrup (Metro)	Yes			
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			Yes	Assam	Jorhat	Yes			
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			Yes	Assam	Within Assam	Yes			
			Yes	Assam	Jorhat	Yes			
			Yes	Assam	Kamrup (Metro)	Yes			
			Yes	Assam	Golaghat	Yes			
			Yes	Assam	Kamrup (Metro)	Yes			
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			Yes	Assam	Jorhat	Yes			
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			Yes	Assam	Golaghat	Yes			
			Yes	Assam	Kamrup (Metro)	Yes			
			Yes	Assam	Within Assam	Yes			
			Yes	Assam	Jorhat	Yes			
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			Yes	Assam	Golaghat	Yes			
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			Yes	Assam	Jorhat	Yes			
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			Yes	Assam	Jorhat	Yes			
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			Yes	Assam	Golaghat	Yes			
			Yes	Assam	Kamrup (Metro)	Yes			
			Yes	Assam	Within Assam	Yes			
			Yes	Assam	Jorhat	Yes			
			Yes	Assam	Kamrup (Metro)	Yes			
			Yes	Assam	Golaghat	Yes			
			Yes	Assam	Kamrup (Metro)	Yes			
			Yes	Assam	Within Assam	Yes			
			Yes	Assam	Jorhat	Yes			

Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location State	Location District	Mode of implementation - Direct (Yes/No).	Name of Implementing Agency	CSR Regn. No of Implementing Agency	Total (₹ in Crore)
31	Project - "SwaNirbhar" Promoting local entrepreneur, SHG & JLG for setting up various livelihood projects	Livelihood enhancement	No	Assam	Darrang	Yes			0.10
					Jorhat	Yes			0.01
32	Promotion of Education by providing Scholarship under various schemes to meritorious students to pursue higher education in various institute.	Education	Yes	Assam	Golaghat	Yes			0.52
					Karbi Anglong	Yes			0.04
33	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	Odisha	Jagatsinghpur	Yes			0.01
				Assam	Within Assam	Yes			0.15
			Yes	Assam	Golaghat	Yes			0.76
					Within Assam	Yes			0.13
					Cachar	Yes			0.01
34	Providing assistance to various Women entrepreneur, SHG, weaving units towards empowerment of women.	Sports	No	Assam	Dibrugarh	Yes			0.08
					Sivsagar	Yes			0.03
					Within Assam	Yes			0.00
			Yes	Assam	Golaghat	Yes			0.35
35	Providing assistance to various Women entrepreneur, SHG, weaving units towards empowerment of women.	Empowering women	Yes	Assam	Golaghat	No	Centre For Humanistic Development, Guwahati	CSR00021010	0.09
36	Providing Ambulance, Mobile Blood collection vehicle to cater the medical emergency among needy people; Provide Horse Vehicle for carrying dead body to facilitate the need of the Community.	Health Care	Yes	Assam	Dibrugarh	Yes			0.04
					Jorhat	Yes			0.11
			No	Assam	Kamrup (Metro)	Yes			0.25
			Yes	Assam	Golaghat	Yes			0.25
37	Providing assistance to the patients for treatment of critical health and life threatening ailments , one time financial assistance to the families of deceased workers	Health Care	Yes	Assam	Karbi Anglong	Yes			1.09
			No	Assam	Kamrup (Metro)	Yes			0.11
			Yes	Assam	Within Assam	Yes			0.04
					Golaghat	Yes			0.02
38	Providing clean and safe drinking water in rural areas, educational institutes, Public places	Drinking Water Supply	Yes	Assam	Golaghat	Yes			0.57
			No	Assam	Kamrup (Metro)	Yes			0.03
			Yes	Assam	Majuli	No			0.05
					Golaghat	Yes			0.35
39	Providing Solar Home lighting system in unelectrified villages in and around Golaghat & Karbi Along district.	Rural Development	Yes	Assam	Karbi Anglong	Yes			0.01
					Golaghat	No	The Energy and Resources Institute, New Delhi	CSR00002051	0.39
39	Providing supports for mitigating man-elephant conflict, tree plantation, rescue and rehabilitate sick and needy animals, veterinary healthcare etc., Construction of TongGhar, Distribution of search light for protection of crops from wild elephant,	Forest & Animal Welfare	No	Assam	Kamrup (Metro)	No			0.05
			Yes	Assam	Golaghat	No	Osom Educational Trust, Guwahati	CSR00030353	0.20
						Yes			0.24

Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location State	Location District	Mode of implementation - Direct (Yes/No).	Name of Implementing Agency	CSR Regn. No of Implementing Agency	Total (₹ in Crore)
40	Providing Training cum Livelihood project to youths in various field through district Agriculture, Animal Husbandry and Veterinary Department	Livelihood enhancement	Yes	Assam	Golaghat	Yes			0.49
41	Relief & Rehabilitation of flood affected people	Health Care	No Yes	Assam Assam	Nagaon Golaghat	Yes Yes			0.00 0.01
42	Subsidized treatment to the needy patients of neighbouring areas for treatment through VKNRL Hospital	Health Care	Yes	Assam	Golaghat	No	Vivekananda Kendra Medical & Research Foundation	CSR00014614	2.50
43	Swacchh Vidyalaya Abhiyan - A project to construct School toilet with water supply facility including maintenance within Assam.	Sanitation	No	Assam	Kamrup (Metro)	No			0.06
					Nalbari	Yes			0.00
			Yes	Assam	Golaghat	No	The Energy and Resources Institute, New Delhi	CSR00002051	0.09
					Golaghat & Karbi Anglong	Yes			0.03
	Total								63.57

- (d) Amount spent in Administrative Overheads ₹1.64 Cr
- (e) Amount spent on Impact Assessment, if applicable ₹0.12 Cr
- (f) Total amount spent for the Financial Year (8b+8c+8d+8e) ₹67.30 Cr
- (g) Excess amount for set off, if any

Sl. No.	Particular	Amount (₹ in Crore)
(i)	Two percent of average net profit of the company as per section 135(5)	59.05
(ii)	Total amount spent for the Financial Year-	74.15
(iii)	Excess amount spent for the financial year [(ii)-(i)]	15.10
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0.10
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	15.00

9. (a) Details of Unspent CSR amount for the preceding three financial years: NIL

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

Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Status of the project - Completed / Ongoing.	Total amount allocated for the project (₹ in Crore)	Amount spent on the project in the reporting Financial Year (₹ in Crore)	Cumulative amount spent at the end of reporting Financial Year. (₹ in Crore)
1		Assisting Assam Cancer Care Foundation for procurement of equipment for Radiation Block in Barpeta Centre annexed to Barpeta Medical College Hospital.	FY 2019-20	Within FY 21-22	Completed	16.83	2.30	15.32
2		Construction and renovation of School Building, Class Room, Laboratory, boundary wall, auditorium, playground, information centre etc. and providing various amenities for better educational environment.	FY 2018-19	Within FY 21-22	Completed	3.65	0.18	3.56
			FY 2019-20	Within FY 21-22	Completed	5.23	0.99	4.76
3		Construction and renovation of Toilets facility in public places for maintaining clean and hygienic environment	FY 2019-20	Within FY 21-22	Completed	1.58	0.25	1.21
			FY 2020-21	Within FY 21-22	Completed	0.08	0.03	0.03
4		Construction of a charitable dispensary cum diagnostic centre at Ramakrishna Mission Ashrama, Guwahati	FY 2019-20	Within FY 21-22	Completed	1.96	0.38	1.96
5		Construction/ Development of village road, culvert, road side drain system, retaining wall, waiting shed, crematorium, installation of street light etc. for ensuring Swachhta in Rural Areas.	FY 2018-19	Within FY 21-22	Completed	0.04	0.01	0.03
			FY 2019-20	Within FY 21-22	Completed	3.67	1.12	3.44
6		Developing nearby villages as Model Village giving emphasis on development of road infrastructure, sanitation, water supply, electrification, health & hygiene	FY 2018-19	Within FY 21-22	Completed	0.61	0.16	0.61
7		Development of Infrastructure facility at various historical places, tourist place of interest and world heritage sites	FY 2018-19	Within FY 21-22	Completed	0.45	0.18	0.36
8		Educate and train school drop-out youth as Geriatric Caregivers.	FY 2019-20	Within FY 21-22	Completed	0.53	0.12	0.53
			FY 2020-21	Within FY 21-22	Completed	0.09	0.05	0.05

Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Status of the project - Completed / Ongoing.	Total amount allocated for the project (₹ in Crore)	Amount spent on the project in the reporting Financial Year (₹ in Crore)	Cumulative amount spent at the end of reporting Financial Year: (₹ in Crore)
9		Infrastructure development of Public Health centre, Hospitals, Medical College including supply of furniture, Medical equipment to provide better services to the patients.	FY 2018-19	Within FY 21-22	Completed	0.49	0.07	0.46
			FY 2019-20	Within FY 21-22	Completed	0.26	0.08	0.19
10		Paricchannata - a scheme to provide Low Cost Sanitary toilet to BPL household to ensure better health and Hygiene including elimination of open defecation.	FY 2018-19	Within FY 21-22	Completed	1.80	0.02	1.24
			FY 2019-20	Within FY 21-22	Completed	0.95	0.09	0.91
11		Preservation and promotion of Art, Literature and culture of Assam by providing financial assistance for promoting culture, Repairing & renovation of Community hall, Club, Setting up Libraries, providing Books & other furniture etc.	FY 2018-19	Within FY 21-22	Completed	0.04	0.01	0.04
			FY 2019-20	Within FY 21-22	Completed	0.39	0.09	0.39
			FY 2020-21	Within FY 21-22	Completed	0.07	0.04	0.06
12		Project -Uttoron: Providing external skill upgradation Training on various trades/sectors	FY 2019-20	Within FY 21-22	Completed	0.60	0.15	0.32
13		Providing assistance to various Women entrepreneur, SHG, weaving units towards empowerment of women.	FY 2020-21	Within FY 21-22	Completed	0.71	0.22	0.25
14		Providing clean and safe drinking water in rural areas, educational institutes, Public places	FY 2018-19	Within FY 21-22	Completed	1.02	0.13	0.81
			FY 2019-20	Within FY 21-22	Completed	0.20	0.07	0.20
15		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"	FY 2019-20	Within FY 21-22	Completed	0.36	0.11	0.34
		Grand Total				41.60	6.85	37.05

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

(asset-wise details).

- Date of creation or acquisition of the capital asset(s).
 - Amount of CSR spent for creation or acquisition of capital asset.
 - Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
 - Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).
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).

Sd/-
S. Lamare
Chairman
CSR Committee

Sd/-
B.J. Phukan
Managing Director

Sd/-
I. Mittra
Director (Finance)

ANNUAL REPORT
2021-22

NUMALIGARH
REFINERY
LIMITED

A GOVERNMENT OF INDIA ENTERPRISE



INDEPENDENT AUDITORS' REPORT (STANDALONE)



Independent Auditors' Report

To
The Members of
Numaligarh Refinery Limited
122A, G. S. Road, Christian Basti,
Guwahati – 781 005, Assam

Report on the Audit of the Standalone Ind AS Financial Statements

On the basis of observations made by the Comptroller & Auditor General of India, this revised audit report is being issued in lieu of the earlier report dated 20th May' 2022 to comply with the observations of the Comptroller & Auditor General of India.

1. Opinion

- B. We have audited the accompanying standalone Ind AS Financial Statements of **NUMALIGARH REFINERY LIMITED** ("the Company"), which comprises the Balance Sheet as at 31st March, 2022, the Statement of Profit and Loss (including Statement of Other Comprehensive Income), the Statement of Changes in Equity, the Statement of Cash Flows for the year ended on that date, and notes to the Financial Statements including a summary of Significant Accounting Policies and other explanatory information (hereinafter referred to as the "standalone Ind AS financial statements").
- C. 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 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2022 and its profit, other comprehensive income, changes in equity, and its cash flows for the year ended on that date.

2. Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SA"s) 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 standalone Ind AS 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Ind AS Financial Statements under the provisions of the Companies Act, 2013 and the Rules made 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 audit opinion on the standalone Ind AS Financial statements.

3. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Ind AS Financial Statements of the current period. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

Sl. No.	Key Audit Matter	Audit Response on Key Audit Matter
1.	<p>Capital Work in Progress</p> <p>The Company is in the process of executing expansion of project with capacity augmentation from present 3.0 Million Metric Tonnes Per Annum (MMTPA) to 9.0 MMTPA by installing 6.0 MMTPA capacity refinery & installation of associated crude oil terminals & pipeline. A cross country pipeline of around 1640 Km shall be laid from Paradip Port to Numaligarh for transporting 9.0 MMTPA of imported crude. The crude pipeline is planned to be routed through five states; namely Odisha, Jharkhand, Bihar, West Bengal and Assam. The project implementation activity was started after obtaining Environmental Clearance on 27th July 2020. Consent to Establish (CTE) approval for COIT has been received on 27th Jan 2021. EAC recommendation Ministry of Environment, Forest and Climate Change (MoEF) for Coastal Regulation Zone (CRZ) approval has been obtained on 19th May 2021. For this Refinery Capacity Expansion, the Company has entered into a Rupee Term Loan facility for ₹18,904 Crore with a consortium of 12 (twelve) Indian Banks on 30.12.2021. The applicable interest rate on term loan is linked to SBI 6 months MCLR. The repayment schedule of the term loan is in 44 equal quarterly instalments which shall start from 31.12.2026. Since these projects take a substantial period of time to get ready for intended use and due to their materiality in the context of the financial statements of the Company, this is considered to be an area which had the significant effect on the overall audit strategy and allocation of resources in planning and completing our audit.</p> <p>{Refer Note 3 & 23 of Standalone Ind AS Financial Statements}</p>	<p>Our audit procedures include the following:</p> <ol style="list-style-type: none"> 1. We performed an understanding and evaluation of the system of internal control over the capital work in progress, with reference to identification and testing of key controls. 2. We assessed the progress of the project and the intention and ability of the management to carry forward and bring the asset to its state of intended use. 3. We have reviewed the accounting treatment for and related assumptions and estimations of the management for the said matters.
2.	<p>Loan To Joint Venture</p> <p>Numaligarh Refinery Limited has committed towards shareholders loan amounting to ₹261 crore for Bio Refinery project of Assam Bio Refinery Private Limited (ABRPL) based on the revised project cost from ₹1,259 crore to ₹1,750 crore.</p> <p>ABRPL has been sanctioned a Term loan of ₹1,225 Crore for constructing a Bio Refinery at Numaligarh to produce ethanol and other platform chemicals using bamboo as feedstock and a captive power plant along with other allied activities from Punjab National bank and further ABRP had requested NRL to advance an unsecured loan (Shareholder's Loan) for an amount of ₹261 Crore and NRL being a shareholder of ABRPL has agreed to sanction unsecured loan for the same. However, in the event of ABRPL secures VGF funding amounting to ₹150 Crore from the Government as per National Policy on Bio Fuels 2018, requirement of shareholders loan will get reduced accordingly.</p> <p>NRL has disbursed ₹190 Crore during the period 2021-2022.</p> <p>{Refer Note 8 & 49(b) of Standalone Ind AS Financial Statements}</p>	<ol style="list-style-type: none"> 1. We have reviewed the terms of the sanction document. 2. We have reviewed the compliance to section 186 of the Companies Act, 2013 in this regard.

4. Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the standalone Ind AS 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 standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone Ind AS financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

5. Management's Responsibility for the Financial Statements:

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

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 standalone Ind AS financial statements, management 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

6. Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements:

- A. Our objectives are to obtain reasonable assurance about whether the standalone Ind AS 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 standalone Ind AS financial statements.
- B. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:
 1. Identify and assess the risks of material misstatement of the standalone Ind AS 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.

2. 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.
 3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 4. 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.
 5. Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- C. Materiality is the magnitude of misstatements in the standalone Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone Ind AS 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 Ind AS financial statements.
- D. 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.
- E. 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.
- F. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

7. Other Matter:

1. The figures of the standalone Ind AS Financial Statement for the corresponding quarter ended 31st March, 2022 are the balancing figures between the annual audited figures for the year then ended and the year-to-date figures for the nine (9) months period ended 31st December, 2021. We have not issued a separate limited review report for the last quarter ended 31st March, 2022.

However, our opinion is not modified in respect of above matter.

8. Report on Other Legal and Regulatory Requirements:

1. As required by section 143(3) of the Act, we report that:
 - b. 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;

- c. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- d. The Balance Sheet, Statement of Profit and Loss (including Statement of Other Comprehensive Income), Statement of Change in Equity, and Statement of Cash Flows dealt with by this Report are in agreement with the books of account;
- e. In our opinion the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended;
- f. Pursuant to the Notification No. GSR 463(E) dated 5th June 2015 issued by the Ministry of Corporate Affairs, Government of India, provisions of sub-section (2) of Section 164 of the Companies Act, 2013, are not applicable to the Company, being a Government Company;
- g. With respect to the adequacy of the internal financial control over financial reporting of the Company and the operating effectiveness of such control, refer to our separate report in “Annexure – A” to this report. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting;
- h. Pursuant to the Notification No. GSR 463(E) dated 5th June 2015 issued by the Ministry of Corporate Affairs, Government of India, provisions of Section 197 of the Companies Act, 2013, are not applicable to the Company, being a Government Company; and
- i. 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 52 to the financial statements;
 - ii. The Company had not entered into any long-term contracts including derivative contracts for which there would have been any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. As stated in **Note 22** to the Standalone Ind AS financial statements
- The Company has declared and paid interim dividend during the financial year. The amount of dividend declared and paid is in accordance with section 123 of the Act, as applicable
 - The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.
 - As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of The Companies Act 2013, we give in the "**Annexure-B**", a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
 - As required by Comptroller and Auditor General of India through directions/sub directions issued under Section 143 (5) of the Companies Act 2013, on the basis of written representation received from the management, we give our report on the matter specified in the "**Annexure -C**" attached.

FOR RKP ASSOCIATES
CHARTERED ACCOUNTANTS

Dated at Silchar,
the 4th day of July' 2022

Sd/-
CA. Ravi Kr. Patwa
(Partner)
MRN. 056409
FRN. 322473E
UDIN – 22056409AMEGJA5902

ANNUAL REPORT
2021-22

NUMALIGARH
REFINERY
LIMITED

A GOVERNMENT OF INDIA ENTERPRISE



ANNEXURES TO INDEPENDENT
AUDITORS'
REPORT
(STANDALONE)



Annexure - A to Independent Auditors' Report

(Referred to in Paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **Numaligarh Refinery Limited** of even date)

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, 2022 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on the 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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility:

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the 'Guidance Note') and the Standards on Auditing, as specified under section 143(10) of the Companies Act, 2013, to the extent 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 auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial control systems 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 transaction 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 the Management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting:

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and

not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate Internal Financial Controls system over Financial Reporting and such Internal Financial Controls over Financial Reporting were operating effectively as at 31st March, 2022, 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 RKP ASSOCIATES
CHARTERED ACCOUNTANTS

Dated at Silchar,
the 4th day of July' 2022

Sd/-
CA. Ravi Kr. Patwa
(Partner)
MRN. 056409
FRN. 322473E
UDIN – 22056409AMEGJA5902

Annexure- B to Independent Auditors' Report

Referred to in Paragraph 2 to "Report on Other legal and regulatory requirements" of the Independent Auditors' Report of even date to the members of **NUMALIGARH REFINERY LIMITED** on the Standalone Ind AS Financial Statements for the year ended 31st March, 2022.

- I) a) A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.
- B) The Company has maintained proper records showing full particulars of intangible assets.
- b) The Company has a system of physical verification of Property, Plant and Equipment so to cover all the assets once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- c) According to the information and explanations given by the management, title deeds of immovable properties are held in the name of the Company except for the cases as detailed below:

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (₹)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in name of company
Freehold Land	Land at Rajabari under Morangi revenue circle, Dag No 93 & 94, Area 600B-0K-0L	79,58,84,740.00	Ms Mouchak Agro LLP Ltd.	NO	17.03.2022	Mutation is Pending
Freehold Land	Land under Morangi revenue circle, PP No 95, Area 2B-0K 18L	66,49,000.00	Ila Phukan	NO	12.09.2017	Mutation is Pending
Freehold Land	Land under Morangi revenue circle, PP No 93, Area 1B-1K 8L	39,04,000.00	Pradip Phukan	NO	12.09.2017	Do
Freehold Land	Land under Morangi revenue circle, PP No 97, Area 0B-3K 6L	20,13,000.00	Monuj Phukan	NO	12.09.2017	Do
Freehold Land	Land under Morangi revenue circle, PP No 91, Area 2B-1K 8L	69,54,000.00	Jeen Gogoi	NO	12.09.2017	Do
Freehold Land	Land under Morangi revenue circle, PP No 104, Area 2B-4K 8L	87,84,000.00	Prova Konwar	NO	12.09.2017	Do
Freehold Land	Land under Morangi revenue circle, PP No 87, Area 4B-0K 0L	1,08,00,000.00	Porag Boruah	NO	12.09.2017	Do
Freehold Land	Land under Morangi revenue circle, PP No 84, Area 7B-0K 0L	1,89,00,000.00	Biplobee Boruah	NO	12.09.2017	Do

{Refer Note -2(g) of Standalone Ind AS Financial Statements.}

- d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
- e) According to the information and explanations given by the management, no proceedings have been initiated during the year or are pending against the Company as at 31st March, 2022 for holding any benami property under the Benami Transactions (Prohibition) Amendment Act, 2016 and rules made thereunder.
- II) a) 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.

Major portion of the inventories lying with contractors / third parties, has been confirmed by the respective parties.

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.

- b) The Company had been sanctioned working capital limits in excess of ₹5 crore, in aggregate from banks on the basis of security of current assets and the quarterly returns or statements filed by the company with such banks are in agreement with the books of account of the Company.

{Refer Note 63 of Standalone Ind AS Financial Statements}.

- III) a) The Company has provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to any other entity, during the year, as detailed below:

Clause	Loan To	Aggregate amount of Loan provided during the year.	Balance outstanding as on 31 st March 2022.
(A)	Subsidiaries, Joint ventures and Associates	₹190.00 Crore	₹190.00 Crore
(B)	Other than Subsidiaries, Joint Ventures and Associates	NIL	NIL

- b) In our opinion, the investments made and the terms and conditions of the grant of loans, during the year are, prima facie, not prejudicial to the Company's interest.
- c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are generally been regular as per stipulation.
- d) In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.
- f) In our opinion the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment, hence, provisions of this clause 3 (iii) (f) of the order is not applicable.

- IV) In our opinion and according to the information and explanations given to us, the Company has complied with the provision of section 185 and 186 of the Companies Act, 2013 in respect of loans/investment/guarantee/security granted during the year.
- V) In our opinion and according to the information and explanation given to us, the Company has not accepted any deposits from public. Therefore, the provisions of Para. 3(v) of the CARO 2020 are not applicable to the Company.
- VI) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013 and are of the opinion that prima facie the prescribed cost accounts & records have been made and maintained. However, we have not made a detailed examination of the same, as we understand that the said examination will be carried out during the course of Cost Audit.
- VII) a) On the basis of test check carried out during the course of audit, we are of the opinion that, the Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Goods & Services Tax, Cess and other statutory dues applicable to it. According to information and explanations given to us, no undisputed amount payable in respect of Provident Fund, Income Tax, Service Tax, Goods & Service tax, Custom Duty, Cess and other statutory dues were in arrears as at 31st March, 2022 for a period of more than six months from the date they became payable.
- b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on 31st March, 2022 on account of disputes are given below:

Name of Statute	Nature of Dues	Period (A.Y)	Forum where the dispute is pending	Disputed Amount (₹ in Crore)
The Central Excise Act, 1944	Non reversal of CENVAT Credit	2015-2016	CESTAT Kolkata	0.60
West Bengal Entry Tax Act 2012	Demand on account of levy of entry tax on SKO	2013-2014	West Bengal Appellate Authority	7.88

- VIII) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- IX) a) According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.
- b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.
- c) In our opinion, and according to the information and explanations given to us, the term loans taken during the year have been applied for the purposes for which they were obtained.
- d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its joint ventures or associate.

- f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, hence the clause 3(ix)(f) of the Order is not applicable to the Company.
- X) a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable
- b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- XI) a) According to the information and explanations given to us and procedures performed by us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- b) According to the information and explanations given to us and procedures performed by us, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014, as amended with the Central Government, during the year and upto the date of this report.
- c) We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report), while determining the nature, timing and extent of our audit procedures.
- XII) In our opinion and according to information & explanations given to us, the Company is not a Nidhi Company. Therefore, the provisions of Para. 3(xii) (a), (b) & (c) of the Order are not applicable to the Company.
- XIII) According to information & explanations given by the management, and on the basis of audit procedure performed for the purpose, we are of the opinion that, transactions with the related parties are in compliance with section 177 and section 188 of Companies Act, 2013, wherever applicable, and the details have been disclosed in the notes to the Standalone Financial Statements, as required by the applicable Accounting Standards.
- XIV) a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- XV) According to information & explanations given to us and based on our examination of the records of the Company during the year, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- XVI) (a) In our opinion, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of Para. 3(xvi) (a), (b) & (c) of the Order are not applicable to the Company.
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- XVII) According to information & explanations given to us and based on our examination of the records of the Company during the year, the Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

- XVIII) There has been no resignation of the statutory auditors of the Company during the year.
- XIX) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- XX) a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- {Refer Note 54 of standalone financial statements}*
- b) There are no unspent amounts towards Corporate Social Responsibility (CSR) on ongoing projects requiring a transfer to a Fund to a special account in compliance with the proviso to sub-section (6) of Section 135 of the said Act.

