नुमालीगढ़ रिफाइनरी लिमिटेड
भारत सरकार का उपक्रम
নুমলীগড় ৰিফাইনেৰী লিমিটেড
(ভাৰত চৰকাৰৰ এক প্ৰতিষ্ঠান)

NUMALIGARH REFINERY LIMITED
A GOVERNMENT OF INDIA ENTERPRISE
NRL

CIN : U11202AS1993GOI003893

Ref :

Date :

19th August,2026

To
National Stock Exchange of India Limited
Exchange Plaza, Bandra-Kurla Complex
Bandra (East), Mumbai – 400 051

Subject: Intimation under Regulation 51 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015-affirmed Credit Rating by India Ratings

Dear Sir/Madam,

Pursuant to Regulation 51 read with Part B of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby inform you that India Ratings has rated Numaligarh Refinery Limited as follows:

Particulars	Rating
Commercial Paper	IND A1+ (Affirmed)
Non-Convertible Debentures	IND AAA/Stable (Affirmed)

The aforesaid rating is published on the India Ratings website on 19th August,2026 and being made available on the website of the Company.

Kindly take the above information on record.

Thanking You
For Numaligarh Refinery Limited

Chiranjeeb Sharma
Digitally signed by Chiranjeeb Sharma
Date: 2026.08.19 17:34:00 +05'30'

Chiranjeeb Sharma
Company Secretary & Compliance Officer

Encl: Press Release issued by India Ratings dated 19th August,2026

IndiaRatings
& Research
A Fitch Group Company

India Ratings Affirms Numaligarh Refinery's NCDs at 'IND AAA'/Stable; Proposed CPs at 'IND A1+'

Aug 19, 2026 | Numaligarh Refinery Limited | Refineries & Marketing

India Ratings and Research (Ind-Ra) has affirmed Numaligarh Refinery Limited's (NRL) non-convertible debentures and proposed commercial paper as follows:

Details of Instruments

Instrument Description	Regulator of Instrument	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of Issue (INR million)	Rating Assigned along with Watch/Outlook	Rating Action
Proposed commercial paper	RBI	-	-	Up to 365 days	30,000	IND A1+	Affirmed
Non-convertible debentures*	Refer to ISIN annexure	-	-	-	50,000	IND AAA/Stable	Affirmed

*Details in annexure

Analytical Approach

Ind-Ra has fully consolidated NRL's joint venture (JV) companies — DNP Limited (holds a 26% stake), Assam Bio Refinery (50% stake) and Indradhanush Gas Grid Limited (20% stake) — and associate company, Brahmaputra Cracker and Polymer Limited (10% stake), to arrive at the ratings on account of their operational and strategic importance to NRL. Ind-Ra has applied the top-down approach using its Parent and Subsidiary Rating Linkage Criteria for arriving at the ratings, due to its strong operational and strategic linkages with Oil India Ltd (OIL; 69.63% stake) and its strategic importance to the government of India (GoI).

Detailed Rationale of the Rating Action

The ratings reflect NRL's strong linkages with OIL because of the former's operational importance and its strategic importance to GoI. The company continues to benefit from the 50% excise duty exemption available to refineries in the Northeast, which supports its profitability and cash flow generation. NRL has also maintained healthy operating performance, with a capacity utilisation of 105% in 1QFY27. The refinery remains among the most efficient in India, supported by a high distillate yield of around 87.58% during 1QFY27 (FY26: 87%), strong energy efficiency and a Nelson Complexity Index (NCI) of 9.2. Furthermore, the company has been able to generate healthy EBITDA of INR17.55 billion during 1QFY27 (FY26: INR43.16 billion), supported by the improvement in gross refining margin (GRM) to around USD35.95/barrel (bbl; USD13.42/bbl). For FY27, the management expects the GRM to remain elevated due to ongoing Middle East conflict, leading to improved profitability.

Furthermore, NRL has made healthy progress on the ongoing capex of expanding its refining capacity to 9 million metric tonnes per annum mmpta) from 3 mmpta. As of June 2026, the company incurred capex of around INR308.7 billion and achieved overall physical progress of 88.12%. The company has revised its total capital cost estimate to INR449 billion from INR411 billion, due to time extension in achieving mechanical completion of the Numaligarh Refinery expansion project (NREP); however, the complete commissioning of the plant, including the polypropylene unit (PPU), remained as per the last estimate of July 2028. While the project implementation timeline has been extended, Ind-Ra expects the company's debt service coverage ratio (DSCR) to remain comfortable, supported by its strong operational profile, strategic importance and expected cash flow generation from the expanded refinery.

However, the ratings are constrained by the execution risk of the project. The execution of the project within the timelines and any severe escalation of costs would be a key rating monitorable.

