



# ANNUAL REPORT

2022-23



**Building sustainable dreams**  
Brahmaputra Cracker and Polymer Limited  
(A Government of India Enterprise)



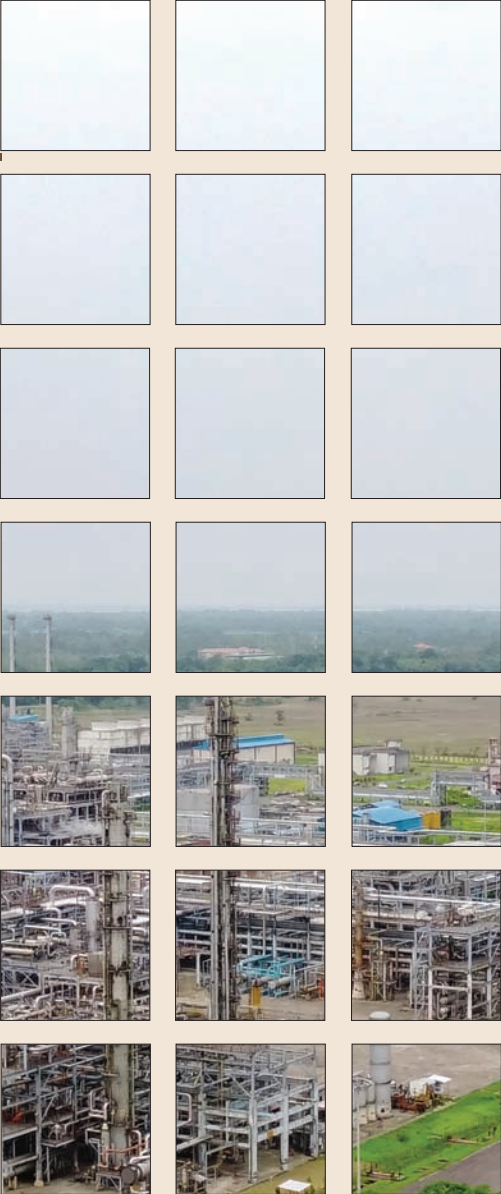
## VISION

To emerge as a dominant petrochemical player in the north-east region, providing value to stakeholders, offering best-in-class products & services, contributing to economic growth while remaining environmentally conscious

## MISSION

To establish significant presence in the north-east region in petrochemical sector by way of production/sourcing and marketing of quality products, deploying efficient distribution and marketing channels to cater to the needs of target customers.





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# BOARD OF DIRECTORS



**Shri Sandeep Kumar Gupta**  
Chairman  
(w.e.f. 03.10.2022)



**Shri Reep Hazarika**  
Managing Director  
(up to 31.07.2023)



**Shri Pruthiviraj Dash**  
Director (Finance) &  
Managing Director (additional charge)  
(w.e.f. 01.08.2023)



**Dr Lakshmanan S, IAS**  
Director  
(w.e.f. 20.05.2022)



**Shri Biswajit Pegu, IAS**  
Director  
(w.e.f. 26.10.2022)



**Shri Rakesh Mishra**  
Director  
(w.e.f. 24.05.2023)



**Shri Bhaskar Jyoti Phukan**  
Director



**Shri Harish Madhav**  
Director



**Shri Alope Kumar Naskar**  
Director  
(w.e.f. 10.02.2023)



**Smt Meenaxee P Medhi**  
Director  
(w.e.f. 09.02.2023)



**Dr Raman Kumar Trivedi**  
Independent Director



**Dr K K Dwivedi, IAS**  
Director  
(up to 19.05.2022)



**Shri Jishnu Barua, IAS**  
Director  
(up to 31.08.2022)



**Shri Manoj Jain**  
Director & Chairman  
(up to 31.08.2022)



**Shri M V Iyer**  
Director  
(up to 16.10.2022)



**Shri Saumitra Sarkar**  
Independent Director  
(up to 19.11.2022)



**Ms Sandepa Trakroo**  
Director  
(up to 24.11.2022)



**Shri M V Ravi Someswarudu**  
Director  
(up to 31.12.2022)



# GENERAL INFORMATION

## CORPORATE IDENTITY NO. (CIN)

U11101AS2007GOI008290

### BANKERS

#### State Bank of India

Corporate Accounts Group Branch  
4<sup>th</sup> & 5<sup>th</sup> Floor Parsvnath Capital Tower  
hai Veer Singh Marg, Gole Market,  
New Delhi-110001

Lepetkata Branch, Barbaruah,  
Dibrugrah-786007

#### Axis Bank Limited

4<sup>th</sup> Floor, Air Conditioned Market  
Building, 1, Shakespeare Sarani,  
Kolkata 700071

#### ICICI Bank Limited

Registered Office : ICICI Bank Tower  
Near Chakli Circle, Old Padra Road, Vadoda-  
ra-390007

#### Statutory Auditors

M/s RKP Associates  
Chartered Accountants  
Room No 508, 5<sup>th</sup> Floor, Parmeshwari,  
Chatribari Road Guwahati-781001

#### Cost Auditors

M/s Musib & Co  
Flat No. 403, Kripa Apartment  
Samagam Path, Near Hathigaon, District -  
Kamrup, Hatigaon, Guwahati- 781038

#### Secretarial Auditors

M/s Narayan Sharma & Associates  
Company Secretary in Practice  
Master Enclave, Gr. Floor,  
Christian Basti,  
G.S. Road, Guwahati- 781005

#### Internal Auditors

- In-house IA Department
- Deloitte Touche Tohmatsu India LLP  
7<sup>th</sup> Floor, Building 10 Tower B  
DLF City Phase II, Gurugram  
Haryana - 122002

#### Registered Office

1<sup>st</sup> Floor, House No. 6, Bhuban Road,  
Uzanbazar, Guwahati-781001

#### Petrochemical Complex

Lepetkata, Barbaruah  
Dibrugrah, Assam-786007





# NOTICE

Notice is hereby given that the Sixteenth Annual General Meeting of the Company will be held on Friday, the 15<sup>th</sup> day of September, 2023 at 3.00 p.m. at Numaligarh Refinery Limited, 122A, G.S. Road, Christianbasti, Guwahati-781005 with arrangements for video conference (VC)/other audio visual means (OAVM) to transact the following business-

## As Ordinary Business

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2023, the Profit and Loss Account for the year ended on that date, the Board's Report, the Statutory Auditors' Report and the comments of the Comptroller & Auditor General of India thereon and to pass the following resolution as an Ordinary Resolution:

***"RESOLVED THAT the audited Financial Statements for the financial year ended 31.03.2023, the Board's Report and their annexures, the Statutory Auditors' Report and the comments thereupon of the Comptroller & Auditor General of India u/s 143(6)(b) of the Companies Act 2013, be and are hereby received, considered and adopted."***

2. To approve the payment of dividend @ 2.84% per share on the paid-up equity share capital of the Company for the financial year ended 31st March, 2023 and to pass the following resolution as an Ordinary Resolution:

***"RESOLVED THAT in terms of the recommendation of the Board of Directors the approval of the members be and is hereby accorded for payment of dividend @ 2.84% per share on the paid-up equity share capital of the Company for the financial year ended 31st March, 2023 and the same be paid to all members whose names appear in the Register of members on the date of the annual general meeting i.e. 15.09.2023."***

3. To appoint a Director in place of Dr Lakshmanan S (DIN 9009335) who retires by rotation, and being eligible, offers himself for re-appointment and to pass the following resolution as an Ordinary Resolution:

***"RESOLVED THAT Dr Lakshmanan S (DIN 9009335) be and is hereby re-appointed as Director of the Company liable to retire by rotation."***

4. To appoint a Director in place of Shri Biswajit Pegu (DIN 07756420), who retires by rotation, and being eligible, offers himself for re-appointment and to pass the following resolution as an Ordinary Resolution:

***"RESOLVED THAT Shri Biswajit Pegu (DIN 07756420) be and is hereby re-appointed as Director of the Company liable to retire by rotation."***

5. To appoint a Director in place of Shri Bhaskar Jyoti Phukan (DIN 07721895) who retires by rotation, and being eligible, offers himself for re-appointment and to pass the following resolution as an Ordinary Resolution:

***"RESOLVED THAT Shri Bhaskar Jyoti Phukan (DIN 07721895) be and is hereby re-appointed as Director of the Company liable to retire by rotation."***

6. To authorise the Board of Directors of the Company to fix the remuneration of the Statutory Auditors for the financial year 2023-24 in terms of the provisions of Section 142 of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and to pass the following resolution, with or without modification, as an Ordinary Resolution:



***"RESOLVED THAT the Board of Directors of the Company be and is hereby authorised to fix the remuneration of the Statutory Auditors as appointed by the Comptroller and Auditor General of India for the financial year 2023-24."***

**As Special Business**

7. To consider, and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

***"RESOLVED THAT in accordance with the provisions of Section 160 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri Sandeep Kumar Gupta (DIN 07570165), who was appointed as an Additional Director w.e.f. 03.10.2022 be and is hereby appointed as Director of the Company, liable to retire by rotation."***

8. To consider, and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

***"RESOLVED THAT in accordance with the provisions of Section 160 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Smt. Meenaxee P Medhi (DIN 10039736), who was appointed as an Additional Director w.e.f. 09.02.2023 be and is hereby appointed as a Director of the Company, liable to retire by rotation."***

9. To consider, and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

***"RESOLVED THAT in accordance with the provisions of Section 160 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri Alope Kumar Naskar (DIN 10039744) who was appointed as an Additional Director w.e.f. 10.02.2023 be and is hereby appointed as a Director of the Company, liable to retire by rotation."***

10. To consider, and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

***"RESOLVED THAT in accordance with the provisions of Section 160 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri Rakesh Mishra (DIN 10173208) who was appointed as an Additional Director w.e.f. 24.05.2023 be and is hereby appointed as a Director of the Company, liable to retire by rotation."***

11. To consider, and if thought fit, to pass with or without modification, 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 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) remuneration amounting to ₹65000/- (Rupees Sixty five thousand only) plus GST & re-imbursement of travelling and out-of-pocket expenses at actual payable to M/s Musib & Co., Cost Accountants (Registration No. 000217), appointed by the Board of Directors for conduct of cost audit of the cost records of the Company for the financial year 2023-24, be and is hereby ratified."***

***RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds and things and take all such steps as may be necessary to give effect to this resolution."***