FOR RKP ASSOCIATES
CHARTERED ACCOUNTANTS

Dated at Silchar,
the 4th day of July' 2022

Sd/-
CA. Ravi Kr. Patwa
(Partner)
MRN. 056409
FRN. 322473E
UDIN – 22056409AMEGJA5902

Annexure - C to the Independent Auditor's Report

Report Pursuant to Directions issued by the office of C & AG under sub-section 5 of Section 143 of the Companies Act, 2013 ('the Act')

The Annexure referred to in Paragraph 3 to "Report on Other legal and regulatory requirements" in the Independent Auditors' Report to the members of the **NUMALIGARH REFINERY LIMITED** ("the Company") on the Standalone Ind AS financial statements for the year ended 31st March, 2022, we report that:

Sl. No.	Directions	Remarks	Impact on FS
1.	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.	The Company maintains its Books of Account on IT System - SAP, which is an ERP system for processing accounting transactions. All accounting transactions are processed in accounts maintained on SAP. We did not notice any transaction which was processed outside the IT System.	NIL
2.	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. Whether such cases are properly accounted for? (In case, lender is a government company, then this direction is also applicable for statutory auditor of lender company).	Based on our verification and as per the information and explanations obtained from the management, there were no restructuring of any 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.	NIL
3.	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 terms and conditions? List the cases of deviation.	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. According to the information and explanations given to us and as represented by the Management and based on our examination of the books and records of the Company, these have been used for the purpose of which these were given. We have not come across any deviation.	NIL

FOR RKP ASSOCIATES
CHARTERED ACCOUNTANTS

Dated at Silchar,
the 4th day of July' 2022

Sd/-
CA. Ravi Kr. Patwa
(Partner)

MRN. 056409

FRN. 322473E

UDIN - 22056409AMEGJA5902

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 2022

The preparation of financial statements of Numaligarh Refinery Limited for the year ended 31 March 2022 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 the 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 Revised Audit Report dated 4 July 2022 which supersedes their earlier Audit Report dated 20 May 2022.

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 2022 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 auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

In view of the revision(s) made in the statutory auditor's report, to give effect to some of my audit observations raised during supplementary audit, I have no further comments to offer upon or supplement to the statutory auditors' report under section 143(6)(b) of the Act.

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

Place: Kolkata
Date: 27/7/2022

Sd/-
(Mausumi Ray Bhattacharyya)
Director General Audit (Mines)
Kolkata

Balance Sheet as at 31st March 2022

₹ in Crore

Particulars	Note No.	31-Mar-22	31-Mar-21
(I) ASSETS			
1 Non-current assets			
(a) Property, Plant and Equipment	2	3,108.69	3,037.75
(b) Capital Work- in- Progress	3	3,831.28	760.11
(c) Investment Property	4	34.48	34.41
(d) Other Intangible assets	5	151.67	96.31
(e) Intangible Assets Under Development	6	5.19	1.03
(f) Financial Assets			
(i) Investment in Joint venture and Associate	7	432.53	373.71
(ii) Loans	8	227.38	50.95
(iii) Other Financial Assets	9	2.31	1.94
(h) Other non-current assets	10	297.11	55.80
Total Non-current assets		8,090.64	4,412.01
2 Current assets			
(a) Inventories	11	3,062.63	1,972.84
(b) Financial Assets			
(i) Investments	12	-	208.32
(ii) Trade receivables	13	1,045.69	1,257.21
(iii) Cash and Cash Equivalents	14	175.41	10.69
(iv) Bank Balances other than (iii) above	15	27.15	10.87
(v) Loans	16	29.73	34.94
(vi) Other Financial Assets	17	23.37	44.45
(c) Current Tax Assets (Net)	18	129.57	129.50
(d) Other current assets	19	124.92	39.29
		4,618.47	3,708.11
Assets Held for Sale	20	1.00	0.72
Total Current assets		4,619.47	3,708.83
TOTAL ASSETS		12,710.11	8,120.84
(II) EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	21	735.63	735.63
(b) Other Equity	22	7,652.44	4,860.40
Total Equity		8,388.07	5,596.03

Balance Sheet as at 31st March 2022 (contd.)

₹ in Crore

Particulars	Note No.	31-Mar-22	31-Mar-21
Liabilities			
1 Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	23	949.64	-
(ia) Lease Liabilities	24	8.13	5.41
(ii) Other Financial Liabilities	25	1.24	0.69
(b) Provisions	26	13.47	12.57
(c) Deferred tax liabilities (Net)	27	244.57	266.10
Total Non-Current Liabilities		1,217.05	284.77
2 Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	28	50.34	0.45
(ia) Lease Liabilities	29	15.19	3.03
(ii) Trade Payables			
a) Total Outstanding Dues of Micro Enterprises and Small Enterprises	30	10.69	15.39
b) Total Outstanding Dues of Creditors Other Than Micro Enterprises and Small Enterprises	30	1,746.10	1,229.51
(iii) Other Financial Liabilities	31	587.15	469.21
(b) Other Current Liabilities	32	247.43	363.80
(c) Provisions	33	89.11	78.86
(d) Current Tax Liabilities (Net)	34	358.98	79.79
Total Current Liabilities		3,104.99	2,240.04
TOTAL EQUITY AND LIABILITIES		12,710.11	8,120.84
Significant Accounting Policies	1		
Notes forming part of Financial Statements	46-65		

As per our attached report of even date

For R K P Associates
Chartered Accountants
ICAI FRN : 322473E

Sd/-
CA. Ravi Kumar Patwa
Partner
Membership No 056409
UDIN : 22056409AJIGFS4377
Place: Guwahati
Date : 20th May 2022

For and on behalf of the Board of Directors

Sd/-
B.J. Phukan
Director Technical and MD I/c
DIN : 07721895

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

Sd/-
Chiranjeeb Sharma
Company Secretary

Place: Guwahati
Date : 20th May 2022

Statement of Profit and Loss for the year ended 31st March 2022

₹ in Crore

Particulars	Note No.	2021-22	2020-21
INCOME			
I Revenue from operations	35	23,547.01	18,549.79
II Other Income	36	119.72	92.94
III Total income (I+II)		23,666.73	18,642.73
EXPENSES			
IV Cost of materials consumed	37	12,441.82	7,795.42
Purchases of Stock-in-Trade		1,021.64	416.24
Changes in inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	38	(453.29)	(222.23)
Excise Duty		4,105.32	4,868.08
Employee Benefits expense	39	351.68	344.50
Finance Costs	40	3.92	8.47
Depreciation, Amortisation and Impairment	41	320.52	347.36
Other Expenses	42	1,027.27	1,001.92
Total Expenses (IV)		18,818.88	14,559.75
V Profit/(loss) before exceptional items and tax (III-IV)		4,847.85	4,082.98
VI Exceptional Items		-	-
VII Profit/(loss) before tax (V-VI)		4,847.85	4,082.98
VIII Tax Expense	43	1,286.29	1,046.87
(1) Current Tax		1,296.43	1,053.05
(2) Deferred Tax		(10.14)	(6.18)
IX Profit / (Loss) for the year (VII - VIII)		3,561.56	3,036.10
X Other comprehensive income			
(i) Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit plan	44	(45.28)	18.94
(ii) Income tax related to items that will not be reclassified to profit or loss	44	11.39	(4.77)
Other comprehensive income, net of tax (i+ii)		(33.89)	14.17
XI Total comprehensive income for the year (IX + X)		3,527.67	3,050.27
XII Basic and Diluted Earnings per share (₹)	45	48.42	41.27
(Face Value ₹10)		48.42	41.27
Significant Accounting Policies	1		
Notes forming part of Financial Statements	46-65		

As per our attached report of even date

For R K P Associates

Chartered Accountants

ICAI FRN : 322473E

Sd/-

CA. Ravi Kumar Patwa

Partner

Membership No 056409

UDIN : 22056409AJIGFS4377

Place: Guwahati

Date : 20th May 2022

For and on behalf of the Board of Directors

Sd/-

B.J. Phukan

Director Technical and MD I/c

DIN : 07721895

Sd/-

Chiranjeeb Sharma

Company Secretary

Place: Guwahati

Date : 20th May 2022

Sd/-

Indranil Mittra

Director (Finance)

DIN : 06883068

Statement of Cash Flows

₹ in Crore

<i>For the year ended</i>	31-Mar-22	31-Mar-21
A Cash Flow from Operating Activities		
Profit (Loss) for the year	3,561.56	3,036.10
Adjustments for :		
Depreciation & Amortisation expenses	320.52	347.36
Income Tax Expenses	1,286.29	1,046.87
Finance Costs	3.92	8.47
(Profit) / Loss on Sale/Write Off of Property, Plant and Equipment	4.93	0.77
Income from Investment in Join Venture /Associate Companies	(24.81)	(4.09)
Income from Investment Property	(3.53)	(2.43)
Interest Income	(10.25)	(32.64)
(Profit)/Loss on sale of investment	(2.23)	(7.91)
Other Non-Cash Items (Refer explanatory note 4)	(23.80)	83.67
Operating Profit before Working Capital Changes	5,112.60	4,476.17
<i>(Invested in) / Generated from:</i>		
Trade receivables	211.52	(553.74)
Other receivables	(62.36)	(17.72)
Inventories	(1,089.79)	(185.01)
Current Liabilities & Payables	533.46	879.62
Cash generated from Operations	4,705.43	4,599.32
Direct Taxes Paid	(1,017.31)	(966.90)
Net Cash from/(used in) Operating Activities	3,688.12	3,632.42
B Net Cash Flow from Investing Activities		
Purchase of Property, Plant & Equipment /CWIP	(3,437.63)	(790.53)
Purchase of intangible assets	(67.49)	(88.14)
Sale of Property, Plant and Equipment	0.32	0.21
Investment in Joint Venture/ Associate Companies	(58.62)	(105.42)
Purchase of / Accretion to Investments	208.32	(208.31)
Purchase/ Maturity of Fixed Deposit	(16.28)	230.11
Profit on Sale of Investments	2.23	7.91
Income from Investment in Join Venture /Associate Companies	24.81	4.09
Long Term Loans and Advances	(418.11)	(2.97)
Interest Income from Investment	16.43	39.44
Net Cash from/(used in) Investing Activities	(3,746.02)	(913.61)

Statement of Cash Flows (contd.)

₹ in Crore

<i>For the year ended</i>		31-Mar-22	31-Mar-21
C Net Cash Flow from Financing Activities			
Long term Borrowings		949.64	-
Short term Borrowing		39.50	-
Other Long Term Liabilities		(20.99)	(5.41)
Payment of lease liabilities		(13.60)	(2.81)
Other Long Term Provisions		0.90	0.77
Interest paid		(7.58)	(5.49)
Dividend Paid		(735.63)	(2,758.62)
Net Cash from/(used in) Financing Activities		212.24	(2771.56)
D Net Increase / (Decrease) in Cash and Cash equivalents (A+B+C)		154.34	(52.75)
E Cash & Cash Equivalents at beginning of Period	Note 1	10.24	62.99
F Cash & Cash Equivalents at end of Period (D+E)	Note 1	164.58	10.24

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-22	31-Mar-21
<i>Cash & Cash Equivalents at beginning of Period</i>		
Cash/cheques on Hand	0.01	0.05
Cash at Bank	10.68	0.72
Deposits with Banks with original maturity of less than 3 months	-	136.00
Less : Bank Overdraft/Cash Credit	(0.45)	(73.78)
	10.24	62.99
<i>Cash & Cash Equivalents at end of Period</i>		
Cash/cheques on Hand	0.01	0.01
Cash at Bank	2.06	10.68
Deposits with Banks with original maturity of less than 3 months	173.34	-
Less : Bank Overdraft/Cash Credit	(10.83)	(0.45)
	164.58	10.24
Net Increase/ (Decrease) in Cash and Cash equivalents	154.34	(52.75)

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 31.03.2021	(3.03)	(5.41)	(8.44)
Cash Flows			
Inflow	39.50	949.64	989.14
Outflow	-	-	-
Non Cash Changes			
Increase in Lease Obligation	(15.19)	(8.13)	(23.33)
Fair Value Changes	-	-	-
Balance as on 31.03.2022	21.28	936.09	957.37

Explanatory notes to Statement of Cash Flows

1. The Statement of Cash Flows is prepared as per Ind AS 7 as notified by Ministry of Corporate Affairs.
2. In Part-A of the Statement of Cash Flows, figures in brackets indicate deductions made from the Net Profit for deriving the net cash flow from operating activities. In Part-B and Part-C, figures in brackets indicate cash outflows.
3. The net profit/loss arising due to conversion of current assets / current liabilities, receivables / payables in foreign currency is furnished under the head "Foreign Exchange Fluctuations".
4. "Other Non-Cash items" comprise of provisions for Stores and Consumables, provision for Claims and provision for Investments / receivables, 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 R K P Associates
Chartered Accountants
ICAI FRN : 322473E

Sd/-
CA. Ravi Kumar Patwa
Partner
Membership No 056409
UDIN : 22056409AJIGFS4377
Place: Guwahati
Date : 20th May 2022

For and on behalf of the Board of Directors

Sd/-
B.J. Phukan
Director Technical and MD I/c
DIN : 07721895

Sd/-
Chiranjeeb Sharma
Company Secretary

Place: Guwahati
Date : 20th May 2022

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

Statement of Changes in Equity for the Year Ended 31st March 2022

₹ in Crore

(a) Equity Share Capital	As at 31/03/2022		As at 31/03/2021	
	No of Shares	Amount	No of Shares	Amount
Balance at the beginning of the current reporting period	73,56,31,544	735.63	73,56,31,544	735.63
Changes in Equity Share Capital due to prior period errors	-	-	-	-
Restated balance at the beginning of the current reporting period	73,56,31,544	735.63	73,56,31,544	735.63
Changes in Equity Share Capital during the period	-	-	-	-
Balance at the end of the reporting period	73,56,31,544	735.63	73,56,31,544	735.63

₹ in Crore

(b) Other Equity	Reserve & Surplus			Total
	Capital Reserve [Note 22]	General Reserve [Note 22]	Retained Earnings [Note 22]	
Balance at 31st March 2021	100.00	4,759.40	1.00	4,860.40
Changes in accounting policy or prior period errors	-	-	-	-
Restated balance at the beginning of the current reporting period	100.00	4,759.40	1.00	4,860.40
Profit for the current year	-	-	3,561.56	3,561.56
Other Comprehensive Income for the current year	-	-	(33.89)	(33.89)
Dividends	-	-	(735.63)	(735.63)
Corporate Dividend Tax	-	-	-	-
Transfer to General Reserve	-	2,424.22	(2,424.22)	-
Balance as at 31st March 2022	100.00	7,183.62	368.82	7,652.44
Balance as at 31st March 2020	100.00	4,467.75	1.00	4,568.75
Changes in accounting policy or prior period errors	-	-	-	-
Restated balance at the beginning of the previous reporting period	100.00	4,467.75	1.00	4,568.75
Profit for the previous year	-	-	3,036.10	3,036.10
Other Comprehensive Income for the previous year	-	-	14.17	14.17
Dividends	-	-	(2,758.62)	(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

As per our attached report of even date

For R K P Associates
Chartered Accountants
ICAI FRN : 322473E

Sd/-
CA. Ravi Kumar Patwa
Partner
Membership No 056409
UDIN : 22056409AJIGFS4377
Place: Guwahati
Date : 20th May 2022

For and on behalf of the Board of Directors

Sd/-
B.J. Phukan
Director Technical and MD I/c
DIN : 07721895

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

Sd/-
Chiranjeeb Sharma
Company Secretary

Place: Guwahati
Date : 20th May 2022

Notes to Financial Statements for the year ended 31st March 2022

COMPANY OVERVIEW

The financial statements of “Numaligarh Refinery Limited” (“the company or “NRL”) are for the year ended March 31, 2022.

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.

The company is engaged in the business of refining of crude oil, having its refinery in Golaghat District of Assam, to produce and supply various petroleum products.

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”.

Accounting policies have been consistently applied during the year except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standards requires a change in the accounting policy hitherto in use.

The company’s 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 20th May 2022.

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;

Notes to Financial Statements for the year ended 31st March 2022

- Provisions;
- Evaluation of recoverability of Deferred Tax Assets; and
- Contingencies.

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

1.3 Property, plant and equipment

1.3.1 Tangible Assets

- 1.3.1.1** Property, plant and equipment are stated at cost net of accumulated depreciation and accumulated impairment losses, if any.
- 1.3.1.2** The initial cost of an asset comprises its purchase price or construction cost (including import duties and non-refundable taxes), any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management and borrowing cost for qualifying assets (i.e. assets that necessarily take a substantial period of time to get ready for their intended use).
- 1.3.1.3** **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.
- 1.3.1.4** Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.
- 1.3.1.5** 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 i.e. when the Company intends to use these for a period exceeding 12 months, 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.
- 1.3.1.7** 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.
- 1.3.1.8** 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.
- 1.3.1.9** 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 derecognized.
- 1.3.1.10** Land acquired on outright purchase treated as freehold land.
- 1.3.1.11** The residual values and useful lives of Property, Plant and Equipment are reviewed at each financial year end and changes, if any, are accounted in line with revisions to accounting estimates
- 1.3.1.12** **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.
- 1.3.1.13** 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

Notes to Financial Statements for the year ended 31st March 2022

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 and accumulated impairment losses, if any.

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 lower, on a straight line basis, 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 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 purposes. 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.

Notes to Financial Statements for the year ended 31st March 2022

1.6.2 Borrowing cost that are attributable to the acquisition or construction of qualifying assets (i.e. an 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. Capitalization of borrowing costs is suspended when active development activity on the qualifying asset is interrupted other than on temporary basis and applicable borrowing costs for such period is charged to the Statement of Profit and Loss. All other borrowing costs are charged to the Statement of Profit and Loss in the period in which the same are incurred.

1.6.3 Investment income earned on the temporary investment of funds of specific borrowing pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

1.7 Non-current assets held for sale

1.7.1 Non-current assets are classified as held for sale if their carrying amounts will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such assets.

1.7.2 Non-current assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.

1.7.3 Property, Plant and Equipment and intangible assets are not depreciated or amortized once classified as held for sale.

1.8 Depreciation

1.8.1 Depreciation on Property, Plant and Equipment are provided over the estimated useful life of the assets prescribed under Schedule II of the Companies Act, 2013 (after retaining the estimated residual value of upto 5%), except in the following cases :

- a)** 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.
- b)** Assets given to the employees are depreciated as per company policy.
- c)** Assets costing upto threshold limit are depreciated fully in the year of its purchase/capitalisation.
- d)** Solar Power Plants are depreciated over a period of 25 years based on the technical assessment of the useful life.

1.8.2 Depreciation is charged on addition / deletion on pro-rata monthly basis including the month of addition / deletion.

1.8.3 The carrying amount of an existing asset for which useful life is NIL, is charged off to Statement of Profit and Loss (after retaining the estimated residual value upto 5%).

1.8.4 Items of property, plant and equipment costing not more than the threshold limit are depreciated at 100% in the year of acquisition.

1.8.5 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.

1.8.6 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.

1.8.7 In case of catalyst with precious/noble metal content, residual value is considered based on the cost of precious/noble metal content in catalyst which is expected to be extracted at the end of their useful life, plus 5% of original cost of catalyst excluding cost of precious/noble metals.

1.8.8 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.

Notes to Financial Statements for the year ended 31st March 2022

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

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

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

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

The company has elected not to apply Ind AS 116 to intangible assets.

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 and Finished products are determined on First in First out basis.

Notes to Financial Statements for the year ended 31st March 2022

- b) Other raw materials and stores and spares are determined on weighted average basis.
- c) The cost of Work-in-Progress 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 companies and the final selling prices for sale to other customers.
- 1.10.3** Items of stores and spares which have not moved for last four years as on Balance Sheet date are identified as slow-moving items for which a provision of 95% of the value is made in the accounts.
- 1.10.4** Excise duty on finished stocks lying at manufacturing locations is provided for at the assessable value applicable at each of the locations based on end use.
- 1.10.5** Raw Materials held for use in the production of finished goods are not written down below cost except in cases where raw material prices have declined and it is estimated that the cost of the finished goods will exceed their net realizable value.
- 1.11 Revenue Recognition**
 - 1.11.1** Revenue from the sale of goods is recognized when the performance obligation is satisfied by transferring the related goods to the customer. The performance obligation is considered to be satisfied when the customer obtains control of the goods.
 - 1.11.2** Sales represent invoiced value of goods supplied net of trade discounts, and includes applicable excise duty benefit (as per Notification No : 10/2018 dated 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.

Notes to Financial Statements for the year ended 31st March 2022

Defined Benefit Plans:

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

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

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

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

1.13.3 Other long-term employee benefits

Liability towards other long term employee benefits like leave encashment 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

- 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 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.

Notes to Financial Statements for the year ended 31st March 2022

1.15 Government Grants

- 1.15.1** Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.
- 1.15.2** When the grant relates to an expense item, it is recognized in the Statement of profit and Loss on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.
- 1.15.3** Government grants relating to Property, Plant and Equipment are presented as deferred income and are credited to the Statement of Profit and Loss on a systematic and rational basis over the useful life of the asset.

1.16 Provisions, Contingent Liabilities and Capital Commitments

- 1.16.1** Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.
- 1.16.2** The expense relating to a provision is presented in the Statement of Profit and Loss net of reimbursements, if any.
- 1.16.3** Contingent liabilities are possible obligation whose existence will only be confirmed by future events not wholly within the control of the company, or present obligation where it is not probable that an outflow of resources will be required or the amount of obligation cannot be measured with sufficient reliability.
- 1.16.4** Contingent liabilities are not recognized in the financial statements but are disclosed unless the possibility of an outflow of economic resources is considered remote.
- 1.16.5** Contingent liabilities and Capital commitments disclosed are in respect of items which in each case are above the threshold limit.

1.17 Fair value measurement

- 1.17.1** The company measures certain financial instruments at fair value at each reporting date.
- 1.17.2** Certain accounting policies and disclosures require the measurement of fair values, for both financial and nonfinancial assets and liabilities.
- 1.17.3** Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risks.
- 1.17.4** While measuring the fair value of an asset or liability, the company uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation technique as follows:
- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
 - Level 2 : inputs other than quoted prices included in Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
 - Level 3 : inputs for the assets or liability that are not based on observable market data (unobservable inputs)
- 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.

Notes to Financial Statements for the year ended 31st March 2022

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

Notes to Financial Statements for the year ended 31st March 2022

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 ("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 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.

Notes to Financial Statements for the year ended 31st March 2022

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.

Notes to Financial Statements for the year ended 31st March 2022

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, net of outstanding bank overdrafts as they are considered an integral part of the company's cash management. 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 Joint Ventures and Associates

Investments in equity shares of 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

Notes to Financial Statements for the year ended 31st March 2022

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 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 1st April, 2022. The Company does not expect the amendment to have any significant impact in its financial statement.

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
Allocation of other expenses to projects costing in each case	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	₹ Lakhs	10
Componentization of Property, Plant and Equipment	1.3.1.7	₹ Crore	5
GST on common capital goods per item per month	1.3.1.12	₹ Lakhs	5
Expenditure incurred for creating/acquiring other intangible assets in each case	1.3.2.2	₹ Lakhs	50
Depreciation at 100 percent in the year of acquisition	1.8.1 (c)	₹	5,000
Depreciation on Assets in the year of purchase/ capitalisation	1.8.4	₹	5,000
Income/expenditure (net) in aggregate pertaining to prior year (s)	1.12.2	₹ Crore	20
Prepaid expenses in each case	1.12.3	₹ Lakhs	5
Disclosure of Contingent liabilities and Capital Commitments in each case	1.16.5	₹ Lakhs	5
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 2022

2 Property, plant and equipment

2 Property, plant and equipment

	Gross Block						Depreciation						Impairment				Net Carrying Amount	
	As at	Addition	Deductions on account of Retirement/Reclassifications	As at	Up to	Addition	Deductions on account of Retirement / Reclassifications	Up to	Up to	Impairment Loss during the year	Impairment Loss Reversed during the year	Up to	Up to	As at	As at			
	01-Apr-21			31-Mar-22	31-Mar-21													
	(1)	(2)	(3)	(4)=(1+2+3)	(5)	(6)	(7)	(8)=(5+6+7)	(9)	(10)	(11)	(12)=(9+10+11)	(13)=(4-8-12)	(14)=(1-5-9)				
LAND																		
i) Land Freehold	50.97	83.17	-	134.14	-	-	-	-	-	-	-	-	134.14	50.97				
ii) Land ROU Asset	76.98	1.79	-	78.77	2.57	2.67	-	5.24	-	-	-	-	73.53	74.41				
BUILDINGS																		
i) RCC Frame Structure(other than factory)	164.00	99.58	(0.38)	263.21	16.02	3.57	(0.05)	19.54	-	-	-	-	243.67	147.96				
ii) Non RCC Frame Structure(other than factory)	154.59	7.16	(0.09)	161.66	12.87	4.98	(0.02)	17.83	-	-	-	-	143.83	141.72				
iii) FACTORY	342.78	7.01	(4.82)	344.98	71.68	15.12	(2.71)	84.09	6.08	-	-	6.08	254.80	265.02				
iv) Fences, Wells and Tube Wells	11.61	1.51	-	13.13	5.15	2.22	-	7.38	-	-	-	-	5.75	6.46				
v) Others(Temporary Structures)	6.63	3.32	-	9.95	3.62	1.99	-	5.61	-	-	-	-	4.35	3.02				
vi) ROU Assets	11.76	1.23	-	12.99	4.86	3.16	-	8.02	-	-	-	-	4.97	6.90				
BRIDGE,CULVERTS,BUNKERS etc	22.26	-	-	22.26	7.78	1.30	-	9.08	-	-	-	-	13.18	14.47				
ROADS																		
i) Carpeted Roads-RCC	9.47	0.53	-	10.00	5.22	0.59	-	5.81	-	-	-	-	4.19	4.25				
ii) Carpeted Roads-Other than RCC	8.09	0.38	-	8.47	3.30	0.94	-	4.25	-	-	-	-	4.22	4.79				
iii) Non Carpeted Road	0.73	-	-	0.73	0.32	0.04	-	0.36	-	-	-	-	0.37	0.41				
PLANT & MACHINERY																		
i) CONTINUOUS PROCESS PLANT/Refineries	2,538.42	67.99	(6.67)	2,599.74	815.16	208.28	(5.11)	1,018.34	25.16	-	-	25.16	1,556.24	1,698.10				
ii) Plant and Machinery-Other than Continuous Process Plant	207.21	12.33	(0.01)	219.53	80.54	14.60	-	95.14	10.69	-	-	10.69	113.70	115.98				
iii) Storage Tanks & Related Equipments	238.50	1.01	(0.80)	238.72	35.03	8.98	(0.17)	43.84	9.33	-	-	9.33	185.55	194.15				
iv) Plant & Machinery(Captive Power Plants)	192.06	0.28	-	192.33	26.57	5.78	-	32.36	-	-	-	-	159.98	165.48				
v) Plant & Machinery Used in Medical and Surgical	7.03	1.18	-	8.21	2.28	0.58	-	2.86	-	-	-	-	5.35	4.75				
vi) Heavy Lift Equipment	20.18	15.63	-	35.81	3.81	1.32	-	5.14	1.32	-	-	-	30.67	16.37				
vii) ROU Assets	-	26.68	-	26.68	12.05	-	-	12.05	-	-	-	-	14.63	-				
RAILWAY SIDING	23.73	-	-	23.73	16.59	1.31	-	17.90	-	-	-	-	5.83	7.14				
FURNITURE																		
i) FURNITURE - GENERAL	9.67	3.63	-	13.30	4.32	0.99	-	5.31	-	-	-	-	7.99	5.35				
ii) FURNITURE - Others	4.29	0.24	-	4.53	2.53	0.39	-	2.93	-	-	-	-	1.60	1.76				
iii) FOH-to Employees	9.61	2.37	(0.08)	11.89	4.53	2.00	(0.04)	6.48	-	-	-	-	5.41	5.08				
OFFICE EQUIPMENTS																		
i) Office Equipments-General	17.21	5.07	(0.06)	22.21	10.51	2.24	(0.05)	12.70	-	-	-	-	9.52	6.70				
ii) Mobile on Hire-to Employees	0.74	0.34	(0.31)	0.77	0.33	0.36	(0.28)	0.42	-	-	-	-	0.36	0.41				
COMPUTERS AND DATA PROCESSING UNITS																		
i) Servers and Network	41.73	9.17	-	50.89	19.46	5.67	-	25.13	-	-	-	-	25.77	22.27				
ii) End User Devices-Desktop,Laptops,Printers etc	13.31	4.62	(1.05)	16.88	7.52	3.16	(0.98)	9.71	-	-	-	-	7.17	5.79				
iii) PC on Hire-to Employees	2.27	0.73	(0.25)	2.75	0.85	0.75	(0.21)	1.40	-	-	-	-	1.35	1.42				
ELECTRICAL EQUIPMENTS	79.00	28.28	-	107.28	34.08	7.58	-	41.66	-	-	-	-	65.61	44.92				