List of Key Rating Drivers

Strengths

- Strong linkages with OIL and GoI
- Healthy operating performance
- Healthy credit metrics

Weaknesses

- Execution risk of large capex

Detailed Description of Key Rating Drivers

Strong Linkages with OIL and GoI: The ratings continue to reflect NRL's strategic importance in the Northeast energy sector, its large albeit indirect and sovereign ownership. The ratings also factor in NRL's strong parentage through majority ownership by OIL (69.63%) and its strategic importance to the GoI, given the company's role as the GoI's extended arm for policy implementation. NRL depends heavily on sourcing of crude oil from OIL with the latter supplying almost 70% of the commodity. The entity's strategic importance to GoI has been reaffirmed by the company receiving 50% excise duty exemption. Furthermore, the majority of NRL's product offtake is being undertaken by Bharat Petroleum Corporation Limited (BPCL), which is also a central government-owned entity.

For the existing 3 mmpta capacity, NRL has a 15-year offtake agreement with BPCL till 2034, wherein the latter has agreed to offtake majority of NRL's products. Additionally, NRL has an in-principal agreement with BPCL for the offtake of incremental production after the competition of the refinery expansion. Additionally, NRL's board has seven directors, with representation from OIL and GoI /government of Assam (GoA).

However, Ind-Ra will reassess the linkages between the GoI and NRL after any policy-level change, if any. In addition, any deterioration in OIL's credit profile may have a bearing on NRL's ratings. Any change in the ownership of NRL will also lead to Ind-Ra reassessing the linkages between the GoI and the company.

Healthy Operating Performance: Ind-Ra expects NRL's operating performance to remain healthy, backed by the company being among the most efficient refineries in India with a high distillate yield and energy efficiency along with the NCI of 9.20, enabling it to maintain a higher GRM than its peers despite being exposed to volatility following global demand supply and geopolitical factors. Additionally, NRL's profitability would continue to be supported by the 50% excise duty exemption, giving it a structural advantage.

NRL's operating performance improved significantly over FY26-1QFY27, largely due to the improvement in its GRM. The company's capacity utilisation and throughput improved in 1QFY27 to 105% (FY26: 104%) and 0.79 MMT (3.11 MMT), respectively. The company's GRM improved to USD35.95/bbl in 1QFY27 (FY26: USD13.42/bbl; FY25: USD5.14/bbl), largely supported by an increase in high-speed diesel (HSD) and motor spirit (MS) crack spreads, due to the ongoing Middle East conflict.

The GoI has reduced the excise duty on domestic sales of MS and HSD to INR11.9/litre in 1QFY27 (FY26: INR21.9/litre) and INR7.8/litre (INR17.8/litre), respectively. NRL benefits from a structural margin advantage through a 50% excise duty exemption available to all Northeast refineries. Consequently, the reduction in the excise duty had a marginal impact on its EBITDA during 1QFY27. Supported by its higher GRM, the company reported EBITDA of INR17.6 billion in 1QFY27 (FY26: INR43.2 billion; FY25: INR25.3 billion). The opex/bbl has historically remained higher than other standalone refineries, largely due to a low base throughput, higher fixed cost, and higher central sales tax and transportation costs following high outside home state sales (50% of the total sales). The agency expects opex/bbl to moderate in the near term with the addition of its new capacity.

Healthy Credit Metrics: NRL continues to have low debt for operations, and the entire debt on books pertained to its ongoing capex, which is likely to increase till the capex completion, keeping the metrices healthy. During FY26, the net leverage (net debt/EBITDA) reduced to 4.2x (FY25: 5.2x; FY24: 2.4x) despite an increase in gross debt to INR179.43 billion (INR134.34 billion) supported by the improvement in its EBITDA. The gross interest coverage (EBITDA/ gross interest expense) remained healthy at 70.4x in FY26 (FY25: 56.4x) due to low interest expense as the major interest expense has been capitalised. Ind-Ra expects the net leverage to remain elevated in the short term, due to the ongoing capex. Ind-Ra expects the company's DSCR to remain strong above 2.0x over the debt tenure supported by the likely healthy accruals from existing as well as expanded capacities. Any material debt-funded cost escalations shall have an impact on the same and shall be monitored.

Execution Risk of Large Capex: NRL is undertaking a significant capacity addition project for the expansion of refining capacity to 9 mmpta from 3 mmpta along with an integrated unit of PPU with a capacity of 360 kilo tonnes per annum (ktpa). The total capex outlay increased to INR449.5 billion from earlier estimates of INR411.3 billion) because of time extension in achieving mechanical completion of the NREP. Of the total capex, INR308.7 billion has already been incurred as of June 2026. The remaining capex will be incurred in a phased manner by FY29. As of June 2026, the company has achieved physical progress of 88.12% on NREP, crude oil import terminal (COIT) and crude pipeline combined. The increase in the capex cost will be funded in a debt-to-equity ratio of 70:30 as the company already had a standby facility of INR41.13 billion in the initial sanction.