Dated : 19<sup>th</sup> August, 2023

Place : Guwahati

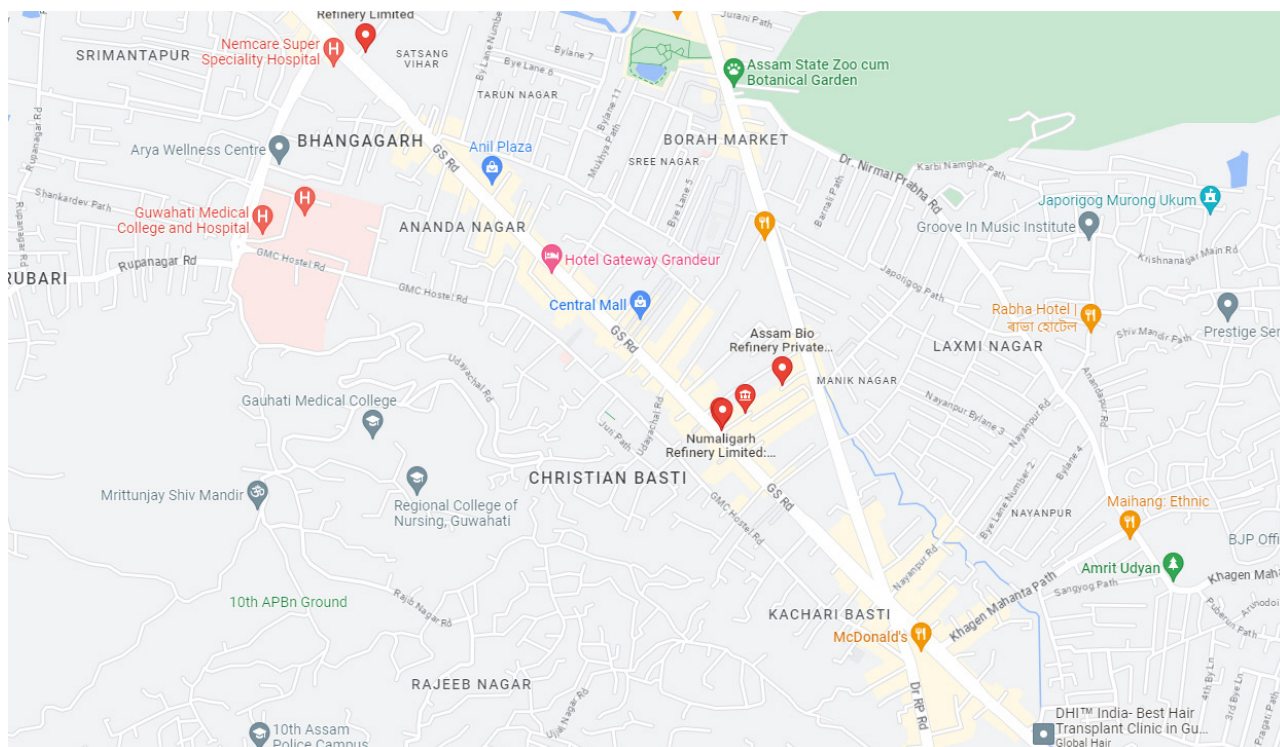
By Order of the Board  
Sd/-  
(Ruli Das Sen)  
Company Secretary





# NOTES

1. Due to relaxation given by MCA vide General Circular No. 10/2022 dated 28.12.2022 read with No. 20/2020 dated 05.05.2020, members can attend and participate in the AGM through VC/OAVM.
2. Attendance of members through VC or OAVM shall be counted for quorum u/s 103 of the Act and the link for the meeting will be shared separately.
3. If physical attendance is rendered totally unfeasible due to the Covid situation/SoPs prevailing at the time of the meeting, the meeting shall be held entirely through VC/OAVM.
4. In line with the aforesaid MCA Circulars, the Notice of AGM along with Annual Report 2022-23 is being sent through electronic mode to the registered Email addresses of Members.
5. In line with the aforesaid MCA Circulars, the facility of appointment of proxies by members u/s 105 of the Act is not available for the meeting held through VC/OAVM.
6. Representative of the members u/s 112 & 113 of the Act may be appointed for the purpose of participation (physical or virtual) in the meeting and necessary authorisation for such representation may be forwarded to the Company.
7. The explanatory statement as required under Section 102(1) of the Companies Act, 2013, is annexed and members who wish to inspect the relevant documents referred to therein can send an email to [cs.department@bcplindia.co.in](mailto:cs.department@bcplindia.co.in) up to the date of the meeting.



**16<sup>th</sup> Annual General Meeting Venue Map**  
Address: NRL Centre, 122A, G S Road, Christian Basti,  
Guwahati 781005 Assam



## Explanatory Statement pursuant to section 102(1) of the Companies Act, 2013

### **Agenda No. 7**

Shri Sandeep Kumar Gupta is a Commerce Graduate and a Fellow of the Institute of Chartered Accountants of India. Before joining GAIL in October 2022, Shri Gupta held the position of Director (Finance) since August, 2019 on the Board of Indian Oil Corporation Limited, the leading PSU integrated Energy Company in Fortune “Global 500”, and several group companies. As Director (Finance), he was in charge of F&A, Treasury, Pricing, International Trade, Optimization, Information Systems, Corporate Affairs, Legal, Risk Management, etc. Shri Gupta has wide experience of over 34 years of Oil & Gas Industry and held different positions in Indian Oil Corporate Office, Refineries Head Office and Refineries at Guwahati, Baroda and Mathura. He has received training through renowned institutions like IIM Calcutta, University of Maryland, Washington, Harvard Business School, XLRI Jamshedpur and IIM Ahmedabad. Shri Gupta has received prestigious individual recognition such as “CA CFO – Large Corporate – Manufacturing and Infrastructure Category” in January 2021 by ICAI for Financial & Risk Management during Pandemic and was adjudged among Top 30 CFOs in India by StartupLanes.com in May 2022.

Shri Sandeep Kumar Gupta is also the Chairman of Standing Conference of Public Enterprises (SCOPE) for the year 2023-25. Shri Gupta was recently honoured with ‘India’s Best CEO’ award for Oil and Gas Sector by India Today Group.

He does not hold any shares in the Company and is not related to any Director or other key managerial personnel of the Company. He is Chairman & Managing Director, GAIL (India) Ltd, Chairman, GAIL Gas Ltd and Standing Conference of Public Enterprises and Director, Petronet LNG Ltd.

The Company has received a Notice under section 160 of the Companies Act, 2013, proposing the candidature of Shri Sandeep Kumar Gupta as a Director of the Company.

Your Directors recommend the resolution for his appointment as Director liable to retire by rotation, for approval of the shareholders. None of the Directors, key managerial personnel or their relatives, except Shri Sandeep Kumar Gupta is interested in this resolution.

### **Agenda No. 8**

Smt. Meenaxee P. Medhi, Chief General Manager (R & D and Startup), GAIL was nominated vide GAIL letter No. ND/GAIL/SECTT/2023 dated 13.01.2023 as Director in place of Ms Sandepa Trakroo. Smt. Meenaxee P Medhi (DIN 10039736) aged 57 years was inducted as an Additional Director w.e.f. 09.02.2023 till the conclusion of this Annual General Meeting.

Smt. Meenaxee P Medhi is an Electrical Engineer from Assam Engineering College, Guwahati with around 34 years of varied experience in the Oil & Gas industry including project execution, commissioning and operations & maintenance of Pata Petrochemicals Project Phase I and Phase II and LPG Recovery Project Pata, LPG Recovery Project Phase I and Phase II, Vijapur, Vizag-Secundrabad LPG Pipeline (VSPL), Corporate HSE, Petrochemicals and retail marketing. She received the award of Best Female Employee in GAIL in 2009-10 for outstanding contribution to Pata petrochemical project and VSPL.

She does not hold any shares in the Company and is not related to any Director or other key managerial personnel of the Company. She does not hold directorship in any other Company.





The Company has received a Notice under section 160 of the Companies Act, 2013, proposing the candidature of Smt. Meenaxee P Medhi as a Director of the Company.

Your Directors recommend the resolution for her appointment as Director liable to retire by rotation, for approval of the shareholders. None of the Directors, key managerial personnel or their relatives, except Smt. Meenaxee P Medhi is interested in this resolution.

### ***Agenda No. 9***

Shri Alope Kumar Naskar, Executive Director (PC-CO), GAIL (India) Limited was nominated vide GAIL letter No. ND/GAIL/SECTT/2023 dated 13.01.2023 as Director on the Board of Directors of the Company in place of Shri M V Ravi Someswarudu. Shri Alope Kumar Naskar (DIN 10039744) aged 54 years was inducted as an Additional Director w.e.f. 10.02.2023 till the conclusion of this Annual General Meeting.

Shri Alope Kumar Naskar is B.Tech. (Hons.) in Chemical Engineering from IIT, KGP. Since his joining as GET in GAIL (India) Ltd., he has worked in Gas Processing Unit at Vijaipur and Lakwa, JLPL Pipeline and Petrochemical Plant at Pata. He has rich and varied experience of more than thirty years in the field of Petrochemicals, Gas Processing Unit, Pipeline Operations and Project Execution. At present, he is in charge of the overall execution of GAIL's first ever 500 KTA PDHPP Project at Usar site, in the State of Maharashtra, India and other upcoming chemical and petrochemical projects of GAIL in India.

He does not hold any shares in the Company and is not related to any Director or other key managerial personnel of the Company. He does not hold directorship in any other Company.

The Company has received a Notice under section 160 of the Companies Act, 2013, proposing the candidature of Shri Alope Kumar Naskar as a Director of the Company.

Your Directors recommend the resolution for his appointment as Director liable to retire by rotation, for approval of the shareholders. None of the Directors, key managerial personnel or their relatives, except Shri Alope Kumar Naskar is interested in this resolution.

### ***Agenda No. 10***

Shri Rakesh Mishra, Deputy Secretary, Ministry of Petroleum and Natural Gas, Government of India was nominated vide MoP&NG letter No. CA-31032/1/2021-PNG-37493 dated 16.05.2023 as Government Director in place of Shri Kapil Verma with immediate effect for a period of three years on co-terminus basis or until further orders whichever is earlier. Shri Rakesh Mishra (DIN 10173208) aged 58 years was inducted as an Additional Director w.e.f. 24.05.2023 till the conclusion of this Annual General Meeting.

Shri Rakesh Mishra is an M Sc (Tech). He has been working in the Ministry of Petroleum and Natural Gas since November, 2012. He has also worked in various capacities in the ministries of Information and Broadcasting, Social Justice & Empowerment and Department of Personnel & Training, Government of India.

He does not hold any shares in the Company and is not related to any Director or other key managerial personnel of the Company. He does not hold directorship in any other Company.