Notes to Financial Statements for the year ended 31st March 2022

2 Property, plant and equipment (contd.)

₹ in Crore

	Gross Block				Depreciation			Impairment		Net Carrying Amount	
	As at	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
	01-Apr-21			31-Mar-22	31-Mar-21			31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
LABORATORY EQUIPMENT	19.99	2.53		22.52	8.09	2.11	-	10.20	-	12.32	11.90
VEHICLES											
i) Motor Cycles, Scooters & Other Mopeds	0.13	0.00		0.13	0.11	0.01		0.12	-	-	0.02
ii) Motor Buses, Motor Lorries, motor cars and motor taxis	3.90	1.04	(0.08)	4.86	1.19	0.52	(0.05)	1.65	-	-	2.71
iii) TRUCKS / HEAVY VEHICLES,Harvesting Combines	10.86	3.75	(0.01)	14.61	4.16	1.40	-	5.56	-	-	6.70
iv) Electrically Operated Vehicles	1.20	0.15		1.35	0.81	0.15	-	0.95	-	-	0.39
Total	4,300.91	392.70	(14.62)	4,679.00	1,211.88	316.83	(9.67)	1,519.04	51.26	3,108.69	3,037.75
Previous Year Figures	3,949.18	392.90	(41.16)	4,300.91	920.32	294.46	(2.89)	1,211.88	-	51.26	3,028.86

Additional Information in Respect of Note No 2

- Total freehold land held by NRL is 1775.18 acres (1574.45 acres) which includes 336.53 acres (137.67 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 (40.99 acre) is given on lease to joint venture Assam Bio Refinery (P) Ltd.
- Charge has been created first ranking pari passu and hypothecation of plant and equipment (both present and future) in regard to borrowings [Refer Note No 23]
- Deduction from Gross Block (Column 3) includes :
 - ₹0.01 Crore (₹0.25 Crore) on account of Write off of Physical Verification discrepancies.
 - ₹14.61 Crore (₹40.91 Crore) on account of sale, retirement, deletions and reclassifications.
- Depreciation for the year (column 6) includes :
 - Charged to Profit & Loss Account ₹312.55 Crore (₹291.60 Crore)
 - Charged to project expenses ₹4.22 Crore (₹2.86 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 ₹4.95 Crore (₹1.28 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 ₹0.29 Crore (₹0.32 Crore) for the year.
- Deduction from Depreciation (Column 7) includes:
 - Withdrawal of depreciation of ₹9.66 Crore (₹2.77 Crore) on account of sale, deletions, retirement & reclassification.
 - ₹0.01 crore (₹0.12 Crore) on account of write off of Physical Verification discrepancies.
- 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 2022

Additional Information in Respect of Note No 2 (contd.)

g) Details of Immovable Property where title deeds are not held in name of the Company

Relevant Items in the Balance Sheet	Description of Items of Property	Gross Carrying Value (₹)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative# of promoter*/ director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
PPE	Land	79,58,84,740.00	Ms Mouchak Agro LLP Ltd.	No	17.03.2022	Registration Pending
PPE	Land	66,49,000.00	Ila Phukan	No	12.09.2017	Registration Pending
PPE	Land	39,04,000.00	Pradip Phukan	No	12.09.2017	Registration Pending
PPE	Land	20,13,000.00	Monuj Phukan	No	12.09.2017	Registration Pending
PPE	Land	69,54,000.00	Jeen Gogoi	No	12.09.2017	Registration Pending
PPE	Land	87,84,000.00	Prova Konwar	No	12.09.2017	Registration Pending
PPE	Land	1,08,00,000.00	Porag Boruah	No	12.09.2017	Registration Pending
PPE	Land	1,89,00,000.00	Biplobee Boruah	No	12.09.2017	Registration Pending

Notes to Financial Statements for the year ended 31st March 2022

3 Capital work in progress

Particulars	₹ in Crore	
	31-Mar-22	31-Mar-21
Capital work in progress		
Opening Work-in-progress	733.77	309.02
Addition during the year	3,264.57	815.74
Less : Allocated to Assets during the year	363.00	390.99
	3,635.34	733.77
Less : Provision for Capital WIP Losses	(27.97)	(21.86)
	3,607.37	711.91
Capital Stores	16.33	13.45
Capital goods in transit	134.59	0.57
	3,758.29	725.93
Construction period expenses pending allocation		
Opening balance	34.18	20.43
Add: Expenditure during the period		
Travel, Establishment etc	28.14	21.02
Depreciation	4.22	2.85
Finance Cost *	7.34	0.09
	73.88	44.39
Less : Allocated to assets during the year	0.89	10.21
Closing balance pending allocation	72.99	34.18
Total	3,831.28	760.11

*Includes borrowing cost of ₹7.21 Crore on Term Loan

Capital work in progress ageing schedule for the year ended March 31,2022 and March 31, 2021 is as follows:

Particulars	₹ in Crore				
	Amount of CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project in Progress	3,230.17	462.44	100.65	38.02	3,831.28
	536.41	83.31	140.39	-	760.11
Total Capital work-in- progress	3,230.17	462.44	100.65	38.02	3,831.28
	536.41	83.31	140.39	-	760.11

For capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan the project wise details of when the project is expected to be completed is given below as of March 31, 2022 and March 31, 2021:

Particulars	₹ in Crore				
	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project in progress					
India Bangladesh Friendship Pipeline	71.44	-	-	-	71.44
	-	37.51	-	-	37.51
Total Capital work-in- progress	71.44	-	-	-	71.44
	-	37.51	-	-	37.51

Notes to Financial Statements for the year ended 31st March 2022

4 Investment Property

₹ in Crore

Particulars	Gross Block				Deprecation				Net Carrying Amount	
	As at	Addition	Disposal/ adjustments	As at	Upto	Addition	Disposal/ adjustments	Upto	As at	As at
	01-Apr-21			31-Mar-22	31-Mar-21			31-Mar-22	31-Mar-22	31-Mar-21
Land	34.41	0.07	-	34.48	-	-	-	-	34.48	34.41
Total	34.41	0.07	-	34.48	-	-	-	-	34.48	34.41
Previous Year Figures	32.66	1.75	-	34.41	-	-	-	-	34.41	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	2021-22	2020-21
Rental Income derived from Investment Properties	2.48	2.43
Less : Depreciation	-	-
Profit arising from investment Properties before other direct expenses	2.48	2.43

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

As at 31st March 2022 and 31st March 2021, the fair values of the property are ₹48.34 Crore and ₹45.56 Crore respectively. These fair values of the investment property are categorised as Level 2 in the fair valuation hierarchy and has 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.

5 Other Intangible Assets

₹ in Crore

Particulars	Useful Life (No. of Years)	Gross Block				Amortisation				Net Carrying Amount	
		As at	Addition	Disposal/ adjustments	As at	Upto	Addition	Disposal/ adjustments	Upto	As at	As at
		01-Apr-21			31-Mar-22	31-Mar-21			31-Mar-22	31-Mar-22	31-Mar-21
Right of Use	Indefinite	75.90	36.60	-	112.50	-	-	-	-	112.50	75.90
Software/Licenses	Upto 5	31.70	28.49	(2.40)	57.79	11.29	7.97	0.63	18.62	39.17	20.41
Total		107.60	65.09	(2.40)	170.29	11.29	7.97	(0.63)	18.62	151.67	96.31
Previous Figure		20.49	87.11	-	107.60	6.79	4.50	-	11.29	96.31	13.70

Notes to Financial Statements for the year ended 31st March 2022

6 Intangible Assets Under Development

₹ in Crore

Particulars	31-Mar-22	31-Mar-21
Intangible Assets Under Development		
Opening Work-in-progress	1.03	-
Addition during the year	4.16	1.03
Less : Allocated to Intangible Assets during the year	-	-
Less : Transfer to Statement of Profit and Loss	-	-
	5.19	1.03
Less : Provision for Losses	-	-
	5.19	1.03

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

Intangible Assets under Development ageing schedule for the year ended March 31,2022 and March 31, 2021 is as follows :

₹ in Crore

Particulars	Amount of Intangible Assets Under Development for a period of				
	Less Than 1 year	1-2 Years	2-3 Years	More Than 3 years	Total
Project in Progress	4.16	1.03	-	-	5.19
	1.03	-	-	-	1.03

7 Investment in Joint venture and Associates

₹ in Crore

Particulars	31-Mar-22	31-Mar-21
Investment in Joint Ventures (Unquoted)		
DNP Limited #	43.49	43.49
Assam Bio Refinery Pvt. Ltd. **	138.47	123.92
Fair Valuation of Shareholder Loan	20.08	-
Indradhanush Gas Grid Ltd. ***	85.00	61.00
Investment in Associates (Unquoted)		
Brahmaputra Cracker and Polymer Ltd. ##	141.77	141.77
Fair valuation of Financial Guarantee Commission	3.72	3.52
	432.53	373.71

	31-Mar-22		31-Mar-21	
	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.	13,84,67,078	10	12,39,24,405	10
Indradhanush Gas Grid Ltd.	8,50,00,000	10	6,10,00,000	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 Pvt. Ltd. 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 Pvt. Ltd.

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

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

Notes to Financial Statements for the year ended 31st March 2022

8 Loans (Considered good unless otherwise stated)

₹ in Crore

Particulars	31-Mar-22	31-Mar-21
Loans to Joint Ventures (Unsecured)	175.11	-
Loans to employees including accrued interest (Secured) [Refer Note No 49 (b) and 50]	52.27	50.95
	227.38	50.95

9 Other Financial Assets

₹ in Crore

Particulars	31-Mar-22	31-Mar-21
Security and other deposits	2.31	1.94
	2.31	1.94

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

₹ in Crore

Particulars	31-Mar-22	31-Mar-21
Capital advances	113.31	41.07
Prepaid Employee cost	17.78	14.73
Prepaid expenses - Non current	166.02	-
	297.11	55.80

11 Inventories

₹ in Crore

Particulars	31-Mar-22	31-Mar-21
Raw Materials	858.92	245.23
Work-in-progress	615.83	347.37
Finished goods	1,429.37	1,244.53
Stock in transit	0.09	1.58
Consumables, Stores & Spares and others	262.87	249.11
Less: Provision for Losses	(104.45)	(114.98)
	3,062.63	1,972.84

12 Investments

₹ in Crore

Particulars	31-Mar-22	31-Mar-21
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

Notes to Financial Statements for the year ended 31st March 2022

13 Trade receivables

₹ in Crore

Particulars	31-Mar-22	31-Mar-21
Unsecured (unless otherwise stated)		
- Considered Good	1,045.69	1,257.21
- Significant increase in Credit Risk	-	-
-Credit Impaired	0.45	-
	1,046.14	1,257.21
Less : Provision for credit impaired	0.45	-
	1,045.69	1,257.21

Trade receivable ageing schedule for the year ended as on March 31, 2022 and March 31, 2021:

₹ in Crore

Particulars	Not Due	Outstanding for the following periods from due date of payment					Total
		Less than 6 months	6 months to 1 Year	1-2 Years	2-3 Years	More Than 3 Years	
Undisputed Trade receivable - considered good	1,045.68	-	0.01	-	-	-	1,045.69
	1,256.71	-	-	-	-	0.50	1,257.21
Undisputed Trade receivable - credit Impaired	-	-	-	-	-	0.45	0.45
	-	-	-	-	-	-	-
Disputed Trade receivable - considered good	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Disputed Trade receivable - credit impaired	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	1,045.68	-	0.01	-	-	0.45	1,046.14
	1,256.71	-	-	-	-	0.50	1,257.21
Less : Allowances for credit loss	-	-	-	-	-	0.45	0.45
	-	-	-	-	-	-	-
Total Trade Receivable	1,045.68	-	0.01	-	-	-	1,045.69
	1,256.71	-	-	-	-	0.50	1,257.21

14 Cash and cash equivalents

₹ in Crore

Particulars	31-Mar-22	31-Mar-21
Cash on hand	0.01	0.01
Balances with Banks		
On Current Accounts	2.06	10.68
On Deposit Accounts with original maturity of less than 3 months	173.34	-
	175.41	10.69

15 Bank Balances Other than Cash and Cash Equivalent

₹ in Crore

Particulars	31-Mar-22	31-Mar-21
Demand deposits with banks with original maturity of 3-12 months *	10.00	-
Other earmarked balances with bank #	17.15	10.87
	27.15	10.87

* Demand deposit of ₹10.00 crore hypothecated with State Bank of India as security for Overdraft facility.

includes an amount of ₹16.18 Crore (2020-21 : ₹10.63 Crore) received from Ministry of External Affairs for construction of Bangladesh Portion of India Bangladesh Friendship Pipeline. NRL is the implementor of the project.[Refer Note No 17]

Notes to Financial Statements for the year ended 31st March 2022

16 Loans & Advances (Considered good unless otherwise stated) ₹ in Crore

Particulars	31-Mar-22	31-Mar-21
Loans to employees including accrued interest (Secured) [Refer note no 49 (b) and 50]	6.00	5.62
Other Advances		
Considered good	23.73	29.32
Considered doubtful	0.65	0.74
Less: Provision for doubtful advances	(0.65)	(0.74)
	29.73	34.94

17 Other financial assets ₹ in Crore

Particulars	31-Mar-22	31-Mar-21
Interest accrued on Bank Deposits etc.	0.23	6.41
Post Retirement Medical Benefit	-	10.61
Other Receivables*		
Considered good	15.09	19.99
Considered doubtful	0.20	0.10
Less : Provision for credit impaired	(0.20)	(0.10)
Security and other deposits	8.05	7.44
	23.37	44.45

*Other Receivable include an amount of ₹2.75 Crore from Ministry of External Affairs for construction of Bangladesh Portion of India Bangladesh Friendship Pipeline. NRL is the implementor of the project [Refer Note No 15]

18 Current tax Assets (Net) ₹ in Crore

Particulars	31-Mar-22	31-Mar-21
Advance payment of Income Tax (net of provision)	129.57	129.50
	129.57	129.50

19 Other current assets ₹ in Crore

Particulars	31-Mar-22	31-Mar-21
Recoverable from Customs, Excise, etc.	39.96	34.63
Claims :		
Considered Good	0.58	0.47
Considered doubtful	0.07	0.07
Less: Provision for doubtful claims	(0.07)	(0.07)
Prepaid expenses - current	82.66	2.75
Prepaid employee cost - current	1.46	1.19
Gold coins *	0.25	0.25
	124.92	39.29

* 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.

Notes to Financial Statements for the year ended 31st March 2022

20 Assets held for sale

₹ in Crore

Particulars	31-Mar-22	31-Mar-21
Asset Held for sale *	1.27	0.99
Less: Provision against assets held for sale	(0.27)	(0.27)
	1.00	0.72

*Non current assets held for sale consists of items such as Plant and Machinery, Buildings, Land, Boundary walls etc. which have been identified for disposal. The aforesaid assets includes Land which has been held for disposal for last few years, but due to certain procedural reasons beyond the control of management, the actual sale could not be crystallised.

21 Equity share capital

₹ in Crore

Particulars	31-Mar-22	31-Mar-21
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

	31-Mar-22		31-Mar-21	
Equity Shares	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 Annual 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

	31-Mar-22	31-Mar-21
Oil India Limited (with Nominees) 51,22,20,385 (previous year 58,97,01,131) equity shares of ₹10 each fully paid	512.22	589.70

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

	31-Mar-22		31-Mar-21	
	Number	% of Holding	Number	% of Holding
Name of Shareholder				
Oil India Limited	51,22,20,385	69.63%	58,97,01,131	80.16%
Governor of Assam	19,12,64,202	26.00%	11,37,83,456	15.47%

Notes to Financial Statements for the year ended 31st March 2022

g. Shares held by promoters at March 31, 2022

Promoter name	No of shares	% of total shares	% change during the year
Oil India Limited	51,22,20,385	69.63%	-10.53%
Governor of Assam	19,12,64,202	26.00%	10.53%

22 Other Equity

	₹ in Crore	
Particulars	31-Mar-22	31-Mar-21
Reserves and Surplus		
Capital Reserve		
As per last account	100.00	100.00
General reserve		
As per last account	4,759.40	4,467.75
Add: Transfer from Statement of Profit and Loss	2,424.23	291.65
	7,183.63	4,759.40
Surplus/ (Deficit) in the Statement of Profit and Loss		
As per last Account	1.00	1.00
Add: profit/(loss) for the year	3,527.67	3,050.27
Less: Interim Dividend paid	(735.63)	(2,758.62)
Less: Transfer to General Reserve	(2,424.23)	(291.65)
	368.81	1.00
	7,652.44	4,860.40

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.

Proposed Dividend on Equity Shares not recognised	2021-22	2020-21
Final Dividend for the year ended ₹5 per share (Previous year : ₹NIL per share)	367.81	-
Total	367.81	-

23 Borrowings

Particulars	31-Mar-22	31-Mar-21
Term Loan Secured *	949.64	-
	949.64	-

* Availled towards expansion of Refinery capacity

The Company has entered into a Rupee Term Loan facility for ₹18,904 Crore with a consortium of twelve Indian Banks on 30.12.21 for expansion of its Refinery capacity. The applicable interest rate on term loan is linked to SBI 6 months MCLR. The repayment schedule of the term loan is in 44 equal quarterly installments which shall start from 31.12.26. There has been no default in payment of interest on term loan. Security on assets of the company has been created on 30.12.21 by executing the deed of hypothecation. The necessary charge documents have been filed with the Registrar of Companies, Guwahati.

Further the company has also executed the indenture of mortgage by way of first charge on Plant, Property and Equipment of project towards perfection of security as per the provisions of the facility agreement. The indenture of mortgage has been adjudicated/registered on 30.12.21 and charge has also been registered with Registrar of Companies, Guwahati on 07.01.22.

Notes to Financial Statements for the year ended 31st March 2022

24 Lease Liabilities (Non -Current)

₹ in Crore

Particulars	31-Mar-22	31-Mar-21
Lease Liabilities	8.13	5.41
	8.13	5.41

25 Other financial liabilities

₹ in Crore

Particulars	31-Mar-22	31-Mar-21
Security / Earnest Money Deposits	1.24	0.69
	1.24	0.69

26 Provisions

₹ in Crore

Particulars	31-Mar-22	31-Mar-21
Resettlement Allowance	5.55	4.81
Employee Felicitation Scheme	2.53	2.38
Others	5.39	5.38
	13.47	12.57

27 Movement in deferred tax balances

₹ in Crore

Particulars	Net balance 1 st April 2021	Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	Acquired in business combinations	Other	Net	Deferred tax asset	Deferred tax liability 31 st March 2022
Deferred tax asset									
Employee Benefits	2.91	(1.38)	11.39				12.92	12.92	
Sec 43B of Income Tax Act	32.81	0.42					33.23	33.23	
PPE WDV	(302.28)	12.26					(290.02)		(290.02)
Other items DTA	0.46	(1.16)					(0.70)		(0.70)
Tax assets (Liabilities)	(266.10)	10.14	11.39	-	-	-	(244.57)	46.15	(290.72)

Movement in deferred tax balances

₹ in Crore

	Net balance 1 st April 2020	Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	Acquired in business combinations	Other	Net	Deferred tax asset	Deferred tax liability 31 st Mar 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					(302.28)		(302.28)
Other items DTA	0.63	(0.17)					0.46	0.46	
Tax assets (Liabilities)	(267.51)	6.18	(4.77)	-	-	-	(266.10)	36.18	(302.28)

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.

Notes to Financial Statements for the year ended 31st March 2022

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.

28 Borrowings

₹ in Crore

Particulars	31-Mar-22	31-Mar-21
Secured Working Capital Demand Loans from banks *	39.38	-
Cash Credit	1.83	0.45
Secured Overdraft #	9.00	-
Unsecured - Working Capital Demand Loans from banks	0.13	-
	50.34	0.45

*Working Capital Demand Loan from State Bank of India carries interest @ 4 % p.a. 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. 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.

#Secured Overdraft facility from State Bank of India carries interest @ 3.50% p.a. Term deposit of ₹10.00 Crore [Refer note no 15] hypothecated with State Bank of India as security for Overdraft facility.

29 Lease Liabilities

₹ in Crore

Particulars	31-Mar-22	31-Mar-21
Lease Liabilities	15.19	3.03
	15.19	3.03

30 Trade payables

₹ in Crore

Particulars	31-Mar-22	31-Mar-21
Total Outstanding dues of Micro Enterprises and Small Enterprises	10.69	15.39
Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises	1,746.10	1,229.51
	1,756.79	1,244.90

Notes to Financial Statements for the year ended 31st March 2022

The disclosure in respect of the amounts payable to Micro, Small and Medium Enterprises as at 31st March 2022 has been made in the financial statements based on information available with the company. Accordingly disclosure has been made below:

	31-Mar-22	31-Mar-21
Principal and interest amount remaining unpaid		
-Principal	10.69	15.39
- 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.	-	-

Trade payables ageing schedule for the year ended as on March 31, 2022 and March 31, 2021:

₹ in Crore

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Outstanding dues to Micro and Small Enterprise	10.69		-	-		10.69
	15.39		-	-		15.39
Others	1,027.22	408.70	178.12	42.58	89.48	1,746.10
	718.95	351.47	36.23	32.86	90.00	1,229.51
Total Trade Payables	1,037.91	408.70	178.12	42.58	89.48	1,756.79
	734.34	351.47	36.23	32.86	90.00	1,244.90

₹ in Crore

Relationship with struck off companies				
Name of struck off company	Nature of Transaction	Transaction during FY 2021-22	Balance Outstanding as at 31/03/22	Relationship with the struck off company
Fine Filters Pvt. Ltd. *	Payables	0.00	-	Vendor
Roto Pumps Limited	Payables	0.36	-	Vendor
Ambat Iconcranes Pvt Ltd	Payables	1.63	-	Vendor
Wild Grass Resort	Payables	0.02	-	Vendor
Bennett Coleman & Co Ltd. *	Payables	0.02	0.00	Vendor
Ocean Star Diving Services (P) Ltd.	Payables	0.16	-	Vendor
Health City, Guwahati	Payables	0.54	-	Vendor
Veteran Facility Management Service (P) Ltd.	Payables	0.16	-	Vendor
* Less than ₹50,000				

Notes to Financial Statements for the year ended 31st March 2022

Name of struck off company	Nature of Transaction	Transaction during FY 2020-21	Balance Outstanding as at 31/03/21	Relationship with the struck off company
Godrej & Boyce Mfg. Co. Ltd. *	Payables	0.00	-	Vendor
Reliance Fabrications Pvt. Ltd	Payables	0.02	-	Vendor
EFCO Maschinenbau India Pvt. Ltd.	Payables	0.01	-	Vendor
Aqseptence Group India Private Limited	Payables	0.01	-	Vendor
Phoenix Machines (P) Ltd. *	Payables	0.00	-	Vendor
Wild Grass Resort	Payables	0.09	-	Vendor
Bennett Coleman & Co Ltd.	Payables	0.02	-	Vendor
Ocean Star Diving Services (P) Ltd.	Payables	1.27	-	Vendor
Health City, Guwahati	Payables	0.07	-	Vendor
* Less than ₹50,000				

31 Other financial liabilities

₹ in Crore

Particulars	31-Mar-22	31-Mar-21
Interest accrued but not due on borrowings	0.28	-
Security / Earnest Money Deposits	283.23	125.86
Deposit From Customers	15.05	12.31
Employee Related Liability	84.83	66.13
Other Liabilities (including creditors for capital expenditure and others)	203.76	264.89
	587.15	469.21

32 Other current liabilities

₹ in Crore

Particulars	31-Mar-22	31-Mar-21
Advances from Customers	79.59	39.23
Statutory Liabilities	166.16	324.11
Others	1.68	0.46
	247.43	363.80

33 Provisions

₹ in Crore

Particulars	31-Mar-22	31-Mar-21
Gratuity	0.67	0.60
Leave Encashment	13.61	12.48
Resettlement Allowance	0.29	0.24
Post Retirement Medical Benefit	38.96	-
Employee Felicitation Scheme	0.02	0.02
Others (including provision on matters under litigation)	35.56	65.51
	89.11	78.86

Notes to Financial Statements for the year ended 31st March 2022

34 Current Tax Liabilities (Net)

₹ in Crore

Particulars	31-Mar-22	31-Mar-21
Current Tax liabilities (net of Tax paid)	358.98	79.79
	358.98	79.79

Current Tax Liabilities includes an amount of ₹274.28 crore (Previous Year : NIL) towards liability against refund received by the Company arising out of an order from ITAT that is being contested by the Income Tax Department in higher forum. Refer Note No 61.