The equity potion will be funded through internal accruals. The phased commissioning of the NREP was scheduled to be completed by September 2026; however, it has been postponed to March 2027. Despite the deferment in the commissioning of NREP, the management expects the complete plant with PPU to be commissioned as per the earlier plan of July 2028. The execution of the project within the timelines and any severe escalation of costs would be a key rating monitorable. However, Ind-Ra derives comfort from the fact that the company have completed 88.12% of the work.

Liquidity

Adequate: The company had cash and cash equivalents of INR220.9 million at FYE26 (FYE25: INR2,069 million). The cash flow from operations improved to INR42,960 million in FY26 (FY25: INR33,920 million), largely because of low working capital requirements. The company has high capex scheduled for the refinery expansion project. It will be incurring INR225.37 billion by FY29 and avail debt of INR131.94 billion for the same. The company enjoys a one-year moratorium period from the scheduled commercial operations date for the debt availed from State Bank of India (‘IND AAA’/Stable) and two-years moratorium from the first drawl for the Oil Industry Development Board (OIDB) loan. The company has repayment of INR1.5 billion in FY28. Furthermore, the company’s average utilisation of the fund-based limit of INR9,790 million was 16% for the 12 months ended July 2026 and that of the non-fund-based limit of INR4,000 million was 53%.

Rating Sensitivities

Positive: Not applicable

Negative: Any weakening of the linkages between NRL and the OIL and/or significant time or cost overruns or sustained deterioration in operating performance will be negative for the ratings.

Any Other Information

Standalone Performance: The revenue stood at INR91.5 billion in 1QFY27 (FY26: INR263.9 billion), the total EBITDA stood at INR17.6 billion (INR43.2 billion). The total debt increased to INR179.4 billion at FYE26 (FYE25: INR134.3 billion). The interest coverage increased to 70.4x in FY26 (FY25: 56.4x) while the net leverage increased to 5.2x (2.4x) because of drawdown of debt for the ongoing capex.

ESG Issues

ESG Factors Minimally Relevant to Rating: Unless otherwise disclosed in this section, the ESG issues are credit neutral or have only a minimal credit impact on NRL, due to either their nature or the way in which they are being managed by the entity. For more information on Ind-Ra’s ESG Relevance Disclosures, please click here. For answers to frequently asked questions regarding ESG Relevance Disclosures and their impact on ratings, please click here.

About the Company

NRL, a navaratna public sector undertaking incorporated on 22 April 1993, owns and operates a crude oil refinery with refining capacity of 3 mmpta in Numaligarh, district Golaghat, Assam. As on 30 June 2026, OIL held a shareholding of 69.63% in NRL, while GoA and Engineers India Ltd. (EIL) held 26% and 4.37% stakes, respectively.

Key Financial Indicators

CONSOLIDATED

Particulars	FY26	FY25
Net revenue (INR billion)	264.0	251.5
Operating EBITDA (INR billion)	43.2	25.3
Operating EBITDA margin (%)	16	10
Gross interest coverage (x)	70.4	56.4
Net leverage (x)	4.2	5.2
Source: NRL, Ind-Ra		

Status of Non-Cooperation with previous rating agency

Not applicable

Rating History

Instrument Type	Current Rating/Outlook			Historical Rating/Outlook
	Rating Type	Rated Limits (INR million)	Current Rating	20 August 2025
Non-convertible debentures	Long-term	50,000	IND AAA/Stable	IND AAA/Stable
Proposed commercial paper	Short-term	30,000	IND A1+	IND A1+

Complexity Level of the Instruments

Instrument Type	Complexity Indicator
commercial paper	Low
Non-convertible debentures	Low

For details on the complexity level of the instruments, please visit https://www.indiaratings.co.in/complexity-indicators.

Annexure

Instrument	ISIN	Regulator of Instrument	Date of Issuance	Coupon Rate (%)	Maturity Date	Outstanding/Rated Amount (INR million)	Ratings
NCDs	INE152D08010	SEBI	23 September 2025	7.34	23 September 2035	25,000	IND AAA/Stable
Proposed NCDs	Unutilised	SEBI	-	-	-	25,000	IND AAA/Stable
Total						50,000	
Source: NSDL							

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Ind-Ra currently maintains coverage of corporate issuers, financial institutions (including banks and insurance companies), finance companies, urban local bodies, and structured finance and project finance companies.

Headquartered in Mumbai, Ind-Ra has seven branch offices located in Ahmedabad, Bengaluru, Chennai, Gurugram, Hyderabad, Kolkata and Pune. Ind-Ra is recognised by the Securities and Exchange Board of India and the Reserve Bank of India.

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Solicitation Disclosures

Additional information is available at www.indiaratings.co.in. The ratings above were solicited by the issuer, and therefore, India Ratings has been compensated for the provision of the ratings.

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APPLICABLE CRITERIA AND POLICIES

Corporate Rating Methodology

Parent and Subsidiary Rating Linkage

Short-Term Ratings Criteria for Non-Financial Corporates

The Rating Process

Evaluating Corporate Governance