The Company has received a Notice under section 160 of the Companies Act, 2013, proposing the candidature of Shri Rakesh Mishra as a Director of the Company.

Your Directors recommend the resolution for his appointment as Director liable to retire by rotation, for approval of the shareholders. None of the Directors, key managerial personnel or their relatives, except Shri Rakesh Mishra is interested in this resolution.



### ***Agenda No. 11***

Pursuant to section 148 and other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 and as recommended by the Audit Committee of the Board, the Board of Directors of the Company has approved the appointment of M/s Musib & Co., Cost Accountants (Registration No. 000217), as Cost Auditors to conduct audit of the cost records of the Company for the financial year 2023-24 for a professional fee of ₹65000/- (excluding GST). Travelling and out of pocket expenses will be reimbursed at actuals. Accommodation at guest house and local travelling will be provided by BCPL.

The firm has vast experience in cost audit including cost audit assignments in public sector enterprises.

Pursuant to Rule 14 of the Companies (Audit and Auditors) Rules, 2014 the remuneration of the Cost Auditors recommended by the Audit Committee shall be considered and approved by the Board of Directors and ratified subsequently by the shareholders and accordingly consent of the shareholders is sought for ratifying the remuneration of the Cost Auditors appointed by the Board of Directors for conduct of cost audit for the financial year 2022-23.

Your Directors recommend the resolution for approval of the shareholders. None of the Directors, key managerial personnel or their relatives is concerned/interested in terms of Section 184 of the Companies Act, 2013, in the proposed resolution.





## CHAIRMAN'S MESSAGE



Dear Shareholders,

The past year has been a challenging one for your Company marked by an exorbitant increase in APM price of feedstock natural gas from \$2.9/MMBTU in March, 2022 to \$8.57/MMBTU in March, 2023 and polymer prices witnessing a declining trend. The overall capacity utilization achieved during the year under review was 93% following a maintenance shutdown during the first quarter. Despite the slowdown in the business conditions, your Company has demonstrated healthy financial management. Out of Revenue from Operation of ₹3486.82 crore, the EBITDA and net profit generated during 2022-23 were ₹347.12 crore and ₹134.23 crore respectively. In a commendable achievement, long-term loan of ₹12.55 crore was repaid to OADB liquidating the entire outstanding loans towards old project. The financial closure of the new projects viz. Butene-1 and HPG (2nd stage) plants has been achieved during the year by

entering into agreement with OADB for additional loan. Further, in view of project progress, a loan of ₹100 crore was drawn from OADB. An amount of ₹131 crore (previous year's claim) was received during the year by way of feedstock subsidy.

Maintaining its commitment to the stakeholders, the Board of Directors has recommended a dividend @2.84% on the paid-up equity share capital of the Company. The net worth of your Company stood at ₹3202 crore during the fiscal. External rating of the Company was maintained at AA+ by CRISIL and Acuite Ratings. Your Company also remains committed to contributing to the development of the northeast region and strives to increase market share in the northeast region. Total 31752 MT Polymer was sold in the northeast region.

Constantly striving to improve performance, your Company has implemented various systems and policies during the financial year including Process



Safety Management and Behavioural Based Safety, PP & PM Modules of SAP, O&M Policy & Guidelines as well as Energy Management System ISO 50001:2018. All pre-project activities as well as the final Basic Engineering Design Package (BEDP) for the Butene-1 and HPG-2 project were completed and civil/construction works are under progress. With M/s EIL as the EPMC and M/s AXENS as Licensor, the revised mechanical completion target for both the projects is November, 2024. Initiative is being taken to explore diversification into other segments of business for future growth. M/s EIL has been engaged for a de-bottlenecking study for revamping capacity. Break Point Study of Ethylene Cracker Unit was conducted by the licensor M/s Lummus Technology for capacity enhancement. Feasibility Study for capacity augmentation of GDU Duliajan and GSU/C2+ Recovery Unit Lakwa is going on. Simultaneously, assessment is being carried out for expansion of Polymer capacity as long-term growth strategy based on additional availability of feedstock in the northeastern region. Efforts continue for finding ways to augment natural gas sourcing and also to optimize energy consumption, reduce losses, emission, blow down, etc. for hydrocarbon & utilities in the different process units, utility and offsite facilities.

Your Company has constantly endeavoured to maintain transparency in all its business activities and has adopted the best procedures and policies guided by those of its promoters. Your Board of Directors is resolute in maintaining practices that secure continued stakeholder confidence and support. A report on Corporate Governance forms part of the Annual Report.

Since the beginning, efforts have been made to inculcate the habit of alertness towards ensuring the health and safety of the employees in the discharge of their duties. Digitized Work Permit System has been implemented and Process Safety Management (PSM) & Behavior Based Safety (BBS) for developing the best safety culture

is being implemented. Occupational health of employees is monitored through periodic medical examination at work centres and medical surveillance programs. Besides regular and structured HSE training including fire-fighting imparted to the employees to upgrade their skills, knowledge, and competence training is also imparted to security personnel, contract workers, tanker & truck drivers and other personnel to create awareness of the probable hazards in their work area. Safety audits are regularly conducted to ensure the implementation of the HSE standards, guidelines and emergency preparedness and audit recommendations are being complied with, in a time bound manner. Various new measures are regularly being adopted for conservation of the environment towards a sustainable future. To minimize environmental impact, a holistic approach is being taken through safe technologies and operating procedures for controlling the generation of waste and its management in the best possible way as per the latest industry practices following the environmental norms. Training programs on environment and sustainable development both on online and offline modes are conducted for employees. Your Company is making efforts to understand the best practices in the industry by interacting with other leading companies and in the process, develop a framework for sustainable development of the organization. With a comprehensive enterprise risk management policy, your Company has an effective risk organogram and key risks are being closely monitored.

Towards meeting the aspirations of the people of the northeastern region and to further the cause of socio-economic development of the region, your Company today employs over 600 permanent employees and around 2600 additional manpower under contract. The plant has also created opportunities for investment and employment in downstream industries and has opened new business avenues for vendors, transporters, suppliers and other service providers. Efforts





in cooperation with the government continue to make the plastic park in Tinsukia more attractive to investors and additional discount has been offered to entrepreneurs willing to set up downstream plastic units in the park. Industrial relations remained cordial during the year.

As a responsible business entity, various CSR projects under the broad heads of health & nutrition, promotion of education, skill enhancement, alternative livelihood promotion and entrepreneurship development, swachhata & sanitation and rural development have been undertaken during the fiscal with a budget of ₹25.27 crore. Besides, activities are routinely undertaken to promote awareness on swachhata activities under the aegis of Swachh Bharat Abhiyan. Despite fall in Covid infections, your Company remains alert and encourages COVID-safe practices while operating the plant and in the workplace.

It is commendable that your Company has consistently been winning several awards and accolades in areas of operations, safety, environment, workplace culture and other fronts. Nevertheless, focus on continuous learning and improvement must continue to avert errors from complacency.

On behalf of your Company, I extend my sincere gratitude to the Government of India, Government of Assam and the promoter institutions viz. Oil India Limited, Numaligarh Refinery Limited and GAIL (India) Limited for their continued support in taking BCPL forward. I solicit the continued guidance of the promoters and stakeholders in helping your organisation achieve its goals.

Sd/-  
(Sandeep Kumar Gupta)  
**CHAIRMAN**



## KEY MANAGERIAL PERSONNEL



**Shri Reep Hazarika, Managing Director and Shri Pruthiviraj Dash, Director (Finance)**

**Chief Financial Officer**  
Shri Pruthiviraj Dash

**Company Secretary**  
Smt Ruli Das Sen



## BOARD'S REPORT

### *Dear Shareholders,*

On behalf of the Board of Directors, I am pleased to present the Sixteenth Annual Report of the Company containing the audited financial statements for the year ended 31<sup>st</sup> March, 2023.

### *Plant Operations and Status.*

The plant achieved 93.03% capacity utilization during the year under review after a maintenance shutdown during the first quarter of the financial year. The year saw a 61% increase in cost of raw material consumed as compared to the previous year mainly due to the exorbitant increase in gas price from \$ 2.96 per MMBTU in March, 2022 to \$8.67 per MMBTU in FY 2022-23. Polymer price was also lower compared to FY 2021-22.

Constraints on availability of feedstock Natural Gas in terms of quantity and quality and Naphtha continued. Your Company has signed an MoU with Assam Gas Company Ltd. (AGCL) for supply of 0.12 MMSCMD of rich gas from ONGC's Amguri Oil fields produced by M/S OIL Max Energy Private limited. The supply of gas from AGCL started from 1st August, 2022. Infusion of this additional gas to the Lakwa plant has improved the production

of C2+ liquid. Your Company has been relying on IOCL & HPCL for meeting the shortage in supply of Naphtha for some time as other refineries are not ready to make any commitment for long term supply. To combat persistent feedstock challenges a string of measures have been taken to sustain operations at optimum capacity. To source additional rich gas your Company is in active discussion with the stakeholders to firm up commercial agreements. Your Company entered into agreements with M/s SHOE to infuse additional rich gas in its Duliajan unit and the results are encouraging. Further, the concern in respect of feedstock supply has been taken up with MoP&NG and the feedstock suppliers and the issue is being reviewed and monitored by MoP&NG from time to time. Being an ISO 14001:2015 Company, it is fully committed to operational excellence fulfilling all the compliances without deviation. After seven years of successful operation, your Company is exploring the possibility to expand its business as well as diversifying into new business segments to drive future revenue growth. M/s EIL has been engaged for de-bottlenecking study of BCPL complex for revamping its capacity. Break Point Study of Ethylene Cracker Unit was conducted by



*BCPL inks MoU with IWAI : Hon'ble Chief Minister of Assam Dr. Himanta Biswa Sarma seen with Hon'ble Minister of Ports, Shipping and Waterways and AYUSH, GoI Shri Sarbananda Sonowal, Hon'ble Minister of State, P & NG, Shri Rameshwar Teli, Hon'ble Minister, Industries and Commerce, GoA Shri Chandra Mohan Patowary and senior officials of BCPL and IWAI.*



*Shri Sandeep Kumar Gupta, Chairman with Shri Reep Hazarika, Managing Director and other senior official during a plant visit on 24<sup>th</sup> January, 2023*



the licensor M/s Lummus Technology for capacity enhancement . Feasibility Study for capacity augmentation of GDU Duliajan and GSU/C2+ Recovery Unit Lakwa is going on. Simultaneously, assessment is being carried out for expansion of Polymer capacity as long-term growth strategy based on additional availability of feedstock in the northeastern region.