35 Revenue from Operations

₹ in Crore

Particulars	2021-22	2020-21
A. Sales		
Petroleum Products #	23,545.80	18,548.38
B. Other operating revenue	1.21	1.41
Total	23,547.01	18,549.79

Sales of petroleum products includes applicable excise duty benefit. Financial impact for the current year is ₹4,175.75 crore (FY 2020-21 : ₹4,882.66 Crore).

36 Other Income

₹ in Crore

Particulars	2021-22	2020-21
Interest Income		
On Bank Deposits	4.23	16.32
On Instruments measured at amortised cost	6.02	16.34
Others	8.76	9.11
Dividend Income		
Dividend Income - Joint Ventures and Associates	24.81	4.09
Profit/(Loss) on sale of current investments	2.23	7.91
Write back of liabilities/provisions no longer required	44.66	16.31
Other non operating income	28.81	22.51
Guarantee commission	0.20	0.36
Total	119.72	92.94

37 Cost of materials consumed

₹ in Crore

Particulars	2021-22	2020-21
Raw Material Stocks at the Commencement of the Year	245.23	270.55
Add : Purchases	13,055.51	7,770.10
	13,300.74	8,040.65
Less: Raw Material Stocks at the Close of the Year	858.92	245.23
Total Cost of Raw Material Consumed	12,441.82	7,795.42
Details of raw material consumed		
Crude Oil	11,583.81	6,980.17
MTBE, Reformate, Py. Gas, Naphtha & Octane Booster	712.80	687.96
Natural Gas	145.21	127.29
	12,441.82	7,795.42

Notes to Financial Statements for the year ended 31st March 2022

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

₹ in Crore

Particulars	2021-22	2020-21
Opening Stock :		
Finished Goods	1,244.54	1,083.47
Work In Progress	347.37	286.20
	1,591.91	1,369.67
Closing Stock :		
Finished Goods	1,429.37	1,244.54
Work In Progress	615.83	347.37
	2,045.20	1,591.91
Changes in inventories of finished goods and work in progress	(453.29)	(222.23)

39 Employee benefit expense

₹ in Crore

Particulars	2021-22	2020-21
Salaries and wages	247.81	250.81
Contribution to provident fund and other funds	42.23	31.89
Staff Welfare expenses	61.64	61.80
Employee benefit expense	351.68	344.50

40 Finance Costs

₹ in Crore

Particulars	2021-22	2020-21
Interest expense on loans	1.83	0.29
Interest expense others	2.09	8.18
Finance Costs	3.92	8.47

41 Depreciation, Amortisation and Impairment

₹ in Crore

Particulars	2021-22	2020-21
Depreciation	312.55	291.60
Amortization	7.97	4.50
Impairment of Assets	-	51.26
Depreciation, Amortisation and Impairment Expense	320.52	347.36

42 Other Expenses

₹ in Crore

Particulars	2021-22	2020-21
Transportation	175.19	196.88
Other Duties and taxes	183.79	182.90
Repairs and Maintenance	173.70	139.51
Power and Fuel consumed		
Power and Fuel	178.90	179.17
Less: Consumption of fuel out of own production	(4.04)	(5.51)
Sub-Total	174.86	173.66

Notes to Financial Statements for the year ended 31st March 2022

Particulars	2021-22	2020-21
Stores, spares and materials	29.09	25.79
Office Administration, Selling and Other expenses		
Rent /Lease	1.41	1.45
Insurance	38.54	25.99
Rates and taxes	2.13	1.88
Bank Charges	0.52	0.74
Utilities	13.67	22.53
Communication expenses	1.67	1.45
Travelling and conveyance	20.18	18.21
Remuneration to auditors		
Audit Fees	0.09	0.09
Fees for other services - Certification	0.06	0.09
Reimbursement of out of pocket expenses	0.01	0.00
Sub-Total	0.16	0.18
Loss on sale/write off of Property Plant and Equipment (net)	4.93	0.77
Provision for Stores	-	14.37
Expenses on CSR activities	74.14	28.00
Foreign Exchange Fluctuations (net)	2.83	0.62
Provision Against Capital Work in Progress	6.11	0.10
Provision for Doubtful Debts, Advances and Claims	0.47	-
Bad debts and claims written off	0.01	0.03
Provision for Litigation cases	-	58.40
Charity and donation	5.00	-
Others	118.87	108.46
	1,027.27	1,001.92

43 Tax Expense

(a) Amounts recognised in statement of profit and loss

₹ in Crore

	2021-22	2020-21
Current tax expense	1,296.43	1,053.05
Current year	1,279.36	1,073.92
Changes in estimates relating to prior years	17.07	(20.87)
Deferred tax expense	(10.14)	(6.18)
Origination and reversal of temporary differences	(10.14)	(6.18)
Tax expense recognised in the income statement	1,286.29	1,046.87

(b) Amounts recognised in other comprehensive income

₹ in Crore

	Before tax	2021-22 Tax (expense) benefit	Net of tax	Before tax	2020-21 Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or loss						
Re-measurements of the defined benefit plans	(45.28)	11.39	(33.89)	18.94	(4.77)	14.17
	(45.28)	11.39	(33.89)	18.94	(4.77)	14.17

Notes to Financial Statements for the year ended 31st March 2022

(c) Reconciliation of effective tax rate

₹ in Crore

	2021-22		2020-21	
	%	₹ in Crore	%	₹ in Crore
Profit before tax		4,847.85		4,082.98
Tax using the Company's domestic tax rate	25.168%	1,220.10	25.168%	1,027.60
Tax effect of:				
Provision for CSR expenditure	0.38%	18.66	0.17%	7.05
Provision for CWIP & Stores	-0.02%	(1.11)	0.09%	3.64
Income Tax interest provision	0.16%	7.66	0.20%	8.25
Changes in tax estimates relating to prior years	0.35%	17.06	-0.51%	(20.87)
Others	0.49%	23.92	0.52%	21.20
Income Tax Expense	26.53%	1,286.29	25.64%	1,046.87

44 Other comprehensive income

₹ in Crore

Particulars	2021-22	2020-21
(i) Items that will not be reclassified to profit or loss		
Re-measurements of defined benefit liability (asset)	(45.28)	18.94
(ii) Income tax relating to items that will not be reclassified to profit or loss	11.39	(4.77)
	(33.89)	14.17

45 Earning Per Share (EPS)

i. Profit attributable to Equity holders of NRL

₹ in Crore

	2021-22	2020-21
Profit attributable to equity holders of the company for basic and diluted earnings per share	3,561.56	3,036.10

ii. Weighted average number of ordinary shares

	2021-22	2020-21
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 (₹)	48.42	41.27
Nominal value per share (₹)	10.00	10.00

Notes to Financial Statements for the year ended 31st March 2022

46 Leases

A. Leases as lessee

- a) The company has entered into lease arrangement such as Land, Office Premises, Guest House, Tanks 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 01-04-21	Additions	Reclassifications / Deductions On Account Of Retirement / Disposal	As at 31-03-22	Up to 31-03-21	For the Year	Reclassifications / Deductions On Account Of Retirement / Disposal	Up to 31-03-22	As at 31-03-22	As at 31-03-21
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1 Land	76.98	1.79	-	78.77	2.57	2.67	-	5.24	73.53	74.41
2 Buildings	11.76	1.23	-	12.99	4.86	3.16	-	8.02	4.97	6.90
3 Storage Tanks		26.68	-	26.68		12.05	-	12.05	14.63	-
Total	88.74	29.70	-	118.44	7.43	17.88	-	25.31	93.12	81.31
Previous Year	9.92	78.82	-	88.74	1.96	5.47	-	7.43	81.31	7.96

- b) The following expenses have been charged to Statement of Profit and Loss

₹ in Crore

Depreciation recognised	14.98
Interest on Lease Liabilities	1.79
Expenses relating to short term leases	1.31
c) Total Cash outflow for leases during the financial year	16.70
d) Maturity Analysis of Lease Liabilities as per Ind AS 116 "Leases"	

₹ in Crore

As at 31/03/22	Contractual Cash Flows				
	Upto 1 year	1-3 years	3-5 years	More than 5 years	Total
Undiscounted Cash outflows	15.65	7.13	1.29	2.18	26.25

B. Leases as a Lessor

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

31st March 2022

₹ in Crore

Sl No	Particulars	Land
1	Gross Carrying Amount	34.48
2	Accumulated Depreciation	-
3	Depreciation recognised in statement of Profit and Loss for the year ended	-

Notes to Financial Statements for the year ended 31st March 2022

i. Maturity Analysis of Lease payments receivable

The maturity analysis of lease payments receivable under operating leases for the year ending 31st March 2022 is as follows:

(₹ in Crore)

As at 31/03/2022	Within 1 year	1 - 2 years	2 - 3 years	3 - 4 years	4 - 5 years	> 5 years	Total
Undiscounted Lease Payments Receivable	2.53	2.58	2.64	2.69	2.74	76.20	89.38

47 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 2021-22 (₹/crs)	FY 2020-21 (₹/crs)
"Amount recognised in the Statement of Profit and Loss : Defined Contribution Scheme - Pension"	22.38	16.25

Defined Benefits Plan

The Company has the following Defined Benefit Plans:

Gratuity:

The Company has a defined benefit gratuity plan managed by a trust. The Trustees administer contributions made to the trust, investments thereof, etc. Based on actuarial valuation, the contribution is paid to the trust which is invested with LIC. Gratuity is paid to employee who has put in a minimum qualifying period of 5 years of continuous service, on superannuation, resignation, termination or to his nominee on death.

Other Defined Benefits:

These are :

- 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 longitivity risks, interest rate risk and market (investment) risk.

Notes to Financial Statements for the year ended 31st March 2022

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	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Defined Obligations at the beginning of the year	73.94	70.77	77.04	84.58	5.05	4.73	2.40	2.22
Interest Cost	5.04	4.86	5.25	5.81	0.34	0.33	0.16	0.15
Current Service Cost	1.33	1.07	4.10	3.70	0.73	0.63	0.18	0.17
Past Service cost	-	-	-	-	-	-	-	-
(Gain)/Loss on curtailment	-	-	-	-	-	-	-	-
Benefits paid	(2.70)	(2.13)	(1.08)	(0.50)	(0.24)	(0.04)	(0.03)	(0.04)
Actuarial (Gains)/ Losses on Demographic Assumption	(0.19)	-	16.37	-	0.08	-	0.22	-
Actuarial (Gains)/ Losses on Financial Assumption	(2.62)	0.31	(12.92)	0.87	(0.21)	0.02	(0.21)	0.02
Actuarial (Gains)/ Losses on obligations Due to Experience	2.81	(0.95)	43.08	(17.42)	0.09	(0.62)	(0.16)	(0.12)
Defined Obligations at the end of the year	77.61	73.94	131.83	77.04	5.83	5.05	2.56	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	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Fair Value at the beginning of the Year	73.33	63.68	87.65	45.95	-	-	-	-
Expected Return	5.00	4.37	5.98	3.16	-	-	-	-
Actual return on Plan assets excluding Interest Income	0.70	(0.11)	0.33	1.17	-	-	-	-
Contribution by employer	0.60	7.52	-	37.88	-	-	-	-
Benefits paid	(2.70)	(2.13)	(1.08)	(0.50)	-	-	-	-
Fair Value of Plan Assets at the end of the year	76.94	73.33	92.88	87.65	-	-	-	-
Amount recognised in Balance Sheet (a-b)	0.67	0.61	38.95	(10.61)	5.83	5.05	2.56	2.40
Amount recognised in P&L								
Current Service Cost	1.33	1.07	4.10	3.70	0.73	0.63	0.18	0.17
Past Service cost	-	-	-	-	-	-	-	-
Interest Cost	0.04	0.49	(0.72)	2.65	0.34	0.33	0.16	0.15
Expenses for the period	1.38	1.56	3.37	6.35	1.08	0.95	0.34	0.32
Amount recognised in Other Comprehensive Income								
Actuarial (Gains)/ Losses on obligations for the period	(0.00)	(0.64)	46.53	(16.55)	(0.05)	(0.60)	(0.15)	(0.10)
Actual return on Plan assets excluding Interest Income	(0.70)	0.11	(0.33)	(1.17)	-	-	-	-
Net (Income)/ Expenses recognised in OCI	(0.71)	(0.52)	46.19	(17.71)	(0.05)	(0.60)	(0.15)	(0.10)

Major Actuarial Assumptions	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Discount Rate	7.23%	6.82%	7.23%	6.82%	7.23%	6.82%	7.23%	6.82%
Salary Escalation	8.00%	8.00%	-	-	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%	2.00%	2.00%
Expected Return on Plan Assets	7.23%	6.82%	7.23%	6.82%	N.A	N.A	N.A	N.A
Investment pattern for Fund as on 31.03.2022	Insured Fund		Insured Fund		Unfunded		Unfunded	

Notes to Financial Statements for the year ended 31st March 2022

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 31/03/2022	As at 31/03/2021	As at 31/03/2022	As at 31/03/2021
Category of Asset	%	%	%	%
Insurer Managed Funds	100	100	100	92
Others - Fixed Deposit in Nationalised Banks	-	-	-	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 31.03.2022 is as below:

₹ in Crore

Sensitivity analysis	Gratuity : Funded			
	31-Mar-22		31-Mar-21	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(5.84)	6.66	(5.87)	6.71
Future salary growth (1% movement)	1.01	(1.12)	1.24	(1.34)
Future Employee Turnover (1% movement)	2.46	(2.71)	1.91	(2.13)

₹ in Crore

Sensitivity analysis	PRMB : Funded			
	31-Mar-22		31-Mar-21	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(25.63)	34.63	(15.13)	20.49
Future salary growth (1% movement)	34.58	(25.79)	20.44	(15.22)
Future Benefit Cost inflation (1% Movement)	-	-	-	-
Future Employee Turnover (1% movement)	(13.17)	15.54	(8.07)	9.58

₹ in Crore

Sensitivity analysis	Resettlement Allowance : Non Funded			
	31-Mar-22		31-Mar-21	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(0.47)	0.54	(0.44)	0.50
Future salary growth (1% movement)	-	-	-	-
Future Benefit Cost inflation (1% Movement)	-	-	-	-
Future Employee Turnover (1% movement)	(0.52)	0.59	(0.48)	0.55

Sensitivity analysis	Employee Felicitation : Non Funded		Employee Felicitation : Non Funded	
	31-Mar-22		31-Mar-21	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(0.43)	0.55	(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.

Notes to Financial Statements for the year ended 31st March 2022

₹ 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	4.79	1.76	0.29	0.02
2 nd following year	3.15	1.77	0.05	0.03
3 rd following year	4.25	1.87	0.05	0.02
4 th following year	5.03	1.99	0.05	0.03
5 th following year	5.55	2.25	0.05	0.03
Years 6 to 10	47.56	10.59	0.44	0.23

Other details as at 31.03.2022

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	10	14
Prescribed contribution for next year (₹in Crore)	2.05	46.09	-	-

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-22	31-Mar-21
Total employee benefit liabilities		
Non-current	8.08	7.19
Current	39.94	0.87

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.

48. 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 2022	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									
Cash and cash equivalents	14	-	-	175.41	175.41	-	-	-	-
Bank Balances other than cash and cash equivalents	15	-	-	27.15	27.15	-	-	-	-
Loans - Non current	8	-	-	227.38	227.38	-	227.38	-	227.38
Loans - Current	16	-	-	29.73	29.73	-	9.00	-	9.00
Trade receivables	13	-	-	1,045.69	1,045.69	-	-	-	-

Notes to Financial Statements for the year ended 31st March 2022

As at 31 st March 2022	Note Ref.	Carrying amount				Fair value			
		Mandatorily at FVTPL	FVTOCI-designated as such	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Others- Current	17	-	-	23.37	23.37	-	-	-	-
		-	-	1,528.73	1,528.73	-	236.38	-	236.38
Financial liabilities									
Borrowings - Current	28	-	-	50.34	50.34	-	-	-	-
Borrowings - Non current	23	-	-	949.64	949.64	-	-	-	-
Trade and other payables	30	-	-	1,756.79	1,756.79	-	-	-	-
Other current liabilities	31	-	-	587.15	587.15	-	-	-	-
Other Non-Current financial liabilities	25	-	-	1.24	1.24	-	-	-	-
		-	-	3,345.16	3,345.16	-	-	-	-

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	12	17.64			17.64	17.64			17.64
Investment in Government of India Treasury Bills	11	-	-	190.68	190.68	-	-	-	-
Cash and cash equivalents	14	-	-	10.69	10.69	-	-	-	-
Bank Balances other than cash and cash equivalents	15	-	-	10.87	10.87	-	-	-	-
Loans - Non current	8	-	-	50.95	50.95	-	53.95	-	53.95
Loans - Current	16	-	-	34.94	34.94	-	5.62	-	5.62
Trade receivables	13	-	-	1,257.21	1,257.21	-	-	-	-
Others - Current	17	-	-	44.45	44.45	-	-	-	-
		17.64	-	1,599.79	1,617.43	17.64	59.57	-	77.21
Financial liabilities									
Borrowings - Current	28	-	-	0.45	0.45	-	-	-	-
Trade and other payables	30	-	-	1,244.90	1,244.90	-	-	-	-
Other current liabilities	31	-	-	469.21	469.21	-	-	-	-
Other Non-Current financial liabilities	25	-	-	0.69	0.69	-	-	-	-
		-	-	1,715.24	1,715.24	-	-	-	-

B. Measurement of fair values

Valuation techniques

Notes to Financial Statements for the year ended 31st March 2022

The following tables show the valuation techniques used in measuring Level 2 fair values, for financial instruments measured at fair value in the Balance Sheet.

Financial instruments measured at fair value

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Derivative instruments - forward exchange contracts	Forward pricing: The fair value is determined using quoted forward exchange rates at the reporting date.	Not applicable	Not applicable
Non current financial assets and liabilities measured at amortised cost	Discounted cash flows: The valuation model considers the present value of expected receipt/payment discounted using appropriate discounting rates.	Not applicable	Not applicable

C. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk

i. Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has established the Risk Steering Committee (the Committee), which is responsible for developing and monitoring the Company's risk management policies. The Committee reports annually to the Board of Directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its procedures, aims to maintain a disciplined and constructive control environment in which all the role holders 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,

Notes to Financial Statements for the year ended 31st March 2022

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, 2022, the Company's most significant customer accounted for ₹883.41 Crore of the trade and other receivables carrying amount (March 31, 2021 : ₹1,139.66 Crore).

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

₹ in Crore

As at 31 st March 2022	Gross carrying amount	Weighted average loss rate - range	Loss allowance
Neither past due nor impaired	1,045.23	-	-
Less than 90 days	-	-	-
More than 90 days	0.46	-	0.45
	1,045.69	0.04%	0.45

₹ in Crore

As at 31 st March 2021	Gross carrying amount	Weighted average loss rate - range	Loss allowance
Neither past due nor impaired	1,256.62	-	-
Less Than 90 days	-	-	-
More than 90 days	0.59	-	-
	1,257.21	-	-

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 ₹175.42 Crore at 31st March 2022 (31st March 2021 : ₹10.69 Crore). The cash and cash equivalents are held with bank with good credit.

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 and require impairment.

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 2022, the Company had working capital of ₹1,514.47 Crore, including cash and cash equivalents of ₹175.41 Crore and investments in term deposits (having original maturities of more than 3 months) of ₹10 Crore.

Notes to Financial Statements for the year ended 31st March 2022

As on 31st March 2021, the Company had working capital of ₹1,468.78 Crore, including cash and cash equivalents of ₹10.69 Crore.

Exposure to liquidity risk

₹ in Crore

2021-22	Carrying amount	Contractual cash flows				
		Total	Upto 1 year	1-3 years	3-5 years	More than 5 years
INR						
Non-derivative financial liabilities						
Term Loan	949.64	949.64	-	-	-	949.64
Short Term Borrowings	50.34	50.34	50.34	-	-	-
Trade payables	1,756.79	1,756.79	1,756.79	-	-	-
Other Non-Current financial liabilities	1.24	1.24	-	1.24	-	-
Other financial liabilities	587.15	587.15	587.15	-	-	-
Financial guarantee contracts*	-	-	-	-	-	-
Derivative financial liabilities						
Forward exchange contracts	-	-	-	-	-	-
<i>Inflows</i>	-	-	-	-	-	-
<i>Outflows</i>	-	-	-	-	-	-

₹ 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						
Term Loan	-	-	-	-	-	-
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	0.69	0.69	-	0.69	-	-
Other financial liabilities	469.21	469.21	469.21	-	-	-
Financial guarantee contracts*	28.25	28.25	28.25	-	-	-
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 repaid the entire loan against such the Guarantee was provided and hence, the Company does not have any present obligation for BCPL in relation to this Guarantee.

Notes to Financial Statements for the year ended 31st March 2022

iv. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. We are exposed to market risk primarily related to foreign exchange rate risk.

Currency risk

The Company is exposed to currency risk on account of its operating and financing activities. The functional currency of the Company is Indian Rupee. The exchange rate between the Indian Rupee and foreign currencies has changed substantially in recent periods and may continue to fluctuate substantially in the future. The Company uses derivative instruments, i.e., foreign exchange forward contracts to mitigate the risk of changes in foreign currency exchange rates.

Company do not use derivative financial instruments for trading or speculative purposes.

Exposure to currency risk

The currency profile of financial assets and financial liabilities as at 31st March 2022 and 31st March 2021 are as below:

₹ in Crore				
	Total	2021-22	2021-22	2021-22
		INR	USD	EURO
Financial assets				
Cash and cash equivalents	175.41	175.41	-	-
Bank Balances other than cash and cash equivalents	27.15	27.15	-	-
Loans - Non current	227.38	227.38	-	-
Loans - Current	29.73	29.73	-	-
Trade receivables	1,045.69	990.98	54.71	-
Other Non-current financial asset	2.31	2.31	-	-
Others - Current	23.37	23.37	-	-
Net exposure for assets	1,531.04	1,476.33	54.71	-
Financial liabilities				
Borrowings - Current	50.34	50.34	-	-
Borrowings - Non current	949.64	949.64	-	-
Trade and other payables	1,756.79	1,753.78	1.14	1.87
Others - Current	587.15	587.15	-	-
Others - Non-Current	1.24	1.24	-	-
	3,345.16	3,342.15	1.14	1.87
Less: Foreign Currency forward exchange contracts	-	-	-	-
Net exposure for liabilities	3,345.16	3,342.15	1.14	1.87
Net exposure (Assets - Liabilities)	(1,814.11)	(1,865.82)	53.57	(1.86)

Notes to Financial Statements for the year ended 31st March 2022

₹ in Crore

	Total	2020-21	2020-21	2020-21
		INR	USD	EURO
Financial assets				
Investment in Mutual Funds	17.64	17.64	-	-
Investment in Government of India Treasury Bills	190.68	190.68	-	-
Cash and cash equivalents	10.69	10.69	-	-
Bank Balances other than cash and cash equivalents	10.87	10.87	-	-
Loans - Non Current	50.95	50.95	-	-
Loans - Current	34.94	34.94	-	-
Trade receivables	1,257.21	1,221.09	36.12	-
Other Non-current financial asset	1.94	1.94	-	-
Others - Current financial assets	44.45	44.45	-	-
Net exposure for assets	1,619.37	1,583.24	36.12	-
Financial liabilities				
Borrowings - Current	0.45	0.45	-	-
Trade and other payables	1,244.90	1,208.77	25.30	10.83
Others - current	469.21	469.21	-	-
Other - Non-Current	0.69	0.69	-	-
	1,715.24	1,679.11	25.30	10.83
Less: Foreign Currency forward exchange contracts				
Net exposure for liabilities	1,715.24	1,679.11	25.30	10.83
Net exposure (Assets - Liabilities)	(95.88)	(95.87)	10.82	(10.83)

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against US dollars at 31st March 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
2021-22		
1% movement		
USD	(3.75)	3.75
EUR	(0.13)	0.13
	(3.88)	3.88

Notes to Financial Statements for the year ended 31st March 2022

	Profit or loss	
Effect in INR (before tax)	Strengthening	Weakening
2020-21		
1% movement		
USD	(0.65)	0.65
EUR	-	-
	(0.65)	0.65

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	
	2021-22	2020-21
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.	949.64	-
Financial liabilities - measured at amortised cost (Working capital loans from banks - Cash credit)	50.34	0.45
Total	999.98	0.45

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
2021-22		
Variable-rate instruments	-	-
Cash flow sensitivity (net)	-	-
2020-21		
Variable-rate instruments	-	-
Cash flow sensitivity (net)	-	-

Notes to Financial Statements for the year ended 31st March 2022

₹ in Crore

49 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

Holding Company

Oil India Limited

Joint Venture Company:

DNP Limited

Assam Bio Refinery Pvt. Ltd.

Indradhanush Gas Grid Ltd.

Associate Company

Brahmaputra Cracker and Polymer Limited

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 B.J. Phukan, Director (Technical) Appointed (w.e.f. 01.02.2017) and holding additional charge of Managing Director w.e.f. 01.02.22

Shri S.K. Barua, Managing Director (upto 31.01.2022)

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

Shri Hemanta Kr Sharmah, Company Secretary (upto 31.01.2022)

Shri Chiranjeeb Sharma, Company Secretary (w.e.f. 01.02.2022)

Shri Krishna Kumar Dwivedi, Director (representing Govt. of Assam - upto 30.03.2022)

Shri Rajendra Kumar Kureel, (representing Govt. of India - upto 11.03.2022)

Smt. Sneha Lata Kumar, Independent Director (upto 07.09.2020)

Shri Jaswant Singh Saini, Independent Director (upto 26.03.2022)

Shri Sylvanus Lamare, Independent Director (w.e.f. 16.07.2019)

Shri Gagann Jain, Independent Director (w.e.f. 28.07.2021)

Shri Sudip Pradhan, Independent Director (w.e.f. 18.11.2021)

Smt. Priyambada Kumari Keshri, Independent Director (w.e.f. 22.11.2021)

Notes to Financial Statements for the year ended 31st March 2022

Following are the related party transactions entered by the Company during the year:

₹ in Crore

	2021-22	2020-21
	Joint Venture/Joint Venture of Holding Companies:	Joint Venture/Joint Venture of Holding Companies:
Revenues and income		
Sale of goods	694.29	16,000.24
Dividend income received	24.81	4.09
Services given	21.71	25.55
Lease rental received	5.66	2.43
Costs and expenses		
Purchases of goods	8,375.80	5,069.70
Availing of services	259.71	285.84
Other operations		
Investment in equity shares	38.54	184.92
Loans given	169.92	-

b) Outstanding balance with related parties

₹ in Crore

	2021-22		2020-21	
	KMPs	Others	KMPs	Others
Loans given *	-	169.92	-	-
Percentage of the Loan to total Loans given	-	66.09%	-	-
Receivable at the year end	0.27	6.36	0.34	5.88
Payable at the year end	-	-	-	10.99

* Represents shareholder loan (unsecured) provided to JV company Assam Bio Refinery (P) Ltd.