For long term sustainability and to open new avenues for investment, your Company signed an MoU with Syama Prasad Mookerjee Port (SMPK), Kolkata for setting up of a logistic chain for movement of cargo from Haldia Dock Complex to Dibrugarh. A pre-feasibility study was done for allotment of land at Haldia port and the terms and conditions for hiring the land on lease basis is being examined.

Further, for streamlining the logistic chain movement to the Plant in Dibrugarh via the National Waterways-2, another MoU was signed with Inland Waterways Authority of India (IWAI) in April, 2022. Government has taken initiatives to make Dibrugarh a major river port of the country again. Development of the Dibrugarh port will promote trade and commerce in Dibrugarh as well as in the entire Northeast. This will leverage connectivity to neighboring countries and provide an opportunity to reach markets in different parts of the world.

Work on the Butene-1 and HPG-2 project was delayed due to the impact of the pandemic, all pre-project activities were completed and civil/construction works are under progress. M/s EIL is the EPMC for implementing the projects and M/s AXENS has been appointed as Licensor. The final Basic Engineering Design Package (BEDP) has been completed. The revised mechanical completion of both the projects is November, 2024. The Butene-1 plant shall be a 10 KPTA plant producing Butene-1 using ethylene which will provide a consistent supply of Butene-1 reducing dependence on external source. The HPG (2nd stage) plant shall be a 52 KTPA plant. The second stage of hydrogenation of HPG will yield more value-added products, to meet

a benzene specification of 1 Vol% (max) and Sulphur less than 10 ppm wt., to blend in gasoline pool. Environment clearance as well as Consent to Establish for both the projects were obtained.

Your Company has been taking various measures to optimize energy consumption and several schemes have been undertaken for reduction of losses, emission, blow down, etc. for hydrocarbon & utilities in different process units and utility & offsite facilities. There is continuous check for reduction in fuel and loss, conservation of energy, improvement in yield, optimization of product mix.

During the year, 2.52 lakh MT Polymers and 53,170 MT liquid hydrocarbons were produced, and the products were marketed to the downstream industries in accordance with the marketing arrangement with GAIL with Polymer sales of 2.46 lakh MT. It has been your Company's endeavour to prioritize sales in the northeastern region to ensure that there is no dearth of raw materials and to enhance market share in the region.

The highlights of achievements during the financial year 2022-23 are as below:

- Implementation of Process Safety Management and Behavioural Based Safety.
- Implementation of PP & PM Modules of SAP.
- Implementation of O&M Policy & Guidelines.
- Implementation of Energy Management System ISO 50001:2018 initiated.
- Consent to Establish has been obtained for new projects HPG-2 & Butene-1.
- A district level awareness program was conducted on World Environment Day on 5<sup>th</sup> June, 2022 with approximately 700 participants.
- The first Industrial Meet on 'Environment Management System' was organized on 5<sup>th</sup> July, 2022 on the occasion of Van Mahotsav.
- Your Company has been awarded re-certification of IMS (Integrated Management Systems of Quality, Environment and Occupational Health & Safety).



### Awards and accolades

- Received the prestigious “India’s best company award of the year 2022” among the petrochemical products manufacturing companies by Berkshire, Media, LLC, USA.
- Won the Award for Efficiency in Energy Usage in FICCI Chemicals and Petrochemicals Awards 2022.
- Conferred with the esteemed honour of “A Dream Company to work for” under “8<sup>th</sup> edition of National Awards for Excellence in HR 2022” platform, organised by World HRD Congress & CMO Asia along with media partner as presenting partner, ET Ascent on 20<sup>th</sup> September, 2022 at Bengaluru.
- Conferred the “Dream Companies to work for Awards” under organisational category of “Managing Health at Work”, presented by Times Ascent in the 31<sup>st</sup> Edition of the World HRD Congress 2023 on 16th February, 2023 at Mumbai.
- Conferred the “Governance Now, 9<sup>th</sup> PSU Award under category - Reskilling of Employees (Training & Development)” on 16th February 2023 at New Delhi; the event was supported by the Ministry of Heavy Industries and Department of Water Resources, River Development & Ganga Rejuvenation, Government of India and

offered an opportunity to celebrate BCPL’s achievement and commitment to raising its standard in the public sector domain.

- Conferred the prestigious Award of Excellence by Assam Productivity Council in recognition of inspiring & dedicated support to the motto of Higher Productivity Key to Prosperity and Atmanirbhar Bharat.
- In the third consecutive achievement in the international platform since 2019, three Quality Circle Teams from your Company were awarded in the International Quality Circle competition 2022 at Jakarta, Indonesia. All the three teams were bestowed with eminent “GOLD” award for presenting their respective projects and case studies at ICQCC.
- Won the prestigious ‘Gold Award’ under Apex India Green Leaf Awards 2021 for Environment Excellence category in Petrochemical Sector for its sustained efforts towards environment management by adopting the best practices.
- Won the ‘22<sup>nd</sup> Greentech Environment Award 2022’ for outstanding achievements in “Environment Protection” category.
- Won ‘Greentech Quality & Innovation Award 2022’ in “Process Innovation” category for innovating a novel route of polymer grade transition.



BCPL receives the prestigious Dun & Bradstreet Corporate Award 2022 in the category of Chemicals & Pharmaceuticals including Petrochemicals (CPSUs) at a ceremonial event in New Delhi on 29<sup>th</sup> September, 2022



BCPL conferred the Governance Now, 9<sup>th</sup> PSU Award under category - Reskilling of Employees (Training & Development).



### ***Health Safety and Environment (HSE)***

Your Company recognizes Health, Safety and Environment management as an integral part of improving business performance. Consistent efforts are made to prevent accidents and loss and reduce the adverse impact on occupational and environmental health given the hazardous nature of a petrochemical plant. Your Company is certified under Integrated Management System comprising of ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 standards for Quality, Environment & Occupational Health and Safety Management Systems.

A Board level committee on Health Safety & Environment monitors the compliance of safety guidelines & statutory requirements and reviews relevant issues on regular basis. The HSE performance of the Company is also being reviewed by the Board of Directors. The best possible HSE practices are ensured primarily through a robust HSE Policy, displayed at various locations in the plant. Your Company has an Emergency Response & Disaster management plan (ERDMP) certified by competent authority and a sound Safety Management System.

Your Company has taken several initiatives to improve awareness and safety practices during the Financial Year. Digitized Work Permit System has been implemented in the Company. Process Safety Management (PSM) & Behavior Based Safety (BBS) for developing the best safety culture are also being implemented. The employees and contract workers are encouraged to adopt safe working habits and behavior to ensure an effective implementation of the HSE Policy and are empowered to notify and stop any unsafe work/act, as may so arise. To ensure safety in operation & maintenance of the plant as well of the employees & workers, SOPs and O&M Policy are in place.

Your Company recognizes the significance of training on safe practices to ensure efficient functioning and development of effective safety culture. Regular and structured HSE training

including Emergency Management, Fire Fighting, Environment, Health & Safety is imparted to the employees to upgrade their skills, knowledge, and competence. Regular training is also imparted to security personnel, contract workers, tanker & truck drivers and other personnel to create awareness of the probable hazards in their work area and to mitigate unsafe behavior and conditions that can lead to accidents. Apart from classroom training, practical Fire Fighting Training is being imparted to employees in regular basis. In all 2232 and 4671 man-hours of training were imparted to both employees and Contract workers respectively.

Monthly Safety Day is observed in all units on the 10th of every month to generate awareness on HSE aspects across the organization and to develop a safety conscious mindset. Fire Service Week was organized at all the plant locations of BCPL to spread awareness on Fire & Safety aspects.

Your Company took several measures to provide preventive healthcare to all employees including contract employees and spread awareness amongst the society. Periodic medical examination at work centers and medical surveillance programs are conducted to monitor the occupational health of employees.

Safety audits by both external safety auditors and experienced in-house auditors are regularly conducted to ensure the implementation of the HSE standards, guidelines and emergency preparedness and audit recommendations are being complied in a time bound manner. All fixed and portable firefighting systems are regularly being edged to assure 100% reliability. To check effectiveness of emergency management system, onsite and offsite emergency mock drills are being conducted periodically. During the year, an off-site emergency mock drill was conducted in association with district administration & Mutual Aid member group on 6<sup>th</sup> September, 2022 and on 25<sup>th</sup> February, 2023 at Dibrugarh and Lakwa unit respectively. During the year Quantitative Risk Assessment (QRA) of ONGC-Lakwa pipeline was conducted. Plant Safety Committee meeting





is conducted once a quarter to meet the statutory requirement under the Assam Factory Rule, 1950. To encourage safety awareness, Competition is conducted among all process units every year for adjudging the best HSE performer for an award known as MD trophy. To promote health and hygiene in the workplace a competition for best housekeeping is also conducted among all process units.

### **Financial Summary**

During the financial year 2022-23, your Company has earned a net profit of ₹134.23 crore and the revenue from Operation was ₹3486.82 crore. The EBITDA during 2022-23 was ₹347.12 crore which is 9.95% of revenue from operation. As per the approved methodology, feedstock subsidy claim of ₹563.00 crore was accounted for in 2022-23. The claims were duly processed and an amount of ₹131.00 crore (previous year's claim) was received

during the year. The balance sheet was already deleveraged in the previous financial year and as a result the interest cost remained low during the year. During the year, the company prepaid long-term loan of ₹12.55 crore to OADB (pertaining to original project) making the outstanding towards old project as NIL. Further, OADB loan of ₹100 crore was drawn for funding the Butene-1 and HPG-2 projects. The feedstock subsidy for the current financial year has been accounted for as 'other operational income' on accrual basis based on the projection/ estimate as per the methodology and partial budgetary provision (₹392.06 crore) has been made in the union budget (BE) for 2023-24. BCPL will make balance budgetary allocation (₹170.94 crore) in RE 2023-24.

The financial performance of the Company during 2022-23 as compared to previous year is given below:

₹ in crore

| Particulars                               | Financial Year |          |
|-------------------------------------------|----------------|----------|
|                                           | 2022-23        | 2021-22  |
| Sale value                                | 2,866.92       | 3,040.18 |
| (+) Feedstock Subsidy                     | 563.00         | 131.00   |
| (+) GST Budgetary                         | 56.90          | 72.18    |
| Revenue from operation                    | 3,486.82       | 3,243.36 |
| Other Income                              | 28.98          | 18.45    |
| Total Income                              | 3,515.80       | 3,261.81 |
| (-) Cost of raw material consumed         | 2,624.42       | 1,628.82 |
| (-) Employee benefits expenses            | 158.97         | 124.38   |
| (-) Other expenses                        | 385.29         | 358.16   |
| EBITDA                                    | 347.12         | 1,150.46 |
| (-) Finance costs                         | 4.25           | 66.92    |
| (-) Depreciation and Amortization expense | 361.83         | 361.89   |
| (+) Amortization of Cap Sub               | 211.65         | 211.65   |
| Profit Before Tax (PBT)                   | 192.69         | 933.30   |
| Current Tax                               | 41.97          | 223.57   |
| Deferred Tax                              | 16.49          | 19.20    |
| Profit/(Loss) for the period              | 134.23         | 690.53   |



While all economic indicators suggest the Indian economy has fared better than previously believed despite continuing global uncertainties, the petrochemical industry has witnessed a downside during 2022-23 due to rise in input cost. There has been exorbitant increase in APM price of natural gas from \$2.9/MMBTU in March, 2022 to \$8.57/MMBTU in March, 2023. The polymer prices have also seen a declining trend in the second half of the financial year. Due to maintenance shutdown of plant in Q-1 of the financial year, the overall capacity utilization achieved was 93%. As a result there also was reduction in quantity sold.

The financial position of your Company as at 31.03.2023 is given below:

₹ in crore

| Particulars                                                             | For the period ended |          |
|-------------------------------------------------------------------------|----------------------|----------|
|                                                                         | 31.03.23             | 31.03.22 |
| Net Fixed Asset                                                         | <b>6196.29</b>       | 6,499.80 |
| Borrowings (Long Term)                                                  |                      |          |
| -OIDB                                                                   | <b>196.69</b>        | 109.24   |
| -SBI                                                                    | -                    | -        |
| Borrowings (Short Term)                                                 | <b>103.15</b>        | -        |
| Paid Up Equity                                                          | <b>1417.67</b>       | 1,417.67 |
| Reserves & Surplus                                                      | <b>1783.97</b>       | 1,863.12 |
| Total Equity                                                            | <b>3201.64</b>       | 3,280.79 |
| Reserve not created out of Profit (e.g., Revaluation reserve, OCI etc.) | <b>(0.73)</b>        | 1.01     |
| Net Worth                                                               | <b>3202.37</b>       | 3,279.78 |

Despite the slowdown in the business environment, your Company has been able to demonstrate healthy financial management. External rating of the Company was maintained at AA+ by CRISIL and Acuite Ratings.

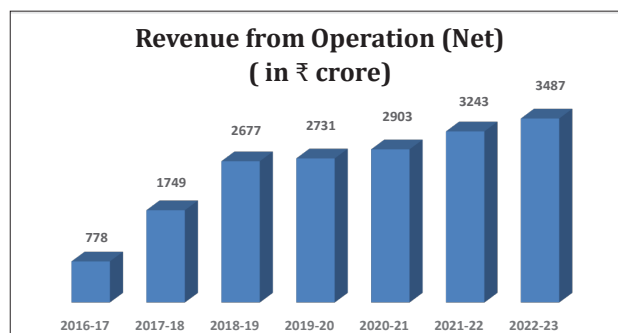
The financial closure of the new projects viz. Butene-1 and HPG (2nd stage) plants has been achieved as BCPL has entered into loan agreement

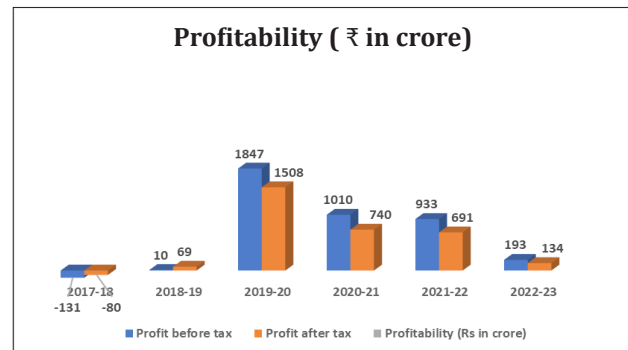
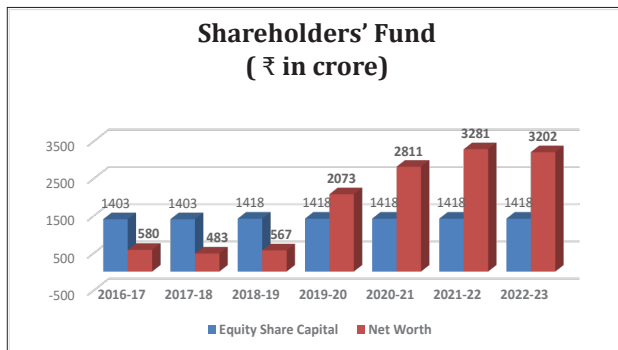
with OADB for entire debt portion. Loan amount of ₹196.69 crore have been drawn till March, 2023 and the balance loans shall be drawn based on project milestones. Evacuation of polymer and debtor management remained efficient during the year and the inventory level as well as trade receivable levels at the end of the year were healthy.

### Key Financial Highlights

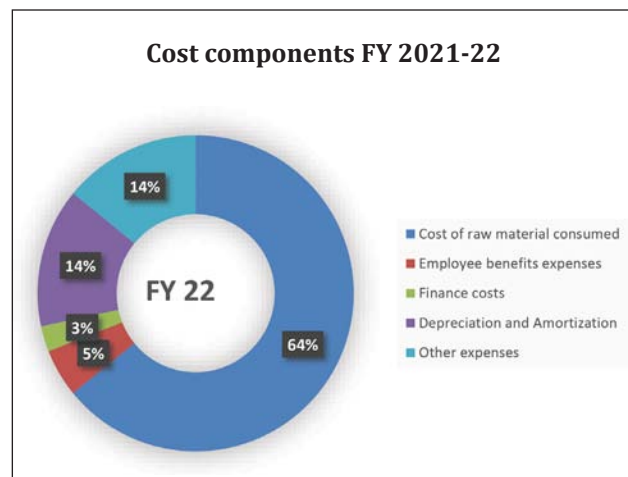
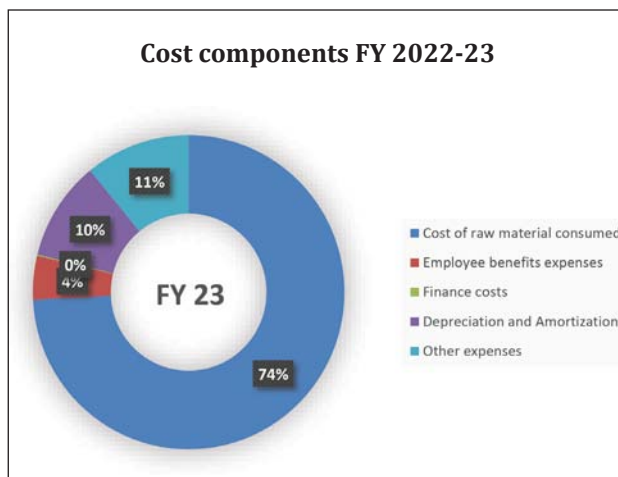
The plant has operated at 93% capacity in FY 2022-23 after full capacity operation for the last four years. During the year under review, natural gas worth ₹1385.31 crore (previous year ₹430.90 crore and naphtha worth ₹1023.15 crore (previous year ₹952.84 crore) was consumed for producing polymer and by-products which converted to sale of ₹2866.92 crore (previous year ₹3040.18 crore). Feedstock subsidy of ₹563 crore and budgetary support under GST of ₹56.90 crore formed other operating income resulting in total revenue from operation amounting to ₹3486.82 crore.

Your Company has released dividend of ₹212.65 crore to promoters @15.00% for FY 2021-22 during the 3rd quarter of the current financial year. Pre-payment of OADB loan, dividend payment and fresh borrowings resulted in net cash outflow from financing activity to the tune of ₹24.56 crore. The loss from operating activities was ₹132.28 crore. Therefore, despite receipt of feedstock subsidy, the closing balance of cash and cash equivalent was ₹9.65 crore (₹91.18 crore in previous year).





The components of expense during the year as compared to the previous year are given below:



No material changes and commitments affecting the financial position of the Company have occurred since 31st March, 2023. Your Company has computed and disclosed the financial ratios mandated by amendments to Schedule III of the Companies Act, 2013 along with the variations from previous years in the notes to accounts.

### Dividend

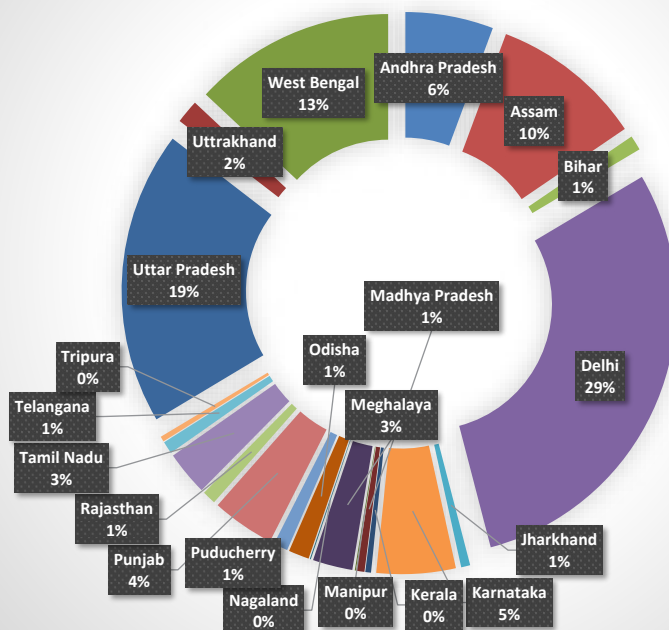
The Board of Directors of the Company has recommended a dividend of ₹40.26 crore @2.84% per equity share on the paid-up equity share capital of the Company, for the year ended on 31st March 2023. Your Company has sought exemption from paying dividend at prescribed rate (30% of PAT or 5% of Net Worth) from DIPAM through the administrative ministry.

### Marketing

With GAIL India Limited, the holding company as the sole marketer in accordance with a marketing arrangement, the products & by-products are being sold in the northeastern region and beyond. The Polymer products Brahma-Lene and Brahma-Pol and other by-products have established themselves in the market as brand names with creditability and Polymer sales are focused in the eastern, northern and southern regions to downstream industries. Your Company strives to increase market share in the northeastern region to maximize realization. The state-wise Polymer sales indicate majority sales in the states of Delhi, Uttar Pradesh, West Bengal and Assam.