The company has not provided/taken any loan from promoter group.

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-22	31-Mar-21
Short-term employee benefits	2.00	1.96
Post-employee benefits	0.28	0.27
Total	2.28	2.23

Notes to Financial Statements for the year ended 31st March 2022

50 Dues from officers is ₹2.22 Crore (31st March 2021 : ₹1.68 Crore)

51 During the FY 2021-22, no provision has been made under employee benefit in respect of pay revision dues (including retiral dues) to employees (unionised staff) since settlement has taken place (previous year ₹16.97 Crore).

52 Contingent Liabilities and Capital Commitments

₹ in Crore

	31-Mar-22	31-Mar-21
(a) Contingent Liabilities :		
Claims against the Company not acknowledged as debts :		
Excise matters	0.48	158.74
Entry Tax Matters	6.30	5.90
Claim by contractors Arbitration cases / Other extra claims on capital account	34.41	26.27
Others	1.49	1.49
(b) Capital Commitments :		
Estimated amount of contracts remaining to be executed on Capital account and not provided for	11,035.94	1,027.44
(c) Guarantees:		
i) Guarantees in favour of Oil Industry Development Board (OIDB) for long term loans for capital project extended to BCPL by OIDB"	-	28.25
ii) Bank Guarantee	34.21	57.93
(d) Letter of Credit	51.20	-

The Company currently does not have any Contingent Assets

53 In compliance of Ind AS 37 on "Provisions, Contingent Liabilities and Contingent Assets", the required information is as under:

₹ in Crore

Nature	Opening balance	Additions during the year	Utilisation during the year	Reversals during the year	Closing balance
Excise	39.68	0.12	12.74	26.94	0.12
VAT/ Sales Tax/ Entry Tax	1.48	1.58	-	1.48	1.58
Legal cases	23.81	16.61	0.33	7.09	33.00
Total	64.97	18.31	13.07	35.51	34.70
Previous year	26.78	58.40	-	20.21	64.97

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

Notes to Financial Statements for the year ended 31st March 2022

54 Disclosure in respect of Expenditure on Corporate Social Responsibility Activities

₹ in Crore

	2021-22	2020-21
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	59.05	52.80
c) Amount spent during the year (on purpose other than construction / acquisition of assets controlled by the company) *	74.14	28.00
d) Provision created for balance amount (Closing Provision)	-	-
e) Nature of CSR activities	Promoting education, Art and Culture, Health Care and rehabilitation, Environment Sustainability, COVID-19 relief and Rural Development projects.	

* Including payables of ₹1.10 Crore (Previous Year ₹1.02 Crore) as on 31.03.2022.

55 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 6.44% (31st March 2021: 6.08%).

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. The Company's adjusted net debt to equity ratio at 31st March 2022 was as follows:

₹ in Crore

	As at 31 st March 2022	As at 31 st March 2021
Total Liabilities	4,322.04	2,524.81
Less : Cash and Cash equivalent	175.41	10.69
Adjusted net debt	4,146.63	2,514.13
Total equity	8,388.07	5,596.03
Adjusted net debt to adjusted equity ratio	0.49	0.45

Notes to Financial Statements for the year ended 31st March 2022

56 Interest in Joint Operations

Name		Principal place of Business	Proportion of Ownership Interest	
			March 31, 2022	March 31, 2021
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.

57 Disclosure Relating to Exploration Activities

₹ in Crore

	March 31, 2022	March 31, 2021
(i) Assets		
-Intangible Assets Under Development	5.19	1.03
(ii) Liabilities		
-Provision	0.03	0.71
(iii) Income	-	-
(iv) Expenses		
- Exploration expenditure written off	6.54	4.81

58 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-22	31-Mar-21
I Revenue		
India	23,547.01	14,072.66
Other Countries	-	-
Total Revenue	23,547.01	14,072.66
II Non-current Assets *		
India	7,430.73	3,987.35
Other Countries	-	-
Total Non-current Assets	7,430.73	3,987.35

*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 ₹18,111.81 Crore (previous year - ₹16,048.58 Crore)

Notes to Financial Statements for the year ended 31st March 2022

59 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 there from are not likely to be material on settlement and are accounted as and when ascertained.

60 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 2022 ₹36.68 Crore (Previous Year ₹39.24 Crore)

61 Income Tax matter

Company has claimed deductions from taxable income for the financial year commencing from 2006-07 to 2012-13 on certain provisions related to its Refinery / Petroleum sector which was disallowed by the Income Tax assessing authority. Company appealed against said disallowance and subsequently received a favourable order from ITAT which is being contested by Income Tax department in higher forum. Considering that Income Tax department is in the process of filing an appeal on the same and that the matter is subject to legal interpretation, the refund received has been maintained as provision.

62 Research and Development Expenditure

₹ in Crore

Particulars	2021-22	2020-21
Revenue Expenditure	2.73	-

63 Additional Regulatory Information

The company is submitting quarterly statements of stocks/receivables and trade payables to banks and the same is in agreement with books of accounts.

64 Ratios

The following are analytical ratios for the year ended March 31, 2022 and March 31, 2021

₹ in Crore

Particulars	Numerator	Denominator	UOM	2021-22	2020-21	Variance
Current Ratio	Current Assets	Current Liabilities	Times	1.5	1.7	-10.1%
Debt Equity Ratio *	Total Debt	Shareholder's Equity	Times	0.1	0.0	
Debt Service Coverage Ratio #	Earnings available for debt service ^1	Debt Service^2	Times	166.8	978.8	-83.0%
Return on Equity Ratio	Net Profit after tax	Average Shareholder's Equity	Percentage	50.9%	55.7%	-8.6%
Inventory Turnover Ratio	Sales	Average Inventory^3	Times	9.4	9.9	-5.2%
Trade Receivable Turnover Ratio	Net Credit sales	Average Accounts Receivable^4	Times	20.4	18.9	8.1%
Trade Payable Turnover Ratio	Net Credit purchase	Average Trade Payables^5	Times	8.7	7.9	10.5%
Net Capital Turnover Ratio	Net Sales	Working Capital^6	Times	15.5	12.6	23.1%
Net Profit Ratio	Net Profit after tax	Net sales	Percentage	15.1%	16.4%	-7.6%
Return on Capital Employed ##	Earning before interest and taxes	Capital employed^7	Percentage	50.6%	69.7%	-27.4%
Return on Investment ###	Income from Investment	Investment	Percentage	40.7%	54.7%	-25.5%

Variation reason has been provided where the change in ratio is more than 25% as compare to ratio of the previous year.

* There were no borrowing in FY 2020-21.

Notes to Financial Statements for the year ended 31st March 2022

Company has availed term loan. However repayment schedule of principal amount has not yet started.

Capital employed includes borrowing for FY 2021-22 (FY 2020-21 : Nil)

Due to increase in Capex during FY 2021-22

^1 Net Profit after tax+ Depreciation and other amortisation+Interest+Loss on sale of fixed assets

^2 Interest and Lease Payments+Principal Repayments

^3 (Opening Inventory+Closing Inventory)/2

^4 (Opening Trade Receivable+Closing Trade Receivable)/2

^5 (Opening Trade Payable+Closing Trade Payable)/2

^6 Current Assets -Current Liabilities

^7 Tangible Net worth+Total Debt+Deferred Tax Liability

65 Previous year figures

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

Signature to Notes '1' to '65'

As per our attached report of even date

For R K P Associates

Chartered Accountants

ICAI FRN : 322473E

Sd/-

CA. Ravi Kumar Patwa

Partner

Membership No 056409

UDIN : 22056409AJIGFS4377

Place: Guwahati

Date : 20th May 2022

For and on behalf of the Board of Directors

Sd/-

B.J. Phukan

Director Technical and MD I/c

DIN : 07721895

Sd/-

Chiranjeeb Sharma

Company Secretary

Place: Guwahati

Date : 20th May 2022

Sd/-

Indranil Mittra

Director (Finance)

DIN : 06883068

ANNUAL REPORT
2021-22

NUMALIGARH
REFINERY
LIMITED

A GOVERNMENT OF INDIA ENTERPRISE



INDEPENDENT AUDITORS' REPORT (CONSOLIDATED)



Independent Auditors' Report

To
The Members of
Numaligarh Refinery Limited
122A, G.S. Road, Christian Basti,
Guwahati – 781 005, Assam

Report on the Audit of the Consolidated Ind AS Financial Statements

1. Opinion

- A. 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 comprises the Consolidated Balance Sheet as at 31st March, 2022, the Consolidated Statement of Profit and Loss (including Consolidated Statement of Other Comprehensive Income), the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows for the year ended on that date, and notes to the Consolidated Financial Statements including a summary of Significant Accounting Policies and other explanatory information (hereinafter referred to as the "Consolidated Ind AS financial statements").
- B. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Ind AS Financial Statements 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2022 and their consolidated profit, their consolidated total comprehensive income, their consolidated changes in equity, and their consolidated cash flows for the year ended on that date.

2. Basis for Opinion

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing ("SA's") 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 Ind AS Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Consolidated Ind AS Financial Statements under the provisions of the Companies Act, 2013 and the Rules made 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 audit opinion on the consolidated Ind AS Financial statements.

3. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Ind AS Financial Statements of the current period. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated Ind AS financial statements.

Sl. No.	Key Audit Matter	Audit Response on Key Audit Matter
Key Audit Matters and Audit Response in relation to Numaligarh Refinery Limited:		
1.	<p>Capital Work in Progress</p> <p>The Company is in the process of executing expansion of project with capacity augmentation from present 3.0 Million Metric Tonnes Per Annum (MMTPA) to 9.0 MMTPA by installing 6.0 MMTPA capacity refinery & installation of associated crude oil terminals & pipeline. A cross country pipeline of around 1640 Km shall be laid from Paradip Port to Numaligarh for transporting 9.0 MMTPA of imported crude. The crude pipeline is planned to be routed through five states; namely Odisha, Jharkhand, Bihar, West Bengal and Assam. The project implementation activity was started after obtaining Environmental Clearance on 27th July 2020. Consent to Establish (CTE) approval for COIT has been received on 27th Jan 2021. EAC recommendation Ministry of Environment, Forest and Climate Change (MoEF) for Coastal Regulation Zone (CRZ) approval has been obtained on 19th May 2021. For this Refinery Capacity Expansion, the Company has entered into a Rupee Term Loan facility for ₹18,904 Crore with a consortium of 12 (twelve) Indian Banks on 30.12.2021. The applicable interest rate on term loan is linked to SBI 6 months MCLR. The repayment schedule of the term loan is in 44 equal quarterly instalments which shall start from 31.12.2026. Since these projects take a substantial period of time to get ready for intended use and due to their materiality in the context of the financial statements of the Company, this is considered to be an area which had the significant effect on the overall audit strategy and allocation of resources in planning and completing our audit.</p> <p>{Refer Note 3 & 23 of Consolidated Ind AS Financial Statements}</p>	<p>Our audit procedures include the following:</p> <ol style="list-style-type: none"> 1. We performed an understanding and evaluation of the system of internal control over the capital work in progress, with reference to identification and testing of key controls. 2. We assessed the progress of the project and the intention and ability of the management to carry forward and bring the asset to its state of intended use. 3. We have reviewed the accounting treatment for and related assumptions and estimations of the management for the said matters.
2.	<p>Loan To Joint Venture</p> <p>Numaligarh Refinery Limited has committed towards shareholders loan amounting to ₹261 crore for Bio Refinery project of Assam Bio Refinery Private Limited (ABRPL) based on the revised project cost from ₹1,259 crore to ₹1,750 crore.</p> <p>ABRPL has been sanctioned a Term loan of ₹1,225 Crore for constructing a Bio Refinery at Numaligarh to produce ethanol and other platform chemicals using bamboo as feedstock and a captive power plant along with other allied activities from Punjab National bank and further ABRPL had requested NRL to advance an unsecured loan (Shareholder's Loan) for an amount of ₹261 Crore and NRL being a shareholder of ABRPL has agreed to sanction unsecured loan for the same. However, in the event of ABRPL secures VGF funding amounting to ₹150 Crore from the Government as per National Policy on Bio Fuels 2018, requirement of shareholders loan will get reduced accordingly.</p> <p>NRL has disbursed ₹190 Crore during the period 2021-2022.</p> <p>{Refer Note 8 & 49(b) of Consolidated Ind AS Financial Statements}</p>	<p>Our audit procedures include the following:</p> <ol style="list-style-type: none"> 1. We performed testing of the arithmetical accuracy of the required fair value calculation of loan on test check basis and also validated the appropriateness of disclosure in this regard. 2. We have reviewed the terms of the sanction document. 3. We have reviewed the compliance to section 186 of the Companies Act, 2013 in this regard.

4. Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated Ind AS financial statements, standalone Ind AS financial statements and our auditor's report thereon. Such other information are expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated Ind AS 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 consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated Ind AS financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

5. Management's Responsibilities for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the other accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

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 of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 Ind AS 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 Ind AS financial statements, the respective Boards of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intend to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Boards of Directors of the Companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

6. Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

- A. Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS 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 Ind AS financial statements.

- B. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:
1. Identify and assess the risks of material misstatement of the consolidated Ind AS 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.
 2. 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.
 3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 4. 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 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 Ind AS 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 to cease to continue as a going concern.
 5. Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- C. Materiality is the magnitude of misstatements in the consolidated Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated Ind AS 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 Ind AS financial statements.
- D. We communicate with those charged with governance of the Company and such other entities included in the Consolidated Ind AS Financial statements of which we are 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.
- E. 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.
- F. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

7. Other Matter:

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. Indradhanush Gas Grid Ltd (IGGL) – Joint Venture Company;
4. Only in respect of the Associate Company-Brahmaputra Crackers and Polymers Limited (BCPL), we have been appointed as Statutory Auditors for the financial year ended 31st March, 2022 by the Comptroller & Auditor General of India. However, we are yet to issue our Report on the Audited Financial Statements.

The financial statements of above referred Joint Ventures and Associate companies reflect total assets of ₹ 8,558.89 Crore at 31st March, 2022, total revenues of ₹3,345.21 Crore and net cash flows amounting to (-) ₹690.79 Crore for the year ended on that date, as considered in the consolidated Ind AS financial statements.

The consolidated Ind AS financial statements also include the Group's share of net profit of ₹77.30 Crore for the year ended 31st March, 2022, as considered in the consolidated Ind AS financial statements, in respect of joint ventures and associate, whose financial statements have not been audited by us.

These financial statements are unaudited except of Indradhanush Gas Grid Ltd 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 Ind AS 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.

8. Report on Other Legal and Regulatory Requirements

1. 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:
 - b. 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 Ind AS financial statements;
 - c. In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept by the Company so far as appears from our examination of those books of the company;
 - d. The consolidated Balance Sheet, the consolidated Statement of Profit and Loss (including consolidated Statement of Other Comprehensive Income), consolidated Statement of Change in Equity, and consolidated Statement of Cash Flows 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 Ind AS financial statements ;
 - e. In our opinion the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended;

Pursuant to the Notification No. GSR 463(E) dated 5th June 2015 issued by the Ministry of Corporate Affairs, Government of India, provisions of sub-section (2) of Section 164 of the Companies Act, 2013, are not applicable to the Company, being a Government Company, and in case of joint ventures, relevant declaration from the respective directors of those companies are not available, hence we are unable to offer our comment on the same;

- f. With respect to the adequacy of the internal financial control over financial reporting of the Company and the operating effectiveness of such control, refer to our separate Report in “Annexure – A” to this report. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting. However, the said report does not cover the Company’s Joint Ventures & associate
- g. With respect to the other matters to be included in the Auditors’ Report in accordance with the requirements of section 197(16) of the Act, as amended:

We are informed that the provisions of section 197 read with Schedule V of the Act, relating to managerial remuneration are not applicable to the Company and its Joint Ventures and Associates incorporated in India, being Government Companies in terms of Ministry of Corporate Affairs Notification no G.S.R. 463(E) dated 5th June, 2015.

- h. 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, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the management certified financial statements/ information, as noted in other matters paragraph:

- i. The consolidated Ind AS financial statements disclose the impact of pending litigations as at 31st March 2022 on its consolidated financial position of the Company and its Joint Ventures and Associate. Refer Note 52 to the consolidated Ind AS financial statements;
- ii. The Company had not entered into any long-term contracts including derivative contracts for which there would have been any material foreseeable losses;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company & its Associates & Joint Ventures.
- iv. (a) The respective Managements of the Company and its associate which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or the associate to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or associate (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. In case of joint ventures, the relevant declaration from the respective management of those companies are not available, hence we are unable to offer our comment on the same;

(b) The respective Managements of the Company and its associate which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or the associate from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company or the associate shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. In case of joint ventures, the relevant declaration from the respective management of those companies are not available, hence we are unable to offer our comment on the same;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Company and its associate which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. As stated in Note 22 to the consolidated Ind AS financial statements
- (a) The company has declared and paid interim dividend during the financial year. The amount of dividend declared and paid is in accordance with section 123 of the Act, as applicable.

- (b) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.
2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its associate & joint ventures included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports. However, in respect of the following Joint Ventures viz. Assam Bio Refinery (P) Ltd. and DNP Limited, and associate company – Brahmaputra Cracker & Polymer Limited, CARO Reports have not been issued by the respective auditors till the date of issue of this report. Hence, we are unable to comment on the same.

FOR RKP ASSOCIATES
CHARTERED ACCOUNTANTS

Place: Guwahati

Date: 20th May 2022

Sd/-
(CA. RAVI KR. PATWA)
PARTNER
MRN. 056409
FRN. 322473E
UDIN – 22056409AJIMGA5435

ANNUAL REPORT
2021-22

NUMALIGARH
REFINERY
LIMITED

A GOVERNMENT OF INDIA ENTERPRISE



ANNEXURES TO INDEPENDENT
AUDITORS'
REPORT
(CONSOLIDATED)



Annexure- A to Independent Auditors' Report

(Referred to in Paragraph 1(e) under 'Report on Other Legal and Regulatory Requirements' section in the Independent Auditor's 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' 2022 in conjunction with our audit of the consolidated Ind AS financial statements of the Group for the year ended on the 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 Group 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 the 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.

Auditor's Responsibility:

Our responsibility is to express an opinion on the Group's internal financial controls over financial reporting, wherever applicable, based on our audit and audit report of the joint ventures and associates. 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, as specified under section 143(10) of the Companies Act, 2013, to the extent 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 auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial control systems 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 transaction 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 the 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 Group, its associate and joint ventures wherever applicable, 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 31st March' 2022, based on the internal control over financial reporting criteria established by the Group, its associate and joint ventures 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) 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 company.

However, in case of Indradhanush Gas Grid Ltd. (IGGL), our report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting is based on the corresponding report of the auditor of the said company.

Our opinion is not modified in respect of this matter.

FOR RKP ASSOCIATES
CHARTERED ACCOUNTANTS

Dated at Guwahati,
the 20th day of May' 2022

(CA. RAVI KR. PATWA)
PARTNER
MRN. 056409
FRN. 322473E
UDIN – 22056409AJIMGA5435

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 2022

The preparation of consolidated financial statements of Numaligarh Refinery Limited for the year ended 31 March 2022 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 20 May 2022.

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 2022 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 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 Auditor 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 the behalf of the
Comptroller & Auditor General of India

Place: Kolkata
Date: 27/7/2022

Sd/-
(Mausumi Ray Bhattacharyya)
Director General Audit (Mines)
Kolkata

Consolidated Balance Sheet as at 31st March 2022

₹ in Crore

Particulars	Note No.	31-Mar-22	31-Mar-21
(I) ASSETS			
1 Non-current assets			
(a) Property, Plant and Equipment	2	3,108.69	3,037.75
(b) Capital work in progress	3	3,831.28	760.11
(c) Investment Property	4	34.48	34.41
(d) Other Intangible assets	5	151.67	96.31
(e) Intangible Assets Under Development	6	5.19	1.03
(f) Investment accounted for using equity method	7	827.64	541.12
(g) Financial Assets			
(i) Loans	8	52.27	50.95
(ii) Other Financial Assets	9	2.31	1.94
(h) Other non-current assets	10	297.11	55.80
Total Non-current assets		8,310.64	4,579.42
2 Current assets			
(a) Inventories	11	3,062.63	1,972.84
(b) Financial Assets			
(i) Investments	12	-	208.32
(ii) Trade receivables	13	1,045.69	1,257.21
(iii) Cash and cash equivalents	14	175.42	10.69
(iv) Bank Balances other than (iii) above	15	27.15	10.87
(v) Loans	16	29.73	34.94
(vi) Other financial assets	17	23.37	44.45
(c) Current Tax Assets (Net)	18	129.57	129.50
(d) Other current assets	19	124.92	39.29
		4,618.48	3,708.11
Assets Held for Sale	20	1.00	0.72
Total Current assets		4,619.48	3,708.83
TOTAL ASSETS		12,930.12	8,288.25
(II) EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	21	735.63	735.63
(b) Other Equity	22	7,872.45	5,027.81
Total Equity		8,608.08	5,763.44

Consolidated Balance Sheet as at 31st March 2022 (contd.)

₹ in Crore

Particulars	Note No.	31-Mar-22	31-Mar-21
Liabilities			
1 Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	23	949.64	-
(ia) Lease Liabilities	24	8.13	5.41
(ii) Other financial liabilities	25	1.24	0.69
(b) Provisions	26	13.47	12.57
(c) Deferred tax liabilities (Net)	27	244.56	266.11
Total Non-Current Liabilities		1,217.04	284.78
2 Current liabilities			
(a) Financial Liability			
(i) Borrowings	28	50.34	0.45
(ia) Lease Liabilities	29	15.19	3.03
(ii) Trade payables			
a) Total outstanding dues of Micro Enterprises and Small Enterprises	30	10.69	15.39
b) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	30	1,746.10	1,229.51
(iii) Other financial liability	31	587.15	469.21
(b) Other current liabilities	32	247.43	363.80
(c) Provisions	33	89.12	78.86
(d) Current Tax Liabilities (Net)	34	358.98	79.79
Total Liabilities	34	3,105.00	2,240.03
TOTAL EQUITY AND LIABILITIES		12,930.12	8,288.25
Significant Accounting Policies	1		
Notes forming part of Financial Statements	46-65		

As per our attached report of even date

For and on behalf of the Board of Directors

For R K P Associates
Chartered Accountants
ICAI FRN : 322473E

Sd/-
B.J. Phukan
Director Technical and MD I/c
DIN : 07721895

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

Sd/-
CA. Ravi Kumar Patwa
Partner
Membership No 056409
UDIN : 22056409AJIGFS4377
Place: Guwahati
Date : 20th May 2022

Sd/-
Chiranjeeb Sharma
Company Secretary

Place: Guwahati
Date : 20th May 2022

Consolidated Statement of Profit and Loss for the year ended 31st March 2022

₹ in Crore

	Particulars	Note No.	2021-22	2020-21
I	INCOME			
II	Revenue from operations	35	23,547.01	18,549.79
	Other Income	36	94.90	88.85
III	Total Income (I+II)		23,641.91	18,638.64
IV	EXPENSES			
	Cost of materials consumed	37	12,441.82	7,795.42
	Purchases of Stock-in-Trade		1,021.63	416.24
	Changes in inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	38	(453.29)	(222.23)
	Excise Duty Expense		4,105.32	4,868.08
	Employee Benefits Expense	39	351.68	344.50
	Finance Costs	40	3.92	8.47
	Depreciation ,Amortisation and Impairment	41	320.52	347.36
	Other Expenses	42	1,027.27	1,001.92
	Total Expenses (IV)		18,818.87	14,559.75
V	Profit/(loss) before exceptional items and tax (III-IV)		4,823.04	4,078.88
VI	Exceptional Items		-	-
VII	Profit from continuing operation before share of profit of equity accounted investees and income tax (V-VI)		4,823.04	4,078.88
VIII	Share of profit of equity accounted investee (net of income tax)		77.30	84.05
IX	Profit from continuing operations before income tax (VII+VIII)		4,900.34	4,162.93
X	Tax Expense	43	1,286.29	1,046.87
	(1) Current Tax		1,296.43	1,053.05
	(2) Deferred Tax		(10.14)	(6.18)
XI	Profit / (Loss) for the year (IX - X)		3,614.05	3,116.06
XII	Other comprehensive income			
	(i) Items that will not be reclassified to profit or loss Remeasurements of defined benefit plan	44	(45.28)	18.94
	(ii) Share of other comprehensive income in associates and joint ventures, to the extent not to be reclassified to profit or loss		0.10	(0.17)
	(iii) Income tax related to items that will not be reclassified to profit or loss	44	11.40	(4.77)
	Other comprehensive income, net of tax (i+ii+iii)		(33.78)	14.00
XIII	Total comprehensive income for the year (XI + XII)		3,580.27	3,130.06
XIV	Basic and Diluted Earnings per share (₹)	45	49.13	42.36
	(Face Value ₹10)		49.13	42.36
	Significant Accounting Policies	1		
	Notes forming part of Financial Statements	46-65		

As per our attached report of even date

For R K P Associates
Chartered Accountants
ICAI FRN : 322473E

Sd/-
CA. Ravi Kumar Patwa
Partner
Membership No 056409
UDIN : 22056409AJIGFS4377
Place: Guwahati
Date : 20th May 2022

For and on behalf of the Board of Directors

Sd/-
B.J. Phukan
Director Technical and MD I/c
DIN : 07721895

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

Sd/-
Chiranjeeb Sharma
Company Secretary

Place: Guwahati
Date : 20th May 2022

Consolidated Statement of Cash Flows

₹ in Crore

For the year ended		31-Mar-22	31-Mar-21
A Cash Flow from Operating Activities			
Profit (Loss) for the year		3,614.05	3,116.06
Adjustments for :			
Depreciation & Amortisation expenses		320.52	347.36
Income Tax Expenses		1,286.29	1,046.87
Interest		3.92	8.47
(Profit) / Loss on Sale/Write Off of Property, Plant and Equipment		4.93	0.77
Dividend Income		(24.81)	(4.09)
Income from Investment Property		(3.53)	(2.43)
Interest Income		(10.25)	(32.64)
(Profit)/Loss on sale of investment		(2.23)	(7.91)
Other Non-Cash Items (Refer explanatory note 4)		(23.80)	83.67
Operating Profit before Working Capital Changes		5,165.09	4,556.13
<i>(Invested in) / Generated from:</i>			
Trade receivables		211.52	(553.74)
Other receivables		(62.36)	(17.72)
Inventories		(1,089.79)	(185.01)
Current Liabilities & Payables		533.46	879.62
Cash generated from Operations		4,757.92	4,679.28
Direct Taxes Paid		(1,017.31)	(966.90)
Net Cash from/(used in) Operating Activities		3,740.61	3,712.38
B Net Cash Flow from Investing Activities			
Purchase of Property, Plant & Equipment /CWIP		(3,437.63)	(790.54)
Purchase of intangible assets		(67.49)	(88.14)
Sale of Property, Plant and Equipment		0.32	0.21
Investment in Joint Venture/ Associate Companies		(286.22)	(185.38)
Purchase of / Accretion to Investments		208.32	(208.31)
Purchase/ Maturity of Fixed Deposit		(16.28)	230.11
Profit on Sale of Investments		2.23	7.91
Dividend Income		24.81	4.09
Long Term Loans and Advances		(243.00)	(2.97)
Interest Income from Investment		16.43	39.44
Net Cash from/(used in) Investing Activities		(3,798.51)	(993.57)
C Net Cash Flow from Financing Activities			
Long term Borrowings		949.64	-
Short Term Borrowing		39.50	-
Other Long Term Liabilities		(20.99)	(5.41)
<i>Payment of lease liabilities</i>		(13.60)	(2.81)
Other Long Term Provisions		0.90	0.77
Interest paid		(7.58)	(5.49)
Dividend Paid		(735.63)	(2,758.62)
Net Cash from/(used in) Financing Activities		212.24	(2,771.56)
D Net Increase / (Decrease) in Cash and Cash equivalents (A+B+C)		154.34	(52.75)
E Cash & Cash Equivalents at beginning of Period	Note 1	10.24	62.99
F Cash & Cash Equivalents at end of Period (D+E)	Note 1	164.58	10.24

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-22	31-Mar-21
<i>Cash & Cash Equivalents at beginning of Period</i>		
Cash/cheques on Hand	0.01	0.05
Cash at Bank	10.68	0.72
Deposits with Banks with original maturity of less than 3 months	-	(73.78)
Less : Bank Overdraft/Cash Credit	(0.45)	136.00
	10.24	62.99
<i>Cash & Cash Equivalents at end of Period</i>		
Cash/cheques on Hand	0.01	0.01
Cash at Bank	2.06	10.68
Deposits with Banks with original maturity of less than 3 months	173.34	(0.45)
Less : Bank Overdraft/Cash Credit	(10.83)	-
	164.58	10.24
Net change in Cash and Cash equivalents	154.34	(52.75)

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 31.03.2021	(3.03)	(5.41)	(8.44)
<i>Cash Flows</i>			
Inflow	39.50	949.64	989.14
Outflow	-	-	-
<i>Non Cash Changes</i>			
Increase in Lease Obligation	(15.19)	(8.13)	(23.33)
Balance as on 31.03.2022	21.28	936.09	957.37

Explanatory notes to Statement of Cash Flows

- The Statement of Cash Flow is prepared as per Ind AS 7 as notified by Ministry of Corporate Affairs.
- In Part-A of Statement of Cash flows, figures in brackets indicate deductions made from the Net Profit for deriving the net cash flow from operating activities. In Part-B and Part-C, figures in brackets indicate cash outflows.