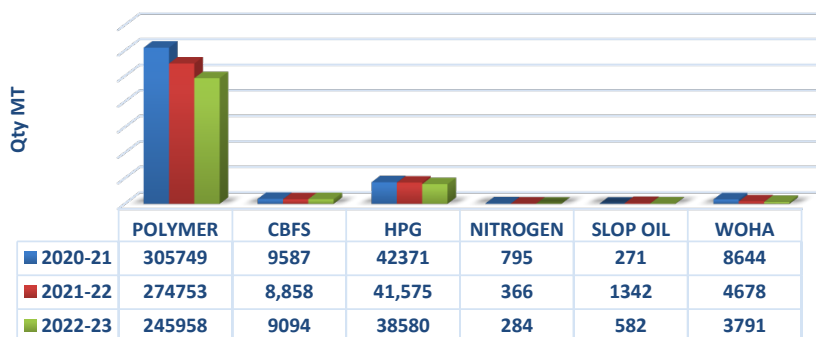
### State-wise sales of Polymer (%)

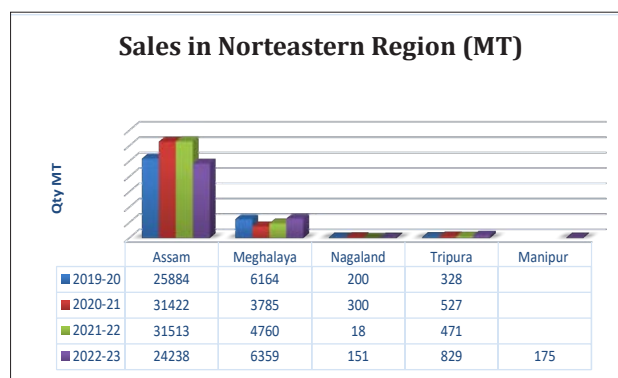
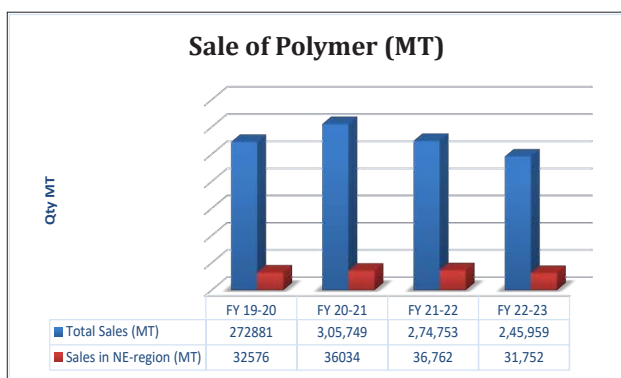


During the year under review a total quantity of 2,45,959 MT of Polymer; 38,580 MT of Hydrogenated Pyrolysis Gasoline (HPG), 9,094 MT of Carbon Black Feed stock (CBFS), 3,791 MT of Wash Oil High Aromatics (WOHA), 582 MT of Slop Oil and 284 MT of Liquid Nitrogen was despatched to various locations in the country, generating a total gross sales turnover of ₹3,504.31 crore (including GST & before discount) with a year on year decrease of ₹210.75 crore.

Total 31752 MT Polymer was sold in the northeast region catering to the PE (film & roto) and PP (raffia, injection & TQ-film) consumers compared to 36,762 MT in the previous year. LLDE is the major contributor to the total sales in the year under review. Further, sale of Scrap/Surplus & Services yielded revenue of ₹44.95 crore and ₹0.16 crore respectively.

### Sales of products and by-products (Qty MT)



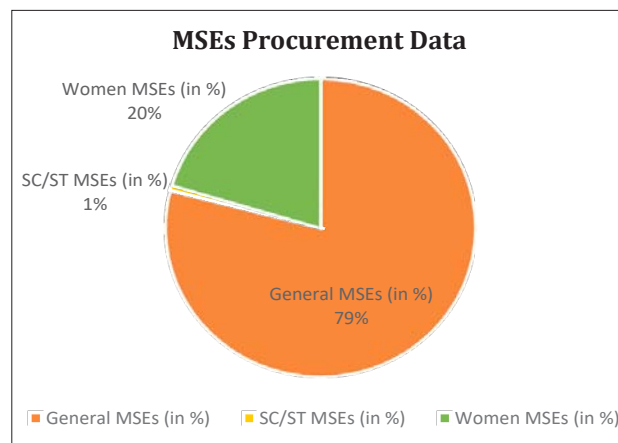
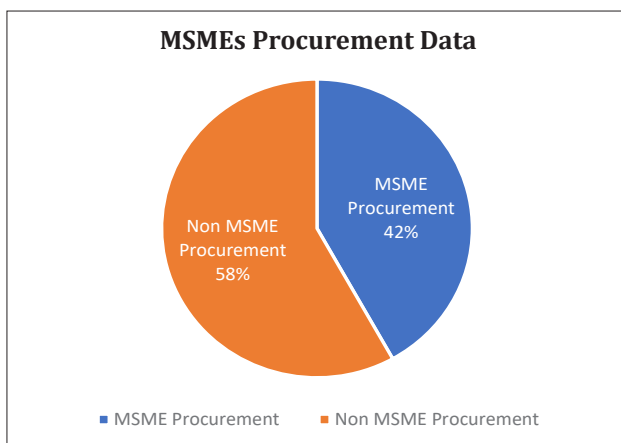


### ***Achievements against MSME, Startup & GeM target***

The Public Procurement Policy for Micro and Small Enterprises is being implemented in your Company consistently since FY 2014-15 and your Company has been meeting the requisite procurement target from the Government of India MSME sector. Annual procurement orders (supplies & services) of the value ₹212 crore (43.61 %) were issued to MSE vendors in FY 2022-23 against the Government of India target of 25% as per Public Procurement Policy, 2012 as amended w.e.f. 9<sup>th</sup> November, 2018. Further, out of above 25%, 0.6 % procurement has been made from MSE owned by SC/ST entrepreneurs and 20.4% procurement has been made from MSE owned by Women entrepreneurs during the FY: 22-23. A total of 340 MSE vendors benefitted from your Company during annual procurement (including supplies & services) made through

tendering mode (both GeM & E-tendering). Monthly reporting of procurement from MSEs, SC/ST and Women are uploaded in MSME “Sambandh” portal.

Your Company organized 04 (four) on-line & off-line MSME Development Programs in association with National SC/ST Hub, MSME Facilitation Cell, NSIC and Central & State Government organizations across various locations, out of which 03 (three) nos were Special Vendor Development Program for SC/ST owned MSEs. The events were fruitful and appreciated by stakeholders towards increasing the participation from local SC/ ST entrepreneurs in tenders. Additionally, entrepreneurs were taught about Udyam registration [applicable w.e.f 1st April, 2021] and ways to utilize the portals like TReDS, MSME Sambandh, MSME Samadhaan, and MSME Samveg etc.

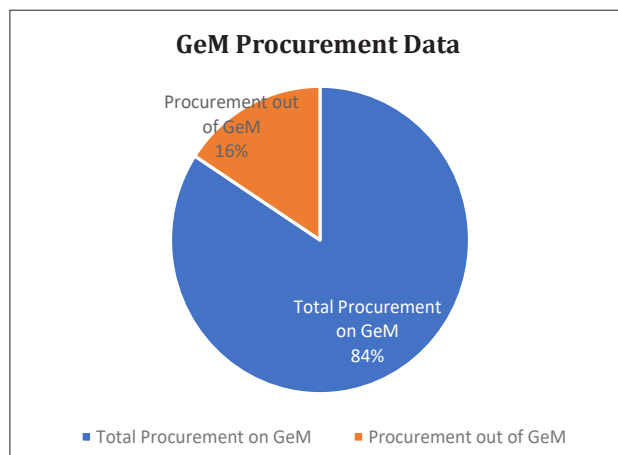




65 Start-ups have participated in different tenders for procurement of goods and services, out of which 23 were awarded during the financial year.

In line with Government directives towards procurement through GeM, BCPL has adopted a policy where procurement from GeM has been made mandatory. Your Company has achieved procurement of ₹421 crore against the target of ₹80 crore (25% of the initial projected annual procurement target of ₹320 crore) in FY 2022-23.

BCPL had registered on TReDS as per the DPE guidelines with M/s A.TReDS Ltd., Mumbai in 2019 and currently 79 MSE vendors are registered with BCPL on TReDS Portal.



## ***The conservation of energy, technology absorption, foreign exchange earnings and outgo:***

### **A. Conservation of energy**

|      |                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|------|--------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| i.   | The steps taken or impact on conservation of energy                      | <p>There is regular recording and monitoring of Flare, Fuel, Power, Steam, Nitrogen, water &amp; other utilities consumption along with Plant specific energy consumption with respect to own benchmark &amp; design values. Periodic in-house as well as external energy audits are also carried out. Your Company is strictly adhering to the guidelines of Bureau of Energy Efficiency (BEE) for energy management under Perform, Achieve and Trade (PAT) scheme. A dedicated team of Energy Coordinators including BEE certified Energy managers and auditors is formed from various units for proper monitoring &amp; energy optimization and periodic review on the same is being done by top management. Further ISO 50001:2018 (Energy Management system) is under progress.</p> <p>Various Energy Conservation schemes implemented during the year are:</p> <ul style="list-style-type: none"> <li>■ Installation of VFDs in major equipment.</li> <li>■ Optimization of extruder operation at LLDPE and PP Unit.</li> <li>■ Reduction in steam venting by using Motor driven pump in place of turbine driven pump in MP condensate system of ECU.</li> <li>■ Reduction in N<sub>2</sub> consumption by adopting closed loop Naphtha and Fuel gas as reduction media against N<sub>2</sub> for PGH and C4/C5 reactor.</li> <li>■ Cleaning of critical exchangers for improving performance efficiency.</li> <li>■ Replacement of conventional lighting with energy efficient lighting in phase wise manner</li> <li>■ Operation philosophy changes in the Nitrogen compressor of Polypropylene Unit and Nitrogen plant in Utilities.</li> <li>■ Installation of Energy efficient motors.</li> <li>■ Regular Steam trap management</li> </ul> <p>Various awareness drives, workshops/ training programs and competitions are conducted for the employees and associated people in the locality to generate awareness on energy conservation and energy efficiency measures.</p> |
| ii.  | The steps taken by the Company for utilising alternate sources of energy |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| iii. | The capital investment on energy conservation equipment                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |



## B. Technology absorption-

|                                                                                               |                                                                                                                         |                                                                                                                                                            |  |
|-----------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
| i.                                                                                            | The efforts made towards technology absorption.                                                                         | Plant operations are sustained, quality products are produced and average capacity utilization of 93% has been achieved during the financial year.         |  |
| ii.                                                                                           | The benefits derived like product improvement, cost reduction, product development or import substitution               |                                                                                                                                                            |  |
| iii                                                                                           | In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) |                                                                                                                                                            |  |
|                                                                                               | a. The details of technology imported                                                                                   |                                                                                                                                                            |  |
|                                                                                               | The Company has entered into contracts with the following Licensors for import of technology for its different units:   |                                                                                                                                                            |  |
|                                                                                               | UNIT                                                                                                                    | LICENSOR                                                                                                                                                   |  |
|                                                                                               | (i) Ethylene Cracker Unit -                                                                                             | Lummus Technology, USA                                                                                                                                     |  |
|                                                                                               | (ii) LLDPE / HDPE Swing Unit -                                                                                          | INEOS, UK                                                                                                                                                  |  |
|                                                                                               | (iii) Polypropylene Unit –                                                                                              | Lummus Novolen, Germany                                                                                                                                    |  |
|                                                                                               | (iv) HPG 2nd Stage and Butene-1 Plant-                                                                                  | M/s Axens, France                                                                                                                                          |  |
| b. the year of import                                                                         |                                                                                                                         |                                                                                                                                                            |  |
| (i) ECU – License Agreement signed on 14.05.2009.                                             |                                                                                                                         |                                                                                                                                                            |  |
| (ii) LLDPE/HDPE – License Agreement signed on 18.03.2009.                                     |                                                                                                                         |                                                                                                                                                            |  |
| (iii) PPU – Licence Agreement signed on 31.03.2009.                                           |                                                                                                                         |                                                                                                                                                            |  |
| (iv) HPG 2nd Stage License Agreement signed on 29.07.2022                                     |                                                                                                                         |                                                                                                                                                            |  |
| (v) Butene-1- License Agreement signed on 21.11.2022                                          |                                                                                                                         |                                                                                                                                                            |  |
| c. Whether the technology has been fully absorbed                                             |                                                                                                                         | Technologies adopted are largely absorbed as more than 100% capacity utilisation has been achieved.<br><br>HPG-2 and Butene-1 projects are under execution |  |
| d. If not fully absorbed, areas where absorption has not taken place, and the reasons thereof |                                                                                                                         |                                                                                                                                                            |  |
| iv                                                                                            | The expenditure incurred on Research and Development                                                                    | NIL.                                                                                                                                                       |  |



### C. Foreign exchange earnings and outgo-

During the year, foreign exchange earned was ₹0.56 crore towards export of polymers to Bangladesh. The total value of forex outgo during the year was ₹48.26 crore.

### Particulars of Employees

Being a Government Company, the provisions of section 197 of the Companies Act, 2013 shall not apply in view of the gazette notification dated 5th June, 2015 issued by the Ministry of Corporate affairs, Government of India. Therefore, particulars of employees drawing remuneration in excess of specified limits as envisaged by section 197 of the Act read with the relevant rules are not included in the Board's Report.

### Human Resource

#### Manpower

The total sanctioned manpower is 700 (491 executives + 209 non-executives) and the employee strength as on 31st March 2023 was 615 including 2 whole time Directors, 419 executives, 194 non-executives and 05 executives on secondment/deputation from GAIL (India) Limited, the major equity holder. 68.8% of the employees are from the north-eastern region. The remaining manpower will be recruited based on need, and care is being taken to ensure suitable representation of female employees and minorities.

The Statement below shows the total number of employees and the number of Scheduled Castes, Scheduled Tribes, Other Backward class, Persons with Benchmark Disabilities and Economically Weaker Sections amongst them as on 31.03.2023.

| Group                                      | Total No. of employees | Scheduled Castes | % of total employees | Scheduled Tribes | % of total employees | OBC | % of total employees | PWBD |
|--------------------------------------------|------------------------|------------------|----------------------|------------------|----------------------|-----|----------------------|------|
| A                                          | 419                    | 61               | 14.55                | 27               | 6.44                 | 112 | 26.73                | 3    |
| B                                          | 7                      | 1                | 14.28                | 1                | 14.28                | 1   | 14.28                | 0    |
| C                                          | 168                    | 19               | 11.30                | 23               | 13.69                | 63  | 37.5                 | 2    |
| D                                          | 19                     | 2                | 10.52                | 2                | 10.52                | 7   | 36.84                | 0    |
| MD & Director (Finance)                    | 02                     | 0                | 0                    | 0                | 0                    | 0   | 0                    | 0    |
| Total                                      | 615                    | 83               | 13.49                | 53               | 8.61                 | 183 | 29.75                | 5    |
| TOTAL NUMBER OF EMPLOYEES AS ON 31.03.2022 |                        |                  |                      |                  |                      |     |                      |      |
|                                            | 613                    | 83               | 13.53                | 53               | 8.64                 | 179 | 29.20                | 4    |

### Training

To generate awareness and enhance professional development & organisational performance, your Company offers training opportunities to the employees. Training is provided in technical as well as non-technical domains so that the employees can cope with the changing industry standards and prepare themselves for higher responsibilities. In the year under review training, both internal as well as external through webinars on relevant topics including awareness on ISO

9001: 2015, 14001:2015, 45001:2018, RTI Act, Vigilance, POSH Act, labour laws, quality control, sustainability reporting, leadership, career management besides HSE and technical programs were conducted covering 1000 man-days for 758 participants.

### Policy

During the year under review, your Company introduced Post Retirement Medical Scheme (PRMS) for the employees. The Company lease





amount was revised at standardized rates across all grades for executives. The long pending wage revision of executives and non-executive employees was implemented by your Company w.e.f. 01.04.2019.

Your Company has a well-defined whistleblower policy to provide an opportunity to employees to raise concerns on any unethical and improper practice or any other wrongful conduct in the Company.

### **Engagement of Graduate & Technician Apprentices for year 2022-2023 under the Apprenticeship Act 1961**

Your Company engaged the 6th batch of Apprentices in various disciplines viz. Mechanical, Electrical, Chemical, Instrumentation, F&A, HR for the year 2022-23 as per the directives of Board of Practical Training (Eastern Region), Ministry of Human Resources Development. Total 76 Apprentices have joined BCPL.

### **Township**

Presently various types of family quarters including A, B, C and D Type and two Bachelor's Hostels in BCPL Township, Barbaruah amidst lush and green tea gardens accommodate over 800 residents. Employees and their families have shifted to the newly constructed family quarters where 36 A-type and 36 C-type quarters have been constructed in phase 2. The foundation stone of the Club cum Recreation Centre was laid by the Chairman on 25.01.2023 and the facility has been designed to include an auditorium, 2 badminton courts, gymnasium, indoor sports room, a common lounge and more. A newly constructed extension room of the fully operational shopping complex, Nitty-Gritty is operational for official meetings, knowledge sharing sessions, event celebration and other purposes. The gymnasium in Bachelor's Hostel - II has also been equipped with new instruments and it is in operation from June, 2023. Yoga classes, dance classes, table tennis coaching classes etc. have been introduced

for the residents of BCPL Township, Barbaruah. Collection of domestic garbage from quarters and hostels, separation of garbage and disposal are done on regular basis.

Further, approximately 100 people including family members and employees are residing at various types of family quarters and Bachelors Hostel in Sivasagar Township, which is about 40 Km from the Lakwa Plant. Presently there is no Township at Duliajan for accommodation of families and employees, but the matter is under consideration.

### ***Initiatives in implementation of Official Language Act***

Your Company is committed to promoting the use of Hindi in official work and efforts continued towards greater use of Hindi in official work during FY 2022-23 keeping in view the Annual Programme issued by the Department of Official Language, Ministry of Home Affairs, and the Official Language Policy of the Union. Several measures have been taken in this direction which are summarized below:

- A five-day translation training program was organized at BCPL, Dibrugarh from 19th to 23rd December 2022 for the Hindi officers, translators, superintendents of different central government offices situated in the NER wherein total 41 officers from 7 states participated.
- With the aim of promoting the technical use of Hindi e-tools, a technical seminar was organized on 20th March, 2023 under the guidance of Regional Implementation Office, NER, Guwahati for the TOLIC Secretaries and Hindi officers of North-Eastern Region with the objective of providing a joint forum for encouraging the use of translation tools like Kanthasth 2.0 in the offices of the Central Govt./Undertakings/Banks. More than 160 participants from various central government offices from other states also took part in the seminar through virtual mode.



- Hindi essay writing competition was organized at the national level in July, 2022 in which total 59 entries were received from 17 states of India.
- Annual Hindi Magazine “Rajbhasha Darpan” (fourth edition) was released by the Managing Director, BCPL during the 71st TOLIC Meeting on 19<sup>th</sup> December, 2022.
- Hindi career counselling program was organized for the students of Hindi Department of Dibru College on the topic “Employment, vacant Hindi posts, educational qualifications and how to apply”. Fifty students attended this programme.
- Fifth Rajbhasha seminar was organized on the topic “how to fill the quarterly Hindi progress report, problems and solutions” with Shri Badri Yadav, Deputy Director (Implementation), Regional Implementation Office, North-Eastern Region, Guwahati as the keynote speaker. Total 58 Hindi officers, translators, superintendents from different central government offices attended the seminar.
- World Hindi Day was celebrated on 10<sup>th</sup> January, 2023. with a Hindi Workshop and Hindi competition organized for the member offices of TOLIC.
- To remove the hesitation of officers and employees to work in Hindi, Hindi workshops are organized every quarter. Total 10 Rajbhasha Workshops were organized during the year for the member offices of TOLIC and BCPL employees. A total of 356 officers and employees were trained during the workshops.
- Hindi Liaison Officer meet was organized on 6<sup>th</sup> September, 2022 in which discussions were held on policies / schemes / data related to implementation, progress and promotion of Official Languages in central govt. offices/banks/schools.
- 70<sup>th</sup> and 71<sup>st</sup> TOLIC meetings were organized on 14<sup>th</sup> July, 2022 and 19<sup>th</sup> December, 2022 respectively under the chairmanship of Shri Reep Hazarika, Managing Director, BCPL and Chairman, TOLIC, Dibrugarh.
- Total 15 competitions were organized in Hindi medium during the year including essay writing, quizzes, Poem and Slogan writing, translation, crosswords to name a few.
- Hindi Fortnight was organized from 14<sup>th</sup> to 30<sup>th</sup> September, 2022 with various competitions for Hindi and Non-Hindi speaking employees.



Table Tennis coaching at Township in Barbaruah, an initiative by BCPL SWC



Children performing in “Shraddhanjali” organized to pay tribute to Dr. Bhupen Hazarika.