3. The net profit/loss arising due to conversion of current assets / current liabilities, receivables / payables in foreign currency is furnished under the head "Foreign Exchange Fluctuations"
4. Other Non-Cash items"comprise of provisions for Stores and Consumables, provision for Claims and provision for Investments / receivables and Write back of Provisions.
5. Current Liabilities and Payables may include Payables in respect of Purchase of Property, Plant and Equipment, if any.

As per our attached report of even date

For R K P Associates
Chartered Accountants
ICAI FRN : 322473E

Sd/-
CA. Ravi Kumar Patwa
Partner
Membership No 056409
UDIN : 22056409AJIGFS4377
Place: Guwahati
Date : 20th May 2022

For and on behalf of the Board of Directors

Sd/-
B.J. Phukan
Director Technical and MD I/c
DIN : 07721895

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

Sd/-
Chiranjeeb Sharma
Company Secretary

Place: Guwahati
Date : 20th May 2022

Consolidated Statement of Changes in Equity for the Year Ended 31st March 2022

₹ in Crore

(a) Equity Share Capital	As at 31/03/2022		As at 31/03/2021	
	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 due to prior period errors	-	-	-	-
Restated 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 and Surplus			Total
	Capital Reserve [Note 22]	General Reserve [Note 22]	Retained Earnings [Note 22]	
Balance at 31st March 2021	100.00	4,736.13	191.68	5,027.81
Changes in accounting policy or prior period errors	-	-	-	-
Restated balance at the beginning of the current reporting period	100.00	4,736.13	191.68	5,027.81
Profit for the current year	-	-	3,614.05	3,614.05
Other Comprehensive Income for the current year	-	-	(33.78)	(33.78)
Dividends	-	-	(735.63)	(735.63)
Transfer to General Reserve	-	2,424.22	(2,424.22)	-
Balance as at 31st March 2022	100.00	7,160.35	612.10	7,872.45
Balance as at 31 st March 2020	100.00	4,444.48	111.89	4,656.37
Changes in accounting policy or prior period errors	-	-	-	-
Restated balance at the beginning of the previous reporting period	100.00	4,444.48	111.89	4,656.37
Profit for the previous year	-	-	3,116.06	3,116.06
Other Comprehensive Income for the previous year	-	-	14.00	14.00
Dividends	-	-	(2,758.62)	(2,758.62)
Transfer to General Reserve	-	291.65	(291.65)	-
Balance as at 31st March 2021	100.00	4,736.13	191.68	5,027.81

As per our attached report of even date

For R K P Associates
Chartered Accountants
ICAI FRN : 322473E

Sd/-
CA. Ravi Kumar Patwa
Partner
Membership No 056409
UDIN : 22056409AJIGFS4377
Place: Guwahati
Date : 20th May 2022

For and on behalf of the Board of Directors

Sd/-
B.J. Phukan
Director Technical and MD I/c
DIN : 07721895

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

Sd/-
Chiranjeeb Sharma
Company Secretary

Place: Guwahati
Date : 20th May 2022

Notes to consolidated financial statements for the year ended 31st March 2022

1 Statement of Significant Accounting Policies

The consolidated financial statements relate to Numaligarh Refinery Limited (NRL or Parent Company) and interest in Joint Venture 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 Rule 3 of the 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 2022.

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".

Accounting policies have been consistently applied during the year except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standards requires a change in the accounting policy hitherto in use.

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 the parent company, 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 and the same has been specified in Note 1.31.

Authorisation of Consolidated 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 20th May 2022.

The percentage of ownership interest of the company in the JVCs and Associates as on 31st March 2022 are as under:

Particulars	Country of Incorporation	Percentage (%) of actual ownership interest as on	
		31/03/2022	31/03/2021
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) are yet to be audited and hence provisional financial statements provided

by management of the respective companies have been considered for the purpose of preparation of the Consolidated Financial Statements. In case of Indradhanush Gas Grid Limited, consolidation has been done based on audited 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 net of accumulated depreciation and accumulated impairment losses, if any.

1.4.1.2 The initial cost of an asset comprises its purchase price or construction cost (including import duties and non-refundable taxes), any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management and borrowing cost for qualifying assets (i.e. assets that necessarily take a substantial period of time to get ready for their intended use).

1.4.1.3 **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.

1.4.1.4 Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

1.4.1.5 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 i.e. when the Company intends to

use these for a period exceeding 12 months, 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 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.
- 1.4.1.8 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.
- 1.4.1.9 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.
- 1.4.1.10 Land acquired on outright purchase treated as freehold land.
- 1.4.1.11 The residual values and useful lives of Property, Plant and Equipment are reviewed at each financial yearend and changes, if any, are accounted in line with revisions to accounting estimates.
- 1.4.1.12 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.
- 1.4.1.13 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 and accumulated impairment Losses, if any.
- 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 lower, on a straight line basis, 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.
- 1.4.2.5 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. Capitalization of borrowing costs is suspended when active development activity on the qualifying asset is interrupted other than on temporary basis and applicable borrowing costs for such period is charged to the Statement of Profit and Loss. All other borrowing costs are charged to the Consolidated Statement of Profit and Loss in the period in which the same are incurred.
- 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 are provided over the estimated useful life of the assets prescribed under Schedule II of the Companies Act, 2013 (after retaining the estimated residual value of upto 5%), except in the following cases :
- 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.
 - 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.
 - Solar Power Plants are depreciated over a period of 25 years based on the technical assessment of the useful life.
- 1.9.2 Depreciation is charged on addition / deletion on pro-rata monthly basis including the month of addition / deletion.
- 1.9.3 The carrying amount of an existing asset for which useful life is NIL, is charged off to Statement of Profit and Loss (after retaining the estimated residual value upto 5%).
- 1.9.4 Items of property, plant and equipment costing not more than the threshold limit are depreciated at 100% in the year of acquisition.

- 1.9.5 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.
- 1.9.6 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.
- 1.9.7 In case of catalyst with precious/noble metal content, residual value is considered based on the cost of precious/noble metal content in catalyst which is expected to be extracted at the end of their useful life, plus 5% of original cost of catalyst excluding cost of precious/noble metals.
- 1.9.8 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.

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 and stores and spares are determined on weighted average basis.
 - c) The cost of Work-in-Progress is determined at raw material cost plus cost of conversion.
- 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 Items of stores and spares which have not moved for last four years as on Balance Sheet date are identified as slow-moving items for which a provision of 95% of the value is made in the accounts.
- 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.
- 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.
- 1.12.6 Dividend income is recognized when right to receive is established.

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.
- 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 like leave encashment 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

- 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 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.

1.17 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 ("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 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 as 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 Consolidated Statement of Cash Flows, Cash and cash equivalent include cash at bank, cash, cheque and draft on hand, net of outstanding bank overdrafts as they are considered an integral part of the group's cash management. 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 Joint Ventures and Associates

Investments in equity shares of 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 Recent Accounting Pronouncements

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022,

MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022 applicable from 1st April, 2022. The Company does not expect the amendment to have any significant impact in its financial statement.

- 1.31 The Group 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
Allocation of other expenses to projects costing in each case	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	₹ Lakhs	10
Componentization of Property, Plant and Equipment	1.4.1.7	₹ Crore	5
GST on common capital goods per item per month	1.4.1.12	₹ Lakhs	5
Expenditure incurred for creating/acquiring other intangible assets in each case	1.4.2.2	₹ Lakhs	50
Depreciation at 100 percent in the year of acquisition	1.9.1 (c)	₹	5,000
Depreciation on Assets in the year of purchase/capitalization	1.9.4	₹	5,000
Income/expenditure (net) in aggregate pertaining to prior year (s)	1.13.2	₹ Crore	20
Prepaid expenses in each case	1.13.3	₹ Lakhs	5
Disclosure of Contingent liabilities and Capital Commitments in each case	1.17.5	₹ Lakhs	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 2022

2 Property, plant and equipment

₹ in Crore

	Gross Block			Depreciation			Impairment			Net Carrying Amount	
	As at	Gross 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
	01-Apr-21	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-22	31-Mar-22	31-Mar-21
	(1)	(2)	(3)	(4)=(1+2+3)	(5)	(6)	(7)	(8)=(5+6+7)	(9)	(12)=(9+10+11)	(13)=(4+8-12)
										(14)=(1-5-9)	
LAND											
i) Land Freehold	50.97	83.17	-	134.14	-	-	-	-	-	-	134.14
ii) Land ROU Asset	76.98	1.79	-	78.77	2.57	2.67	-	5.24	-	-	73.53
BUILDINGS											
i) RCC Frame Structure(other than factory)	164.00	99.58	(0.38)	263.21	16.02	3.57	(0.05)	19.54	-	-	243.67
ii) Non RCC Frame Structure(other than factory)	154.59	7.16	(0.09)	161.66	12.87	4.98	(0.02)	17.83	-	-	143.83
iii) FACTORY	342.78	7.01	(4.82)	344.98	71.68	15.12	(2.71)	84.09	6.08	6.08	254.80
iv) Fences, Wells and Tube Wells	11.61	1.51	-	13.13	5.15	2.22	-	7.38	-	-	5.75
v) Others(Temporary Structures)	6.63	3.32	-	9.95	3.62	1.99	-	5.61	-	-	4.35
vi) ROU Assets	11.76	1.23	-	12.99	4.86	3.16	-	8.02	-	-	4.97
BRIDGE,CULVERTS,BUNKERS etc	22.26	-	-	22.26	7.78	1.30	-	9.08	-	-	13.18
ROADS											
i) Carpeted Roads-RCC	9.47	0.53	-	10.00	5.22	0.59	-	5.81	-	-	4.19
ii) Carpeted Roads-Other than RCC	8.09	0.38	-	8.47	3.30	0.94	-	4.25	-	-	4.22
iii) Non Carpeted Road	0.73	-	-	0.73	0.32	0.04	-	0.36	-	-	0.37
PLANT & MACHINERY											
i) CONTINUOUS PROCESS PLANT/Refineries	2,538.42	67.99	(6.67)	2,599.74	815.16	208.28	(5.11)	1,018.34	25.16	25.16	1,556.24
ii) Plant and Machinery-Other than Continuous Process Plant	207.21	12.33	(0.01)	219.53	80.54	14.60	-	95.14	10.69	10.69	113.70
iii) Storage Tanks & Related Equipments	238.50	1.01	(0.80)	238.72	35.03	8.98	(0.17)	43.84	9.33	9.33	185.55
iv) Plant & Machinery(Captive Power Plants)	192.06	0.28	-	192.33	26.57	5.78	-	32.36	-	-	159.98
v) Plant & Machinery Used in Medical and Surgical	7.03	1.18	-	8.21	2.28	0.58	-	2.86	-	-	5.35
vi) Heavy Lift Equipment	20.18	15.63	-	35.81	3.81	1.32	-	5.14	-	-	30.67
vii) ROU Assets	-	26.68	-	26.68	-	12.05	-	12.05	-	-	14.63
RAILWAY SIDING	23.73	-	-	23.73	16.59	1.31	-	17.90	-	-	5.83
FURNITURE											
i) FURNITURE - GENERAL	9.67	3.63	-	13.30	4.32	0.99	-	5.31	-	-	7.99
ii) FURNITURE - Others	4.29	0.24	-	4.53	2.53	0.39	-	2.93	-	-	1.60
iii) FOH-to Employees	9.61	2.37	(0.08)	11.89	4.53	2.00	(0.04)	6.48	-	-	5.41
OFFICE EQUIPMENTS											
i) Office Equipments-General	17.21	5.07	(0.06)	22.21	10.51	2.24	(0.05)	12.70	-	-	9.52
ii) Mobile on Hire-to Employees	0.74	0.34	(0.31)	0.77	0.33	0.36	(0.28)	0.42	-	-	0.36
COMPUTERS AND DATA PROCESSING UNITS											
i) Servers and Network	41.73	9.17	-	50.89	19.46	5.67	-	25.13	-	-	25.77
ii) End User Devices-Desktop,Laptops,Printers etc	13.31	4.62	(1.05)	16.88	7.52	3.16	(0.98)	9.71	-	-	7.17
iii) PC on Hire-To Employees	2.27	0.73	(0.25)	2.75	0.85	0.75	(0.21)	1.40	-	-	1.35
ELECTRICAL EQUIPMENTS	79.00	28.28	-	107.28	34.08	7.58	-	41.66	-	-	65.61
LABORATORY EQUIPMENT	19.99	2.53	-	22.52	8.09	2.11	-	10.20	-	-	12.32

Notes to consolidated Financial Statements for the year ended 31st March 2022

2 Property, plant and equipment (contd.)

₹ in Crore

	Gross Block			Depreciation			Impairment		Net Carrying Amount	
	As at	Addition	Deductions on account of Retirement/Reclassifications	As at	Up to	Addition	Up to	Impairment Loss during the year	Up to	As at
	01-Apr-21	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21	31-Mar-22
VEHICLES										
i) Motor Cycles, Scooters & Other Mopeds	0.13	0.00	(0.08)	0.13	0.11	0.01	0.12	-	-	0.01
ii) Motor Buses, Motor Lorries, motor cars and motor taxis	3.90	1.04	(0.08)	4.86	1.19	0.52	1.65	-	-	3.21
iii) TRUCKS / HEAVY VEHICLES, Harvesting Combines	10.86	3.75	(0.01)	14.61	4.16	1.40	5.56	-	-	9.04
iv) Electrically Operated Vehicles	1.20	0.15	(0.01)	1.35	0.81	0.15	0.95	-	-	0.39
Total	4,300.91	392.70	(14.62)	4,679.00	1,211.88	316.83	1,519.04	-	51.26	3,108.69
Previous Year Figures	3,949.18	392.90	(41.16)	4,300.91	920.32	294.46	1,211.88	-	51.26	3,037.75
										3,028.86

Additional Information in Respect of Note No 2

- Total freehold land held by NRL is 1775.18 acres (1574.45 acres) which includes 336.53 acres (137.67 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 (40.99 acre) is given on lease to joint venture Assam Bio Refinery (P) Ltd.
- Charge has been created first ranking pari passu and hypothecation of plant and equipment (both present and future) in regard to borrowings [Refer Note No 23]
- Deduction from Gross Block (Column 3) includes :
 - ₹0.01 Crore (₹0.25 Crore) on account of Write off of Physical Verification discrepancies.
 - ₹14.61 Crore (₹40.91 Crore) on account of sale, retirement, deletions and reclassifications.
- Depreciation for the year (column 6) includes :
 - Charged to Profit & Loss Account ₹312.55 Crore (₹291.60 Crore)
 - Charged to project expenses ₹4.22 Crore (₹2.86 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 ₹4.95 Crore (₹1.28 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 ₹0.29 Crore (₹0.32 Crore) for the year.
- Deduction from Depreciation (Column 7) includes :
 - Withdrawal of depreciation of ₹9.66 Crore (₹2.77 Crore) on account of sale, deletions, retirement & reclassification.
 - ₹0.01 crore (₹0.12 Crore) on account of write off of Physical Verification discrepancies.
- 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 2022

3 Capital work in progress

₹ in Crore		
Particulars	31-Mar-22	31-Mar-21
Capital work in progress		
Opening Work-in-progress	733.77	309.02
Addition during the year*	3,264.57	815.75
Less : Allocated to Assets during the year	363.00	390.99
	3,635.34	733.77
Less : Provision for Capital WIP Losses	(27.97)	(21.86)
	3,607.37	711.91
Capital Stores	16.33	13.45
Capital goods in transit	134.59	0.57
	3,758.29	725.93
Construction period expenses pending allocation		
Opening balance	34.18	20.43
Add: Expenditure during the period		
Travel, Establishment etc	28.14	21.03
Depreciation	4.22	2.86
Finance Cost*	7.34	0.09
	73.88	44.39
Less : Allocated to assets during the year	0.89	10.21
Closing balance pending allocation	72.99	34.18
Total	3,831.28	760.11

*Includes borrowing cost of ₹7.21 Crore on Term Loan

Capital work in progress ageing schedule for the year ended March 31, 2022 and March 31, 2021 is as follows:

₹ in Crore					
Particulars	Amount of CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project in Progress	3,230.17	462.44	100.65	38.02	3,831.28
	536.41	83.31	140.39	-	760.11
Total Capital work-in- progress	3,230.17	462.44	100.65	38.02	3,831.28
	536.41	83.31	140.39	-	760.11

For capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan the project wise details of when the project is expected to be completed is given below as of March 31, 2022 and March 31, 2021:

₹ in Crore					
Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project in progress					
India Bangladesh Friendship Pipeline	71.44	-	-	-	71.44
	-	37.51	-	-	37.51
Total Capital work-in- progress	71.44	-	-	-	71.44
	-	37.51	-	-	37.51

Notes to consolidated Financial Statements for the year ended 31st March 2022

4 Investment Property

₹ in Crore

Particulars	Gross Block				Deprecation				Net Carrying Amount	
	As at	Addition		As at	Upto	Addition		Upto	As at	As at
	01-Apr-21		Disposal/ adjustments	31-Mar-22	31-Mar-21		Disposal/ adjustments	31-Mar-22	31-Mar-22	31-Mar-21
Land	34.41	0.07	-	34.48	-		-	-	34.48	34.41
Total	34.41	0.07	-	34.48	-	-	-	-	34.48	34.41
Previous Year Figures	32.66	1.75	-	34.41	-	-	-	-	34.41	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	2021-22	2020-21
Rental Income derived from Investment Properties	2.48	2.43
Less : Depreciation	-	-
Profit arising from investment Properties before other direct expenses	2.48	2.43

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

As at 31st March 2022 and 31st March 2021, the fair values of the property are ₹48.34 Crore and ₹45.56 Crore respectively. These fair values of the investment property are categorised as Level 2 in the fair valuation hierarchy and has 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.

5 Other Intangible Assets

₹ in Crore

Particulars	Useful Life (No. of Years)	Gross Block				Amortisation				Net Carrying Amount	
		As at	Addition		As at	Upto	Addition		Upto	As at	As at
		01-Apr-21		Disposal/ adjustments	31-Mar-22	31-Mar-21		Disposal/ adjustments	31-Mar-22	31-Mar-22	31-Mar-21
Right of Use	Indefinite	75.90	36.60	-	112.50	-	-	-	-	112.50	75.90
Software/Licenses	Upto 5	31.70	28.49	(2.40)	57.79	11.29	7.97	(0.63)	18.62	39.17	20.41
Total		107.60	65.09	(2.40)	170.29	11.29	7.97	(0.63)	18.62	151.67	96.31
Previous Year Figures		20.49	87.11	-	107.60	6.79	4.50	-	11.29	96.31	13.70

Notes to consolidated Financial Statements for the year ended 31st March 2022

6 Intangible Assets Under Development

₹ in Crore

Particulars	31-Mar-21	31-Mar-20
Intangible Assets Under Development		
Opening Work-in-progress	1.03	-
Addition during the year	4.16	1.03
Less : Allocated to Intangible Assets during the year	-	-
Less : Transfer to Statement of Profit and Loss	-	-
	5.19	1.03
Less : Provision for Losses	-	-
	5.19	1.03

Intangible Assets under Development are related to ongoing Oil and Gas Exploration and Production activities. Intangible Assets under Development ageing schedule for the year ended March 31, 2022 and March 31, 2021 is as follows :

₹ in Crore

Particulars	Amount of Intangible Assets Under Development for a period of				
	Less Than 1 year	1-2 Years	2-3 Years	More Than 3 years	Total
Project in Progress	4.16	1.03	-	-	5.19
	1.03	-	-	-	1.03

7 Investment Accounted using Equity Method

₹ in Crore

Particulars	31-Mar-22	31-Mar-21
Investment in Joint Ventures (Unquoted)		
DNP Limited #	82.86	76.07
Assam Bio Refinery Pvt. Ltd. **	330.66	121.77
Indradhanush Gas Grid Ltd. %	82.31	58.08
Investment in Associates (Unquoted)		
Brahmaputra Cracker and Polymer Ltd. ##	328.08	281.67
Fair valuation of Financial Guarantee Commission	3.73	3.53
	827.64	541.12

Notes to consolidated Financial Statements for the year ended 31st March 2022

	31-Mar-22		31-Mar-21	
	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.	13,84,67,078	10	12,39,24,405	10
Indradhanush Gas Grid Ltd.	8,50,00,000	10	6,10,00,000	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 Pvt. Ltd. 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-22	31-Mar-21
Loans to employees including accrued interest (Secured) [Refer Note No 49 (b) and 50]	52.27	50.95
	52.27	50.95
	52.89	47.25

9 Other Financial Assets

₹ in Crore

Particulars	31-Mar-22	31-Mar-21
Security and other deposits	2.31	1.94
	2.31	1.94

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

₹ in Crore

Particulars	31-Mar-22	31-Mar-21
Capital advances	113.31	41.07
Prepaid Employee cost	17.78	14.73
Prepaid expenses - Non current	166.02	-
	297.11	55.80

11 Inventories

₹ in Crore

Particulars	31-Mar-22	31-Mar-21
Raw Materials	858.92	245.23
Work-in-progress	615.83	347.37
Finished goods	1,429.37	1,244.54
Stock in transit	0.09	1.58
Consumables, Stores & Spares and others	262.87	249.11
Less: Provision for Losses	(104.45)	(114.98)
	3,062.63	1,972.84

Notes to consolidated Financial Statements for the year ended 31st March 2022

12 Investments

₹ in Crore

Particulars	31-Mar-22	31-Mar-21
Investment in Mutual Fund at Fair Value Through Profit or Loss	-	17.64
Investment in Government Security/ Treasury Bill at Amortised cost	-	190.69
	-	208.33

13 Trade receivables

₹ in Crore

Particulars	31-Mar-22	31-Mar-21
Unsecured (unless otherwise stated)		
- Considered Good	1,045.69	1,257.21
- Significant increase in Credit Risk	-	-
-Credit Impaired	0.45	-
	1,046.14	1,257.21
Less : Provision for credit impaired	0.45	-
	1,045.69	1,257.21

Trade receivable ageing schedule for the year ended for the year ended as on March 31, 2022 and March 31, 2021:

Particulars	Not Due	Outstanding for the following periods from due date of payment					Total
		Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More Than 3 Years	
Undisputed Trade receivable - considered good	1,045.68	-	0.01	-	-	-	1,045.69
	1,256.70	-	-	-	-	0.51	1,257.21
Undisputed Trade receivable - credit Impaired	-	-	-	-	-	0.45	0.45
	-	-	-	-	-	-	-
Disputed Trade receivable - considered good	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Disputed Trade receivable - credit impaired	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	1,045.68	-	0.01	-	-	0.45	1,046.14
	1,256.70	-	-	-	-	0.51	1,257.21
Less : Allowances for credit loss	-	-	-	-	-	0.45	0.45
	-	-	-	-	-	-	-
Total Trade Receivable	1,045.68	-	0.01	-	-	-	1,045.69
	1,256.70	-	-	-	-	0.51	1,257.21

14 Cash and cash equivalents

₹ in Crore

Particulars	31-Mar-22	31-Mar-21
Cash on hand	0.01	0.01
Balances with Banks		
On Current Accounts	2.07	10.68
On Deposit Accounts with original maturity of less than 3 months	173.34	-
	175.42	10.69

Notes to consolidated Financial Statements for the year ended 31st March 2022

15 Bank Balances Other than Cash and Cash Equivalent

₹ in Crore

Particulars	31-Mar-22	31-Mar-21
Term deposits with banks with original maturity of 3-12 months	-	-
Other earmarked balances with bank #	17.15	10.87
	27.15	10.87

* Term deposit of ₹10.00 Crore hypothecated with State Bank of India as security for Overdraft facility.

includes an amount of ₹16.18 Crore (2020-21 : ₹10.63 Crore) received from Ministry of External Affairs for construction of Bangladesh Portion of India Bangladesh Friendship Pipeline. NRL is the implementor of the project. [Refer Note No 17]

16 Loans & Advances (Considered good unless otherwise stated)

₹ in Crore

Particulars	31-Mar-22	31-Mar-21
Loans to employees including accrued interest (Secured) [Refer note no 49 (b) and 50]	6.00	5.62
Other Advances		
Considered good	23.73	29.32
Considered doubtful	0.65	0.74
Less: Provision for doubtful advances	(0.65)	(0.74)
	29.73	34.94

17 Other financial assets

₹ in Crore

Particulars	31-Mar-22	31-Mar-21
Interest accrued on Bank Deposits etc.	0.23	6.41
Post Retirement Medical Benefit	-	10.61
Other Receivables*		
Considered good	15.09	19.99
Considered doubtful	0.20	0.10
Less : Provision for credit impaired	(0.20)	(0.10)
Security and other deposits	8.05	7.44
	23.37	44.45

*Other Receivable include an amount of ₹2.75 Crore from Ministry of External Affairs for construction of Bangladesh Portion of India Bangladesh Friendship Pipeline. NRL is the implementor of the project [Refer Note No 15]

18 Current Tax Assets (Net)

₹ in Crore

Particulars	31-Mar-22	31-Mar-21
Advance payment of Income Tax (net of provision)	129.57	129.50
	129.57	129.50

Notes to consolidated Financial Statements for the year ended 31st March 2022

19 Other current assets

₹ in Crore

Particulars	31-Mar-22	31-Mar-21
Recoverable from Customs, Excise, etc.	39.97	34.63
Claims :		
Considered Good	0.58	0.47
Considered doubtful	0.07	0.07
Less: Provision for doubtful claims	(0.07)	(0.07)
Prepaid expenses - current	82.66	2.76
Prepaid employee cost - current	1.46	1.19
Gold coins *	0.25	0.25
	124.92	39.30

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

20 Assets held for sale

₹ in Crore

Particulars	31-Mar-22	31-Mar-21
Asset Held for sale *	1.27	0.99
Less: Provision against assets held for sale	(0.27)	(0.27)
	1.00	0.72

*Non current assets held for sale consists of items such as Plant and Machinery, Buildings, Land, Boundary walls etc. which have been identified for disposal. The aforesaid assets includes Land which has been held for disposal for last few years, but due to certain procedural reasons beyond the control of management, the actual sale could not be crystallised.

21 Equity share capital

₹ in Crore

Particulars	31-Mar-22	31-Mar-21
a. Authorised		
5000000000 equity shares of ₹10 each (Previous Year : 5000000000 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	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

	31-Mar-22		31-Mar-21	
	Number	₹ crore	Number	₹ crore
Equity Shares				
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 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

Notes to consolidated Financial Statements for the year ended 31st March 2022

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	
	31-Mar-22	31-Mar-21
Oil India Limited (with Nominees)		
51,22,20,385 (previous year 58,97,01,131) equity shares of ₹10 each fully paid	512.22	589.70

f. Details of shareholders holding more than 5% shares in the company	31-Mar-22		31-Mar-21	
	Number	% of Holding	Number	% of Holding
Name of Shareholder				
Oil India Limited	51,22,20,385	69.63%	58,97,01,131	80.16%
Governor of Assam	19,12,64,202	26.00%	11,37,83,456	15.47%

g. Shares held by promoters at March 31, 2022

Promoter name	No of shares	% of total shares	% change during the year
Oil India Limited	51,22,20,385	69.63%	-10.53%
Governor of Assam	19,12,64,202	26.00%	10.53%

22 Other Equity

	₹ in Crore	
Particulars	31-Mar-22	31-Mar-21
Reserves and Surplus		
Capital Reserve		
As per last account	100.00	100.00
General reserve		
As per last account	4,736.13	4,444.48
Add: Transfer from Statement of Profit and Loss	2,424.22	291.65
	7,160.35	4,736.13
Surplus/ (Deficit) in the Statement of Profit and Loss		
As per last Account	191.68	111.89
Add: profit/(loss) for the year	3,580.27	3,130.06
Less: Interim Dividend paid	(735.63)	(2,758.62)
Less: Transfer to General Reserve	(2,424.22)	(291.65)
	612.10	191.68
	7,872.45	5,027.81

Notes to consolidated Financial Statements for the year ended 31st March 2022

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.

Proposed Dividend on Equity Shares not recognised	2021-22	2020-21
Final Dividend for the year ended [₹5 per share (Previous year : ₹ NIL per share)]	367.82	-
Total	367.82	-

23 Borrowings

₹ in Crore

Particulars	31-Mar-22	31-Mar-21
Term Loan Secured *	949.64	-
	949.64	-

* Availed towards expansion of Refinery capacity

The Company has entered into a Rupee Term Loan facility for ₹18,904 Crore with a consortium of twelve Indian Banks on 30.12.21 for expansion of its Refinery capacity. The applicable interest rate on term loan is linked to SBI 6 months MCLR. The repayment schedule of the term loan is in 44 equal quarterly installments which shall start from 31.12.26. There has been no default in payment of interest on term loan. Security on assets of the company has been created on 30.12.21 by executing the deed of hypothecation. The necessary charge documents have been filed with the Registrar of Companies, Guwahati.

Further the company has also executed the indenture of mortgage by way of first charge on Plant, Property and Equipment of project towards perfection of security as per the provisions of the facility agreement. The indenture of mortgage has been adjudicated/registered on 30.12.21 and charge has also been registered with Registrar of Companies, Guwahati on 07.01.22.

24 Lease Liabilities (Non - Current)

₹ in Crore

Particulars	31-Mar-22	31-Mar-21
Lease Liabilities	8.13	5.41
	8.13	5.41

25 Other Financial Liabilities

₹ in Crore

Particulars	31-Mar-22	31-Mar-21
Security / Earnest Money Deposits	1.24	0.69
	1.24	0.69

26 Provisions

₹ in Crore

Particulars	31-Mar-22	31-Mar-21
Resettlement Allowance	5.55	4.81
Employee Felicitation Scheme	2.53	2.38
Others	5.39	5.38
	13.47	12.57

Notes to consolidated Financial Statements for the year ended 31st March 2022

27 Movement in deferred tax balances

₹ in Crore

	Net balance 1 st April 2021	Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	Acquired in business combinations	Other	Net	Deferred tax asset	Deferred tax liability 31 st March 2022
Deferred tax asset									
Employee Benefits	2.91	(1.37)	11.40				12.94	12.94	
Sec 43B of Income Tax Act	32.81	0.42					33.23	33.23	
PPE WDV	(302.29)	12.26					(290.03)		(290.03)
Other items DTA	0.46	(1.16)					(0.70)		(0.70)
Tax assets (Liabilities)	(266.11)	10.15	11.40	-	-	-	(244.56)	46.17	(290.73)

Movement in deferred tax balances

₹ in Crore

	Net balance 1 st April 2020	Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	Acquired in business combinations	Other	Net	Deferred tax asset	Deferred tax liability 31 st Mar 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)

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.

28 Borrowings

₹ in Crore

Particulars	31-Mar-22	31-Mar-21
Secured Working Capital Demand Loans from banks *	39.38	-
Cash Credit	1.83	0.45
Secured Overdraft #	9.00	-
Unsecured - Working Capital Demand Loans from banks	0.13	-
	50.34	0.45

*Working Capital Demand Loan from State Bank of India carries interest @ 4 % p.a. 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

Notes to consolidated Financial Statements for the year ended 31st March 2022

Equipment of the company excluding Land and Building. 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.

#Secured Overdraft facility from State Bank of India carries interest @ 3.50% p.a. Term deposit of ₹10.00 Crore [Refer note no 15] hypothecated with State Bank of India as security for Overdraft facility.

29 Lease Liabilities (Current)

₹ in Crore

Particulars	31-Mar-22	31-Mar-21
Lease Liabilities	15.19	3.03
	15.19	3.03

30 Trade Payables

₹ in Crore

Particulars	31-Mar-22	31-Mar-21
Total Outstanding dues of micro enterprises and small Enterprises	10.69	15.39
Total Outstanding dues of creditors other than micro enterprises and small Enterprises	1,746.10	1,229.51
	1,756.79	1,244.90

The disclosure in respect of the amounts payable to Micro, Small and Medium Enterprises as at 31st March 2022 has been made in the financial statements based on information received and available with the company. Accordingly disclosure has been made below:

Particulars	31-Mar-22	31-Mar-21
Principal and interest amount remaining unpaid		
-Principal	10.69	15.39
- Interest	-	-
The amount of interest paid by the company in terms of Section 16 of the MSMED Act, 2006 alongwith the amount of the payment made to the supplier beyond the appointed date during the year	-	-
The amount of the payments made to micro and small suppliers beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act.2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006.	-	-

Notes to consolidated Financial Statements for the year ended 31st March 2022

Trade payables ageing schedule for the year ended as on March 31, 2022 and March 31, 2021:

₹ in Crore

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Outstanding dues to MSME	10.69	-	-	-	-	10.69
	15.39	-	-	-	-	15.39
Others	1,027.22	408.70	178.12	42.58	89.48	1,746.10
	718.95	351.47	36.23	32.86	90.00	1,229.51
Total Trade Payables	1,037.91	408.70	178.12	42.58	89.48	1,756.79
	734.34	351.47	36.23	32.86	90.00	1,244.90

Relationship with struck off companies

₹ in Crore

Name of struck off company	Nature of Transaction	Transaction during FY 2021-22	Balance Outstanding as at 31/03/22	Relationship with the struck off company
Fine Filters Pvt. Ltd. *	Payables	0.00	-	Vendor
Roto Pumps Limited	Payables	0.36	-	Vendor
Ambat Iconcranes Pvt Ltd	Payables	1.63	-	Vendor
Wild Grass Resort	Payables	0.02	-	Vendor
Bennett Coleman & Co Ltd. *	Payables	0.02	0.00	Vendor
Ocean Star Diving Services (P) Ltd.	Payables	0.16	-	Vendor
Health City, Guwahati	Payables	0.54	-	Vendor
Veteran Facility Management Service (P) Ltd.	Payables	0.16	-	Vendor
* Less than ₹50,000				

Name of struck off company	Nature of Transaction	Transaction during FY 2020-21	Balance Outstanding	Relationship with the struck off company
Godrej & Boyce Mfg. Co. Ltd. *	Payables	0.00	-	Vendor
Reliance Fabrications Pvt. Ltd	Payables	0.02	-	Vendor
EFCO Maschinenbau India Pvt. Ltd.	Payables	0.01	-	Vendor
Aqseptence Group India Private Limi	Payables	0.01	-	Vendor
Phoenix Machines (P) Ltd. *	Payables	0.00	-	Vendor
Wild Grass Resort	Payables	0.09	-	Vendor
Bennett Coleman & Co Ltd.	Payables	0.02	-	Vendor
Ocean Star Diving Services (P) Ltd.	Payables	1.27	-	Vendor
Health City, Guwahati	Payables	0.07	-	Vendor
* Less than ₹50,000				

Notes to consolidated Financial Statements for the year ended 31st March 2022

31 Other financial liabilities

₹ in Crore

Particulars	31-Mar-22	31-Mar-21
Interest accrued but not due on borrowings	0.28	-
Security / Earnest Money Deposits	283.23	125.86
Deposit From Customers	15.05	12.31
Employee Related Liability	84.83	66.13
Other Liabilities (including creditors for capital expenditure and others)	203.76	264.89
	587.15	469.21

32 Other current liabilities

₹ in Crore

Particulars	31-Mar-22	31-Mar-21
Advances from Customers	79.59	39.22
Statutory Liabilities	166.16	324.11
Others	1.68	0.46
	247.43	363.79

33 Provisions

₹ in Crore

Particulars	31-Mar-22	31-Mar-21
Gratuity	0.67	0.60
Leave Encashment	13.61	12.48
Resettlement Allowance	0.29	0.24
Post Retirement Medical Benefit	38.96	-
Employee Felicitation Scheme	0.02	0.02
Others (including provision on matters under litigation)	35.57	65.51
	89.12	78.86

34 Current tax liabilities (Net)

₹ in Crore

Particulars	31-Mar-22	31-Mar-21
Current Tax liabilities (net of Tax paid)	358.98	79.79
	358.98	79.79

Current Tax Liabilities includes an amount of ₹274.28 crore (Previous Year : NIL) towards liability against refund received by the Company arising out of an order from ITAT that is being contested by the Income Tax Department in higher forum. Refer Note No 61.

35 Revenue from Operations

₹ in Crore

Particulars	2021-22	2020-21
A. Sales		
Petroleum Products #	23,545.80	18,548.38
B. Other operating revenue	1.21	1.41
Total	23,547.01	18,549.79

Sales of petroleum products includes applicable excise duty benefit. Financial impact for the current year is ₹4,175.75 Crore (FY 2020-21 : ₹4,882.66 Crore)

Notes to consolidated Financial Statements for the year ended 31st March 2022

36 Other Income

₹ in Crore

Particulars	2021-22	2020-21
Interest Income		
On Bank Deposits	4.23	16.32
On Instruments measured at amortised cost	6.02	16.34
Others	8.75	9.11
Dividend Income		
Profit/(Loss) on sale of current investments	2.23	7.91
Write back of liabilities/provisions no longer required	44.66	16.31
Other non operating income	28.81	22.51
Guarantee Commission	0.20	0.36
Total	94.90	88.85

37 Cost of materials consumed

₹ in Crore

Particulars	2021-22	2020-21
Raw Material Stocks at the Commencement of the Year	245.23	270.55
Add : Purchases	13,055.51	7,770.10
	13,300.74	8,040.65
Less: Raw Material Stocks at the Close of the Year	858.92	245.23
Total Cost of Raw Material Consumed	12,441.82	7,795.42
Details of raw material consumed		
Crude Oil	11,583.81	6,980.17
MTBE, Py-Gas, Naphtha & Octane Booster	712.80	687.96
Natural Gas	145.21	127.29
	12,441.82	7,795.42

38 Changes in inventories of Finished Goods, Stock in Trade and Work in Progress

₹ in Crore

Particulars	2021-22	2020-21
Opening Stock :		
Finished Goods	1,244.54	1,083.47
Work In Progress	347.37	286.20
	1,591.91	1,369.67
Closing Stock :		
Finished Goods	1,429.37	1,244.54
Work In Progress	615.83	347.37
	2,045.20	1,591.91
Changes in inventories of finished goods and work in progress	(453.29)	(222.23)

Notes to consolidated Financial Statements for the year ended 31st March 2022

39 Employee benefit expense

₹ in Crore

Particulars	2021-22	2020-21
Salaries and wages	247.81	250.81
Contribution to provident fund and other funds	42.23	31.89
Staff Welfare expenses	61.64	61.80
Employee benefit expense	351.68	344.50

40 Finance Costs

₹ in Crore

Particulars	2021-22	2020-21
Interest expense on loans	1.83	0.29
Interest expense others	2.09	8.18
Finance Costs	3.92	8.47

41 Depreciation, Amortisation and Impairment

₹ in Crore

Particulars	2021-22	2020-21
Depreciation	312.55	291.60
Amortization	7.97	4.50
Impairment of Assets	-	51.26
Depreciation, Amortisation and Impairment Expense	320.52	347.36

42 Other Expenses

₹ in Crore

Particulars	2021-22	2020-21
Transportation	175.19	196.88
Other Duties and taxes	183.79	182.90
Repairs and Maintenance	173.70	139.51
Power and Fuel consumed		
Power and Fuel	178.90	179.17
Less: Consumption of fuel out of own production	(4.04)	(5.51)
Sub-Total	174.86	173.66
Stores, spares and materials	29.09	25.79
Office Administration, Selling and Other expenses		
Rent /Lease	1.41	1.45
Insurance	38.54	25.99
Rates and taxes	2.13	1.88
Bank Charges	0.52	0.74
Utilities	13.67	22.53
Communication expenses	1.67	1.45
Travelling and conveyance	20.18	18.21
Remuneration to auditors		
Audit Fees	0.09	0.09
Fees for other services - Certification	0.06	0.09
Reimbursement of out of pocket expenses	0.01	0.00
Sub-Total	0.16	0.18
Loss on sale/write off of Property Plant and Equipment (net)	4.93	0.77
Provision for Stores	-	14.37

Notes to consolidated Financial Statements for the year ended 31st March 2022

Particulars	2021-22	2020-21
Expenses on CSR activities	74.14	28.00
Foreign Exchange Fluctuations (net)	2.83	0.62
Provision Against Capital Work in Progress	6.11	0.10
Provision for Doubtful Debts, Advances and Claims	0.47	-
Bad debts and claims written off	0.01	0.03
Provision for Litigation cases	-	58.40
Charity and donation	5.00	-
Others	118.87	108.46
	1,027.27	1,001.92

43 Tax Expense

(a) Amounts recognised in profit and loss

₹ in Crore

Particulars	2021-22	2020-21
Current tax expense	1,296.43	1,053.05
Current year	1,279.36	1,073.92
Changes in estimates relating to prior years	17.07	(20.87)
Deferred tax expense	(10.14)	(6.18)
Origination and reversal of temporary differences	(10.14)	(6.18)
Tax expense recognised in the income statement	1,286.29	1,046.87

(b) Amounts recognised in other comprehensive income

₹ in Crore

Particulars	2021-22			2020-21		
	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	(45.28)	11.39	(33.89)	18.94	(4.77)	14.17
	(45.28)	11.39	(33.89)	18.94	(4.77)	14.17

(c) Reconciliation of effective tax rate

₹ in Crore

Particulars	2021-22		2020-21	
	%	₹ in Crore	%	₹ in Crore
Profit before tax		4,847.85		4,082.98
Tax using the Company's domestic tax rate	25.168%	1,220.10	25.168%	1,027.60
Tax effect of:				
Provision for CSR expenditure	0.38%	18.66	0.17%	7.05
Provision for CWIP & Stores	-0.02%	(1.11)	0.09%	3.64
Income Tax interest provision	0.16%	7.66	0.20%	8.25
Changes in tax estimates relating to prior years	0.35%	17.06	-0.51%	(20.87)
Others	0.49%	23.91	0.52%	21.20
Income Tax Expense	26.53%	1,286.29	25.64%	1,046.87

Notes to consolidated Financial Statements for the year ended 31st March 2022

44 Other comprehensive income

₹ in Crore

Particulars	2021-22	2020-21
(i) Items that will not be reclassified to profit or loss		
Re-measurements of defined benefit liability (asset)	(45.28)	18.94
(ii) Income tax relating to items that will not be reclassified to profit or loss	11.39	(4.77)
	(33.89)	14.17

45 Earning Per Share (EPS)

i. Profit attributable to Equity holders of NRL

₹ in Crore

Particulars	2020-21	2019-20
Profit attributable to equity holders of the company for basic and diluted earnings per share	3,614.05	3,116.06

ii. Weighted average number of ordinary shares

Particulars	2021-22	2020-21
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 (₹)	49.13	42.36
Nominal value per share (₹)	10.00	10.00

46 Leases

A. Leases as lessee

- a) The company has entered into lease arrangement such as Land, Office Premises, Guest House, Tanks 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 01-04-21	Ind AS 116 Transition Impact	Additions	Reclassifications / Deductions On Account Of Retirement / Disposal	As at 31-03-22	Up to 31-03-21	For the Year	Reclassifications / Deductions On Account Of Retirement / Disposal	Up to 31-03-22	As at 31-03-22	As at 31-03-21
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
1 Land	76.98	-	1.79	-	78.77	2.57	2.67	-	5.24	73.53	74.41
2 Buildings	11.76	-	1.23	-	12.99	4.86	3.16	-	8.02	4.97	6.90
3 Storage Tanks			26.68	-	26.68		12.05	-	12.05	14.63	-
Total	88.74	-	29.70	-	118.44	7.43	17.88	-	25.31	93.12	81.31
Previous Year	9.92	-	78.82	-	88.74	1.96	5.47	-	7.43	81.31	7.96

Notes to consolidated Financial Statements for the year ended 31st March 2022

- b) The following expenses have been charged to Statement of Profit and Loss

₹ in Crore

Depreciation recognised	14.98
Interest on Lease Liabilities	1.79
Expenses relating to short term leases	1.31
c) Total Cash outflow for leases during the financial year	16.70
d) Maturity Analysis of Lease Liabilities as per Ind AS 116 "Leases"	

₹ in Crore

As at 31/03/22	Contractual Cash Flows				
	Upto 1 year	1-3 years	3-5 years	More than 5 years	Total
Undiscounted Cash outflows	15.65	7.13	1.29	2.18	26.25

B. Leases as a Lessor

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

31st March 2022

(₹ in Crore)

Sl No	Particulars	Land
1	Gross Carrying Amount	34.48
2	Accumulated Depreciation	-
3	Depreciation recognised in statement of Profit and Loss for the year ended	-

i. Maturity Analysis of Lease payments receivable

The maturity analysis of lease payments receivable under operating leases for the year ending 31st March 2022 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 Receivable	2.53	2.58	2.64	2.69	2.74	76.20	89.38

47 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 2021-22 (₹/crs)	FY 2020-21 (₹/crs)
Amount recognised in the Statement of Profit and Loss : Defined Contribution Scheme - Pension	22.38	16.25

Defined Benefits Plan

The Company has the following Defined Benefit Plans:

Notes to consolidated Financial Statements for the year ended 31st March 2022

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	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Defined Obligations at the beginning of the year	73.94	70.77	77.04	84.58	5.05	4.73	2.40	2.22
Interest Cost	5.04	4.86	5.25	5.81	0.34	0.33	0.16	0.15
Current Service Cost	1.33	1.07	4.10	3.70	0.73	0.63	0.18	0.17
Past Service cost	-	-	-	-	-	-	-	-
(Gain)/Loss on curtailment								
Benefits paid	(2.70)	(2.13)	(1.08)	(0.50)	(0.24)	(0.04)	(0.03)	(0.04)
Actuarial (Gains)/ Losses on Demographic Assumption	(0.19)	-	16.37	-	0.08	-	0.22	-
Actuarial (Gains)/ Losses on Financial Assumption	(2.62)	0.31	(12.92)	0.87	(0.21)	0.02	(0.21)	0.02
Actuarial (Gains)/ Losses on obligations Due to Experience	2.81	(0.95)	43.08	(17.42)	0.09	(0.62)	(0.16)	(0.12)
Defined Obligations at the end of the year	77.61	73.94	131.83	77.04	5.83	5.05	2.56	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	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Fair Value at the beginning of the Year	73.33	63.68	87.65	45.95	-	-	-	-
Expected Return	5.00	4.37	5.98	3.16	-	-	-	-
Actual return on Plan assets excluding Interest Income	0.70	(0.11)	0.33	1.17	-	-	-	-
Contribution by employer	0.60	7.52		37.88	-	-	-	-
Benefits paid	(2.70)	(2.13)	(1.08)	(0.50)	-	-	-	-
Fair Value of Plan Assets at the end of the year	76.94	73.33	92.88	87.65	-	-	-	-
Amount recognised in Balance Sheet (a-b)	0.67	0.61	38.95	(10.61)	5.83	5.05	2.56	2.40

Notes to consolidated Financial Statements for the year ended 31st March 2022

Particulars	Gratuity : Funded		Post Retirement Medical Benefit : Funded		Resettlement Allowance : Non Funded		Employee Felicitation : Non Funded	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Amount recognised in P&L								
Current Service Cost	1.33	1.07	4.10	3.70	0.73	0.63	0.18	0.17
Past Service cost	-	-	-	-	-	-	-	-
Interest Cost	0.04	0.49	(0.72)	2.65	0.34	0.33	0.16	0.15
Expenses for the period	1.38	1.56	3.37	6.35	1.08	0.95	0.34	0.32
Amount recognised in Other Comprehensive Income								
Actuarial (Gains)/ Losses on obligations for the period	(0.00)	(0.64)	46.53	(16.55)	(0.05)	(0.60)	(0.15)	(0.10)
Actual return on Plan assets excluding Interest Income	(0.70)	0.11	(0.33)	(1.17)	-	-	-	-
Net (Income)/ Expenses recognised in OCI	(0.71)	(0.52)	46.19	(17.71)	(0.05)	(0.60)	(0.15)	(0.10)
Major Actuarial Assumptions	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Discount Rate	7.23%	6.82%	7.23%	6.82%	7.23%	6.82%	7.23%	6.82%
Salary Escalation	8.00%	8.00%			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%	2.00%	2.00%
Expected Return on Plan Assets	7.23%	6.82%	7.23%	6.82%	N.A	N.A	N.A	N.A
Investment pattern for Fund as on 31.03.2022	Insured Fund		Insured Fund		Unfunded		Unfunded	

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 31/03/2022	As at 31/03/2021	As at 31/03/2022	As at 31/03/2021
Category of Asset	%	%	%	%
Insurer Managed Funds	100	100	100	92
Others - Fixed Deposit in Nationalised Banks				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 31.03.2022 is as below:

₹ in Crore

Sensitivity analysis	Gratuity : Funded			
	31-Mar-22		31-Mar-21	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(5.84)	6.66	(5.87)	6.71
Future salary growth (1% movement)	1.01	(1.12)	1.24	(1.34)
Future Employee Turnover (1% movement)	2.46	(2.71)	1.91	(2.13)

Notes to consolidated Financial Statements for the year ended 31st March 2022

₹ in Crore

Sensitivity analysis	PRMB : Funded			
	31-Mar-22		31-Mar-2021	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(25.63)	34.63	(15.13)	20.49
Future salary growth (1% movement)	34.58	(25.79)	20.44	(15.22)
Future Benefit Cost inflation (1% Movement)	-	-	-	-
Future Employee Turnover (1% movement)	(13.17)	15.54	(8.07)	9.58

₹ in Crore

Sensitivity analysis	Resettlement Allowance : Non Funded			
	31-Mar-22		31-Mar-2021	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(0.47)	0.54	(0.44)	0.50
Future salary growth (1% movement)	-	-	-	-
Future Benefit Cost inflation (1% Movement)	-	-	-	-
Future Employee Turnover (1% movement)	(0.52)	0.59	(0.48)	0.55

Sensitivity analysis	Employee Felicitation : Non Funded		Employee Felicitation : Non Funded	
	31-Mar-22		31-Mar-21	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(0.43)	0.55	(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	4.79	1.76	0.29	0.02
2 nd following year	3.15	1.77	0.05	0.03
3 rd following year	4.25	1.87	0.05	0.02
4 th following year	5.03	1.99	0.05	0.03
5 th following year	5.55	2.25	0.05	0.03
Years 6 to 10	47.56	10.59	0.44	0.23

Other details as at 31.03.2022

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	10	14
Prescribed contribution for next year (₹ in Crore)	2.05	46.09	-	-

Notes to consolidated Financial Statements for the year ended 31st March 2022

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-22	31-Mar-21
Total employee benefit liabilities		
Non-current	8.08	7.19
Current	39.94	0.87

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.

48. 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 2022	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									
Cash and cash equivalents	14	-	-	175.41	175.41	-	-	-	-
Bank Balances other than cash and cash equivalents	15	-	-	27.15	27.15	-	-	-	-
Loans - Non current	8	-	-	227.38	227.38	-	227.38	-	227.38
Loans - Current	16	-	-	29.73	29.73	-	9.00	-	9.00
Trade receivables	13	-	-	1,045.69	1,045.69	-	-	-	-
Others- Current	17	-	-	23.37	23.37	-	-	-	-
		-	-	1,528.73	1,528.73	-	236.38	-	236.38
Financial liabilities									
Borrowings - Current	28	-	-	50.34	50.34	-	-	-	-
Borrowings - Non current	23	-	-	949.64	949.64	-	-	-	-
Trade and other payables	30	-	-	1,756.79	1,756.79	-	-	-	-
Other current liabilities	31	-	-	587.15	587.15	-	-	-	-
Other Non-Current financial liabilities	25	-	-	1.24	1.24	-	-	-	-
		-	-	3,345.16	3,345.16	-	-	-	-

Notes to consolidated Financial Statements for the year ended 31st March 2022

Financial instruments – Fair values and risk management (continued)

(₹ 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	12	17.64			17.64	17.64			17.64
Investment in Debt Instruments-Mutual Funds	12	17.64			17.64	17.64			17.64
Investment in Government of India Treasury Bills	11			190.68	190.68				-
Cash and cash equivalents	14			10.69	10.69				-
Bank Balances other than cash and cash equivalents	15			10.87	10.87				-
Loans - Non current	8			50.95	50.95		53.95		53.95
Loans - Current	16			34.94	34.94		5.62		5.62
Trade receivables	13			1,257.21	1,257.21				-
Others - Current	17			44.45	44.45				-
		17.64	-	1,599.79	1,617.43	17.64	59.57		77.21
Financial liabilities									
Borrowings - Current	28			0.45	0.45				-
Trade and other payables	30			1,244.90	1,244.90				-
Other current liabilities	31			469.21	469.21				-
Other Non-Current financial liabilities	25			0.69	0.69				-
		-	-	1,715.24	1,715.24	-	-	-	-

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 2022

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 role holders 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, 2022, the Company's most significant customer accounted for ₹883.41 Crore of the trade and other receivables carrying amount (March 31, 2021 : ₹1,139.66 Crore).

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

₹ in Crore

As at 31 st March 2022	Gross carrying amount	Weighted average loss rate - range	Loss allowance
Neither past due nor impaired	1,045.23	-	-
Less than 90 days	-	-	-
More than 90 days	0.46	-	0.45
	1,045.69	0.04%	0.45

₹ in Crore

As at 31 st March 2021	Gross carrying amount	Weighted average loss rate - range	Loss allowance
Neither past due nor impaired	1,256.62	-	-
Less Than 90 days	-	-	-
More than 90 days	0.59	-	-
	1,257.21	-	-

Notes to consolidated Financial Statements for the year ended 31st March 2022

Cash and cash equivalents

The Company held cash and cash equivalents of ₹175.42 Crore at 31st March 2022 (31st March 2021 : ₹10.69 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 and require impairment.

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 2022, the Company had working capital of ₹ 1,514.47 Crore, including cash and cash equivalents of ₹ 175.41 Crore and investments in term deposits (having original maturities of more than 3 months) of ₹ 10 Crore.

As on 31st March 2021, the Company had working capital of ₹ 1,468.78 Crore, including cash and cash equivalents of ₹ 10.69 Crore.

Exposure to liquidity risk

₹ in Crore

2021-22	Carrying amount	Contractual cash flows				
		Total	Upto 1 year	1-3 years	3-5 years	More than 5 years
INR						
Non-derivative financial liabilities						
Term Loan	949.64	949.64	-	-	-	949.64
Short Term Borrowings	50.34	50.34	50.34	-	-	-
Trade payables	1,756.79	1,756.79	1,756.79	-	-	-
Other Non-Current financial liabilities	1.24	1.24	-	1.24	-	-
Other financial liabilities	587.15	587.15	587.15	-	-	-
Financial guarantee contracts*	-	-	-	-	-	-
Derivative financial liabilities						
Forward exchange contracts	-	-	-	-	-	-
<i>Inflows</i>	-	-	-	-	-	-
<i>Outflows</i>	-	-	-	-	-	-

Notes to consolidated Financial Statements for the year ended 31st March 2022

₹ in Crore

2020-21	Contractual cash flows					
	Car- rying amount	Total	Upto 1 year	1-3 years	3-5 years	More than 5 years
INR						
Non-derivative financial liabilities						
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	0.69	0.69	-	0.69	-	-
Other financial liabilities	469.21	469.21	469.21	-	-	-
Financial guarantee contracts*	28.25	28.25	28.25	-	-	-
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 repaid the entire loan against such the Guarantee was provided and hence, the Company does not have any present obligation for BCPL in relation to this Guarantee.

iv. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. We are exposed to market risk primarily related to foreign exchange rate risk.

Currency risk

The Company is exposed to currency risk on account of its operating and financing activities. The functional currency of the Company is Indian Rupee. The exchange rate between the Indian Rupee and foreign currencies has changed substantially in recent periods and may continue to fluctuate substantially in the future. The Company uses derivative instruments, i.e. foreign exchange forward contracts to mitigate the risk of changes in foreign currency exchange rates.

Company do not use derivative financial instruments for trading or speculative purposes.

Exposure to currency risk

The currency profile of financial assets and financial liabilities as at 31st March 2022 and 31st March 2021 are as below:

₹ in Crore

	Total	2021-22	2021-22	2021-22
		INR	USD	EURO
Financial assets				
Cash and cash equivalents	175.41	175.41	-	-
Bank Balances other than cash and cash equivalents	27.15	27.15	-	-
Loans - Non current	227.38	227.38	-	-
Loans - Current	29.73	29.73	-	-
Trade receivables	1,045.69	990.98	54.71	-
Other Non-current financial asset	2.31	2.31	-	-
Others - Current	23.37	23.37	-	-
Net exposure for assets	1,531.04	1,476.33	54.71	-

Notes to consolidated Financial Statements for the year ended 31st March 2022

	Total	2021-22 INR	2021-22 USD	2021-22 EURO
Financial liabilities				
Borrowings - Current	50.34	50.34	-	-
Borrowings - Non current	949.64	949.64	-	-
Trade and other payables	1,756.79	1,753.78	1.14	1.87
Others - Current	587.15	587.15	-	-
Others - Non-Current	1.24	1.24	-	-
	3,345.16	3,342.15	1.14	1.87
Less: Foreign Currency forward exchange contracts				
Net exposure for liabilities	3,345.16	3,342.15	1.14	1.87
Net exposure (Assets - Liabilities)	(1,814.11)	(1,865.82)	53.57	(1.86)

₹ in Crore

	Total	2020-21 INR	2020-21 USD	2020-21 EURO
Financial assets				
Investment in Mutual Funds	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	50.95	50.95	-	-
Loans - Current	34.94	34.94	-	-
Trade receivables	1,257.21	1,221.09	36.12	-
Other Non-current financial asset	1.94	1.94	-	-
Others - Current financial assets	44.45	44.45	-	-
Net exposure for assets	1,619.37	1,583.24	36.12	-
Financial liabilities				
Borrowings - Current	0.45	0.45	-	-
Trade and other payables	1,244.90	1,208.77	25.30	10.83
Others - current	469.21	469.21	-	-
Other - Non-Current	0.69	0.69	-	-
	1,715.24	1,679.11	25.30	10.83
Less: Foreign currency forward exchange contracts				
Net exposure for liabilities	1,715.24	1,679.11	25.30	10.83
Net exposure (Assets - Liabilities)	(95.88)	(95.87)	10.82	(10.83)

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against US dollars at 31st March 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

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

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
2021-22		
1% movement		
USD	(3.75)	3.75
EUR	(0.13)	0.13
	(3.88)	3.88

Effect in INR (before tax)	Profit or loss	
	Strengthening	Weakening
2020-21		
1% movement		
USD	(0.65)	0.65
EUR	-	-
	(0.65)	0.65

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	
	2021-22	2020-21
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.	949.64	-
Financial liabilities - measured at amortised cost (Working capital loans from banks - Cash credit)	50.34	0.45
Financial liabilities - measured at amortised cost (Buyers Credit)	-	
Total	999.98	0.45

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased/ (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant. In cases where the related interest rate risk is capitalised to fixed assets, the impact indicated below may affect the Company's income statement over the remaining life of the related fixed assets.

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

₹ in Crore

Cash flow sensitivity (net)	Profit or loss	
	100 bp increase	100 bp decrease
2021-22		
Variable-rate instruments	-	-
Cash flow sensitivity (net)	-	-
2020-21		
Variable-rate instruments	-	-
Cash flow sensitivity (net)	-	-

49 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

Holding Company

Oil India Limited

Joint Venture of Holding Companies:

DNP Limited

Assam Bio Refinery Pvt. Ltd.

Indradhanush Gas Grid Ltd.

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 B.J. Phukan, Director (Technical) appointed w.e.f. 01.02.2017 and holding additional charge of Managing Director w.e.f. 01.02.22

Shri S.K. Barua, Managing Director (upto 31.01.2022)

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

Shri Hemanta Kr. Sharmah, Company Secretary (upto 31.01.2022)

Shri Chiranjeeb Sharma, Company Secretary (w.e.f. 01.02.2022)

Shri Krishna Kumar Dwivedi, Director (representing Govt. of Assam- upto 30.03.2022)

Shri Rajendra Kumar Kureel, (representing Govt. of India - upto 11.03.2022)

Smt. Sneha Lata Kumar, Independent Director (upto 07.09.2020)

Shri Jaswant Singh Saini, Independent Director (upto 26.03.2022)

Shri Sylvanus Lamare, Independent Director (w.e.f. 16.07.2019)

Shri Gagann Jain, Independent Director (w.e.f. 28.07.2021)

Shri Sudip Pradhan, Independent Director (w.e.f.18.11.2021)

Smt. Priyambada Kumari Keshri, Independent Director (w.e.f. 22.11.2021)

Notes to consolidated Financial Statements for the year ended 31st March 2022

Following are the related party transactions entered by the Company during the year:

₹ in Crore

	2021-22	2020-21
	Joint Venture/Joint Venture of Holding Companies:	Joint Venture/Joint Venture of Holding Companies:
Revenues and income		
Sale of goods	694.29	16,000.24
Dividend income received	24.81	4.09
Services given	21.71	25.55
Lease rental received	5.66	2.43
Costs and expenses		
Purchases of goods	8,375.80	5,069.70
Availing of services	259.71	285.84
Other operations		
Investment in equity shares	38.54	184.92
Loans given	169.92	-

b) Outstanding balance with related parties

₹ in Crore

	2021-22		2020-21	
	KMPs	Others	KMPs	Others
Loans given *	-	169.92	-	-
Percentage of the Loan to total Loans given	-	66.09%	-	-
Receivable at the year end	0.27	6.36	0.34	5.88
Payable at the year end	-	-	-	10.99

* Represents shareholder loan (unsecured) provided to JV company Assam Bio Refinery (P) Ltd.

The company has not provided/taken any loan from promoter group.

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-22	31-Mar-21
Short-term employee benefits	2.00	1.96
Post-employee benefits	0.28	0.27
Total	2.28	2.23

Notes to consolidated Financial Statements for the year ended 31st March 2022

50 Dues from officers is ₹2.22 Crore (31st March 2021 : ₹1.68 Crore)

51 During the FY 2021-22, no provision has been made under employee benefit in respect of pay revision dues (including retiral dues) to employees (unionised staff) since settlement has taken place (previous year ₹16.97 Crore).

52 Contingent Liabilities and Capital Commitments

₹ in Crore

	31-Mar-22	31-Mar-21
(a) Contingent Liabilities :		
Claims against the Company not acknowledged as debts :		
Excise matters	0.48	158.74
Entry Tax Matters	6.30	5.90
Claim by contractors Arbitration cases / Other extra claims on capital account	34.41	26.27
Others	1.49	1.49
(b) Capital Commitments :		
Estimated amount of contracts remaining to be executed on Capital account and not provided for	11,170.54	1,027.44
(c) Guarantees:		
i) Guarantees in favour of Oil Industry Development Board (OIDB) for long term loans for capital project extended to BCPL by OIDB"	-	28.25
ii) Bank Guarantee	34.21	57.93
(d) Letter of Credit:	51.20	-

The Company currently does not have any Contingent Assets

53 In compliance of Ind AS 37 on "Provisions, Contingent Liabilities and Contingent Assets", the required information is as under:

₹ in Crore

Nature	Opening balance	Additions during the year	Utilisation during the year	Reversals during the year	Closing balance
Excise	39.68	0.12	12.74	26.94	0.12
VAT/ Sales Tax/ Entry Tax	1.48	1.58	-	1.48	1.58
Legal cases	23.81	16.61	0.33	7.09	33.00
Total	64.97	18.31	13.07	35.51	34.70
Previous year	26.78	58.40	-	20.21	64.97

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

Notes to consolidated Financial Statements for the year ended 31st March 2022

54 Disclosure in respect of Expenditure on Corporate Social Responsibility Activities

₹ in Crore

	2021-22	2020-21
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	59.05	52.80
c) Amount spent during the year (on purpose other than construction / acquisition of assets controlled by the company)*	74.14	28.00
d) Provision created for balance amount (Closing Provision)	-	-
e) Nature of CSR activities	Promoting education, Art and Culture, Health Care and rehabilitation, Environment Sustainability, COVID-19 relief and Rural Development projects.	

* Including payables of ₹ 1.10 Crore (Previous Year ₹ 1.02 Crore) as on 31.03.2022.

55 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 6.44% (31st March 2021: 6.08%).

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. The Company's adjusted net debt to equity ratio at 31st March 2022 was as follows :

₹ in Crore

	As at 31 st March 2022	As at 31 st March 2021
Total Liabilities	4,322.04	2,524.81
Less : Cash and Cash equivalent	175.41	10.69
Adjusted net debt	4,146.63	2,514.13
Total equity	8,388.07	5,596.03
Adjusted net debt to adjusted equity ratio	0.49	0.45

Notes to consolidated Financial Statements for the year ended 31st March 2022

56 Interest in Joint Operations

Name		Principal place of Business	Proportion of Ownership Interest	
			March 31, 2022	March 31, 2021
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.

57 Disclosure Relating to Exploration Activities

₹ in Crore

	March 31, 2022	March 31, 2021
(i) Assets		
-Intangible Assets Under Development	5.19	1.03
(ii) Liabilities		
-Provision	0.03	0.71
(iii) Expenses		
- Exploration expenditure written off	6.54	4.81

58 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-22	31-Mar-21
I Revenue		
India	18,543.59	14,072.66
Other Countries	-	-
Total Revenue	23,547.01	14,072.66
II Non-current Assets *		
India	7,430.73	3,987.35
Other Countries	-	-
Total Non-current Assets	7,430.73	3,987.35

*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 ₹18,111.81 Crore (previous year - ₹6,048.58 Crore)

Notes to consolidated Financial Statements for the year ended 31st March 2022

59 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 there from are not likely to be material on settlement and are accounted as and when ascertained.

60 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 2022 ₹36.68 Crore (Previous Year ₹39.24 Crore)

61 Income Tax matter

Company has claimed deductions from taxable income for the financial year commencing from 2006-07 to 2012-13 on certain provisions related to its Refinery / Petroleum sector which was disallowed by the Income Tax assessing authority. Company appealed against said disallowance and subsequently received a favourable order from ITAT which is being contested by Income Tax department in higher forum. Considering that Income Tax department is in the process of filing an appeal on the same and that the matter is subject to legal interpretation, the refund received has been maintained as provision.

62 Research and Development Expenditure

Particulars	2021-22	2020-21
Revenue Expenditure	2.73	-

63 Additional Regulatory Information

The company is submitting quarterly statements of stocks/receivables and trade payables to banks and the same is in agreement with books of accounts.

64 Equity accounted Investees

Information of interest of the Company in its equity accounted investees:

	Name of the Investes	Country of Incorporation	31-Mar-22	31-Mar-21
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 Pvt. Ltd. (ABRPL)	INDIA	50.00%	50.00%
Interest in Joint Venture	Indradhanush Gas Grid Ltd. (IGGL)	INDIA	20.00%	20.00%

The principal place of business of all the entities listed above is the same as their respective country of incorporation.

Note (i) DNP Limited , a Joint Venture Company with AGCL and OIL as the other co-promoters, was set up in 15th June, 2007 in India with an authorised capital of ₹170 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

Notes to consolidated Financial Statements for the year ended 31st March 2022

Note (iii) ABRPL was incorporated on 4th 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 ₹276.93 Crore. ABRPL is a joint venture company comprising stakeholders viz.. Numaligarh Refinery Ltd.(50%), M/s Fortum 3V, Netherlands (28%) and M/s Chempolis Oy, Finland (22%). NRL's equity investment in ABRPL currently stands at ₹138.47 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 ₹1,200 crore and paid up capital of ₹425.00 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 ₹85.00 crore.

The following table comprises the financial information of the Company's material Joint Venture and Associate with their respective carrying amount.

	As at 31/03/2022 (₹ 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	270.73	6,880.97	1,956.26	1,871.91
Current Assets (excluding cash and cash equivalent)	95.50	1,586.73	2.99	69.60
Cash and cash equivalent	0.00	91.18	32.01	188.76
Less:				
Non Current liabilities (non current liabilities other than trade payables, other non current liabilities and provisions)	38.66	4,147.18	1,109.13	1,196.29
Current liabilities (current liabilities other than trade payables, other current liabilities and provisions)	4.84	196.44	218.45	519.17
Trade Payables, other current liabilities, other non-current liabilities and provisions	4.02	934.47	2.35	3.26
Net Assets	318.71	3,280.79	661.33	411.55
Groups share of net assets	82.86	328.08	330.67	82.31
Carrying amount of interest in Investees	82.86	328.08	330.67	82.31
	For the period ended 31.03.2022 (₹ in Crore)			
Revenue	98.52	3,473.47	0.48	2.85
Less:				
Cost of materials consumed	-	1,632.03	-	-
"Changes in inventories of finished goods, Stock-in -Trade and work-in-progress"	-	(3.21)	-	-
Employee Benefits Expense	4.21	124.38	1.30	-
Finance Costs	0.17	66.77	-	0.00
Depreciation and Amortisation	13.57	361.89	0.37	-
Other Expenses	33.45	358.16	0.40	0.40
Income tax expense	11.10	242.92	-	0.62
Other Comprehensive Income	-	1.01	(0.01)	-

Notes to consolidated Financial Statements for the year ended 31st March 2022

	As at 31/03/2022 (₹ 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%
Total Comprehensive Income	36.02	690.53	(1.58)	1.83
Groups share of profit	9.37	69.05	(0.79)	0.37
Groups share of OCI	-	0.10	(0.00)	-
Groups share of total comprehensive Income	9.37	69.15	(0.79)	0.37

31-Mar-21	As at 31/03/2021 (₹ 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%
Percentage ownership interest	26%	10%	50%	20%
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	152.35
Cash and cash equivalent	4.76	1,340.57	0.54	181.08
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	290.39
Company's 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
	For the period ended 31.03.2021 (₹ in Crore)			
	Audited	Audited	Audited	Audited
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	10.85	267.57	-	-

Notes to consolidated Financial Statements for the year ended 31st March 2022

31-Mar-21	As at 31/03/2021 (₹ 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%
Other Comprehensive Income	-	(1.69)	(0.01)	-
Total Comprehensive Income	39.89	745.37	(2.84)	2.82
Groups share of profit	10.37	74.53	(1.42)	0.56
Groups share of OCI	-	(0.17)	-	-
Groups share of total comprehensive Income	10.37	74.37	(1.42)	0.56

65 Previous year figures

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

Signature to Notes '1' to '65'

As per our attached report of even date

For R K P Associates
Chartered Accountants
ICAI FRN : 322473E

Sd/-
CA. Ravi Kumar Patwa
Partner
Membership No 056409
UDIN : 22056409AJIGFS4377
Place: Guwahati
Date : 20th May 2022

For and on behalf of the Board of Directors

Sd/-
B.J. Phukan
Director Technical and MD I/c
DIN : 07721895

Sd/-
Chiranjeeb Sharma
Company Secretary

Place: Guwahati
Date : 20th May 2022

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

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				
	20-30	30-40	40-50	Over 50	Total
Technical					
Executives	73	112	131	76	392
Workmen	38	79	176	113	406
Sub Total	111	191	307	189	798
Others					
Executives	11	36	47	53	147
Workmen	3	11	13	13	40
Sub Total	14	47	60	66	187
Grand Total	125	238	367	255	985
	Average age 43 Years				

The human resources have been valued by adopting Lev and Schwartz model with the following assumptions :

- (i) Continuity of present pattern of employee compensation, both direct and indirect.
- (ii) Continuity in career growth as per present policy of the company.
- (iii) The future earnings have been discounted at the risk free rate of return 7.23% (previous year 6.82%)

Value of Human Resources

	2021-22	2020-21	2019-20	2018-19	2017-18
Executives	2,518.11	2,142.02	1,981.53	1,909.15	1,956.84
Workmen	1,878.34	845.76	833.25	752.09	839.60
	4,396.45	2,987.78	2,814.78	2,661.24	2,796.44
Human Assets vis-à-vis Total Assets					
Value of Human Assets	4,396.45	2,987.78	2,814.78	2,661.24	2,796.44
Property Plant and Equipment (net)	6,974.44	3,832.27	3,382.54	3,105.44	2,891.20
Net Current Assets	1,514.47	1,468.80	1,823.67	2,066.42	2,364.02
	12,885.36	8,288.85	8,020.99	7,833.10	8,051.66
Profit before tax	4,847.85	4,082.97	1,734.55	3,051.91	3,142.34
Value Added	6,244.54	5,655.67	2,971.50	4,248.70	4,383.95
Ratio of :					
Profit (before tax) to Human Resources	110%	137%	62%	115%	112%
Value Added to Human Resources	142%	189%	106%	160%	157%
Human Resources to Total Resources	34%	36%	35%	34%	35%

SOCIAL ACCOUNTS

I. SOCIAL BENEFITS AND COSTS TO EMPLOYEES

a) Social Benefits to Employees	2021-22	2020-21	2019-20	2018-19	2017-18
1 Welfare facilities	6.17	6.80	7.22	3.78	4.37
2 Ex-gratia/Awards	58.19	52.58	20.14	35.81	51.53
3 Medical facilities	34.81	35.73	29.44	27.30	24.10
4 Retirement Benefits	22.38	16.25	17.99	23.78	44.62
5 Training and career development	2.90	1.99	2.25	3.55	3.64
6 Holiday Facilities	9.25	11.72	8.52	6.72	8.69
7 Transport Facilities	6.81	6.68	6.53	6.00	5.82
8 Insurance	2.18	2.48	2.38	1.90	1.81
9 Educational Facilities	1.11	1.87	1.69	4.33	1.00
10 Township Costs	5.72	4.47	4.89	4.63	3.43
11 Others	20.49	36.95	35.00	26.65	21.99
Total (a)	170.02	177.53	136.03	144.47	171.00
(b) Social Cost to Employees :					
1 Out of pocket expenses surrendered	1.77	1.11	2.05	1.76	1.74
Total (b)	1.77	1.11	2.05	1.76	1.74
Net Social Income to Employees (a-b)	168.25	176.42	133.98	142.71	169.26

II SOCIAL BENEFITS TO COMMUNITY

1 Local Taxes	2.13	1.88	1.45	1.64	1.09
2 Environment Improvements	0.13	0.20	0.93	0.19	0.32
3 Expenditure on Corporate Social responsibility	74.15	28.00	87.61	54.85	46.25
4 Generation of job potential to local people	141.36	44.12	33.67	33.67	20.37
5 Generation of business	590.16	501.35	478.31	493.39	475.15
Total Social income to community	807.93	575.56	601.97	583.74	543.17

III SOCIAL COST AND BENEFIT TO THE GENERAL PUBLIC

a) Benefits to the General Public					
1 Taxes paid to State Government	298.07	263.94	225.86	254.76	236.03
2 Dividend paid to State Government	181.99	340.58	163.48	149.86	223.42
3 Taxes and Duties paid to Central Government	5,329.56	5,891.51	2,971.16	3,754.55	4,212.43
Total (a)	5,809.62	6,496.03	3,360.50	4,159.17	4,671.88
b) Costs to the General Public :					
1 Purchase of Power	13.67	22.53	7.34	9.45	5.41
Total (b)	13.67	22.53	7.34	9.45	5.41
Net Social Income to the General Public (a-b)	5,795.95	6,473.50	3,353.16	4,149.72	4,666.47
Net Social Income to Employees,Community and General Public (I+II+III)	6,772.13	7,225.48	4,089.11	4,876.16	5,378.90