*Cross section of BCPL women force on International Women's Day, 2023*

### **Staff Welfare Committee**

In its endeavour to enhance quality of life and increase overall well-being of the employees and their families, the Staff Welfare Committee (SWC) regularly organises several competitions, workshops and programmes in the fields of sports, culture, music et al. promoting an environment of social inclusion. Night Cricket Tournament, Inter Departmental Football tournament, Summer Extravaganza which included music, drama, photography, art & craft, beautician and baking workshops, inauguration of table tennis coaching in the township, celebration of festivals like Diwali and Holi, cultural program *Shraddhanjali* in memory of the legendary musician of Assam- the late Dr. Bhupen Hazarika, annual flower show are some of the much-appreciated events organised by the SWC during the year.

### **International Women's Day**

Your Company is aware of the importance of gender inclusivity for a more productive workplace and gives due credence to the women employees. Women's Day was celebrated on 7<sup>th</sup> March, 2023 on the theme *Digit All: Innovation and technology for gender equality* with interactive and beneficial sessions with experts for female employees of the Company as well as female spouses of employees. Interaction programme was also organized for the women workforce engaged in the Company through various contracts.

### **Sexual Harassment of Women at Workplace**

The Company has complied with the provisions relating to the constitution of Internal Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and a Policy with regard to prevention, prohibition and redressal of sexual harassment of women at workplace is in place. No complaint has been received/ disposed of during the financial year 2022-23.

### **Industrial Relations**

Industrial relations remained conducive during the year. It has been your Company's endeavor to maintain cordial industrial relations and adopt a consultative approach to maintain a harmonious relationship and industrial peace thereby leading to higher productivity. Regular meetings are held with the representatives of the various Associations/ Unions to sort out the local issues as well as policy related matters.

### **Meetings of the Board and changes in the Board of Directors & key managerial personnel**

During the year under review, five meetings of the Board of Directors were held and the following changes occurred in the Board of Directors and key managerial personnel:



- i. Shri Jishnu Barua, IAS ceased to be a Director w.e.f. 01.09.2022 following his superannuation from Government of Assam.
- ii. Shri M V Iyer was appointed as Director & Chairman w.e.f. 01.09.2022 & ceased to be Director w.e.f. 17.10.2022.
- iii. Shri Biswajit Pegu, IAS, Deputy Commissioner, Dibrugarh, Assam was appointed as Nominee Director w.e.f. 26.10.2022.
- iv. Dr K K Dwivedi, IAS ceased to be a Director w.e.f. 20.05.2022 following his posting with the central government.
- v. Dr Lakshmanan S, IAS, Secretary to Government of Assam, Industries & Commerce Department was appointed as Nominee Director w.e.f. 20.05.2022.
- vi. Shri Manoj Jain ceased to be a Director w.e.f. 01.09.2022 following his superannuation from GAIL (India) Ltd.
- vii. Shri Sandeep Kumar Gupta, Chairman & Managing Director GAIL (India) Ltd was appointed as Chairman BCPL w.e.f. 03.10.2022.
- viii. Shri Saumitra Sarkar, ceased to be a Director w.e.f. 20.11.2022.
- ix. Shri M V Ravi Someswarudu ceased to be a Director w.e.f. 01.01.2023 following his superannuation from GAIL (India) Ltd.
- x. Ms Sandepa Trakroo ceased to be a Director w.e.f. 25.11.2022.
- xi. Shri Aloke K Naskar, Executive Director (PC-CO) GAIL (India) Ltd. was appointed as Director w.e.f. 10.02.2023.
- xii. Smt. Meenaxee P Medhi, Chief General Manager (R & D and Startup) was appointed as Director w.e.f. 09.02.2023.

The Board placed on record its deep appreciation for the valuable services rendered by the Directors during their association with the Company.

Details of composition and meetings of the Board including attendance have been provided in the Corporate Governance Report forming part of this report.

### **Corporate Social Responsibility**

Your Company has been committed towards taking up socially relevant projects and initiatives that promote wholesome growth of the society and improve the quality of life of people living in and around BCPL installations. With a budget of ₹25.27 crore for CSR activities for the financial year 2022-23 various projects under the broad heads of health and nutrition, promotion of education, skill enhancement, alternative livelihood promotion and entrepreneurship development, swachhata and sanitation, and rural development have been undertaken. The implementation and execution of the CSR projects are being done as per the guidelines of the CSR policy of BCPL aligning with the Schedule VII of the Companies Act 2013 as amended from time to time. BCPL CSR implementations are mainly focused on the vicinity of BCPL units. BCPL has also started CSR initiatives in the aspirational districts of Assam this financial year.

Flagship projects undertaken during the year under the BCPL CSR Scheme are:

- Under the head Rural Infrastructure & Community Development, solar lights and waiting shed were provided at DTP dyke area of Dibrugarh.
- Project for extending helping hand for the wellbeing of specially abled children and adolescents in Govt. school/hostels was undertaken.
- Two Hearse Vans were provided to Dibrugarh Municipality Board.
- Project for imparting training on Tourism and Hospitality by M/s Pragati Edutech was undertaken, providing placement to economically backward students living in the vicinity of BCPL.
- The Ni-kshay Mitra Food Basket Distribution Program was organized in Dibrugarh, Charaideo & Sibsagar to eradicate the adverse impact caused by tuberculosis.





- One vehicle was provided to Assam Medical College & Hospitals for transportation of patients for free eye operation.

The projects are being executed through the above- mentioned government/non-government organisations/ agencies and the district

administration and are being monitored through a CSR Coordination Team of BCPL. A dedicated CSR Team is being developed for the coming years. Further, all relevant rules and guidelines on CSR issued by the government in the recent past have been complied with.



*Contribution to the Chief Minister's Relief Fund for flood relief handed over to Dr Himanta Biswa Sarma, Hon'ble Chief Minister, Assam in the presence of Shri Rameswar Teli, Hon'ble Minister of State for Petroleum and Natural Gas, GoI by Shri Reep Hazarika, Managing Director and other officials.*



*Solar lights and waiting shed at DTP dyke*



*Hearse Vans provided to Dibrugarh Municipal Board, Dibrugarh*



*Imparting training on Tourism and Hospitality by M/s Pragati Edutech and creating job opportunities.*



*Extending helping hand for the wellbeing of specially abled children and adolescents in Government school/hostels*



*The Ni-kshay Mitra Food Basket Distribution Program undertaken to eradicate the substantial impact caused by Tuberculosis treatment outcome*



*Vehicle provided for transportation of patients for free eye operation*

### **Initiatives under the aegis of Swachh Bharat Abhiyan & Covid management**

Health, personal hygiene and cleanliness have been given prime importance and your Company endeavours to promote healthy personal habits and ensure clean and well maintained townships and workplaces across all its locations. Activities are routinely undertaken to promote awareness

on swachhata activities under the aegis of Swachh Bharat Abhiyan.

Despite fall in infections, your Company remains alert and encourages COVID-safe practices while operating the plant and in the workplace. Several training programmes were organized virtually. Arrangements for virtual attendance are now routinely made for meetings including Board and general meetings.



*Awareness Programme on health & hygiene organized for Tea Garden workers*



*Cleanliness drive organized in Dibrugarh Town*



## *Azadi Ka Amrit Mahotsav and G20*



*Outreach Program with the taxpayers under the aegis of Azadi Ka Amrit Mahotsav*

Your Company is keen to partake in the nationwide campaign celebrating the country's culture, heritage and 75 years of India's independence under the aegis of Azadi Ka Amrit Mahotsav. A felicitation ceremony was organized under the campaign on 7<sup>th</sup> August, 2022 in collaboration with the district administration. 75 persons residing near your Company's installations, who contributed to different fields like social welfare, sports, art, literature etc. were felicitated by the invited dignitaries. Sri Rameswar Teli, Hon'ble Union Minister of State, Petroleum and Natural



*Felicitation Ceremony organized for 75 persons for their social contribution under Azaadi Ka Amrit Mahotsav*

Gas, Labour and Employment was the Chief Guest of the event.

An awareness campaign on breast cancer was also held under the aegis of AKAM in Dibrugarh in the month of August 2022. Facility for cancer screening was also available in the programme. Further, your Company in association with Patsaku Primary Health Centre & Nirvor NGO organized free health awareness camp and distribution of medicines at Lakwa Rongagora Primary School Lakwa covering several villages in Lakwa area of Charaideo District in November, 2022.



*Free health awareness camp and distribution of medicines at Lakwa Rongagora Primary School Lakwa in association with Patsaku Primary Health Centre & Nirvor NGO.*



*Employees interacting with delegates during India Energy Week 2023*



*Shri Hardeep Singh Puri, Hon'ble Union Minister of MoPNG interacting with Shri Reep Hazarika Managing Director.*



*Shri Rameswar Teli, Hon'ble MoS for MoPNG at the BCPL Stall with Shri Reep Hazarika Managing Director and other officials*

### **India Energy Week 2023 at Bangalore**

Your Company participated in the India Energy Week which was held under the patronage of Ministry of Petroleum & Natural Gas, supported by the Federation of Indian Petroleum Industry (FIPI). India Energy Week was the first major event held under India's G20 Presidency.

A stall *Assam Pavilion* was put up in association with the Department of Industries and Commerce, Government of Assam which consisted of stalls of state PSUs and Central PSUs. Shri Rameswar Teli, Hon'ble Union Minister of State Petroleum & Natural Gas and Labour & Employment, inaugurated the stall on 6th February, 2023 at the event which was held at Bangalore International Exhibition Centre (BIEC).

#### **Sustainable Development**

Your Company understands that sustainability and survival are concomitant and strives to ensure that its activities and operations support long-term environmental balance. An ISO 45001:2018 Company it consistently endeavours to achieve a better and more sustainable future for all by implementing various schemes to ensure minimum environmental impact.

To reduce environmental impact, your Company has adopted a holistic approach through safe technologies and operating procedures for controlling the generation of waste and its

management in the best possible way as per the latest industry practices following the environmental norms. Some instances are as below:

- High calorific value wastes are being co-processed as fuel in cement industries.
- E-waste and battery waste are dispatched to authorized recyclers.
- Bio-medical waste is being managed by sending it to the authorized medical centre.
- Liquid hazardous wastes like used, waste oil etc. are being sent for recycling through M/s. MSTC.
- Oily sludge generated is being treated and converted into soil through Bio- remediation facility at ETP.
- Solid waste has been disposed to authorized recyclers for re-use.
- With an aim to reduce freshwater intake, the treated effluent water is being chemically treated to use partly in fire water network and horticulture.
- There is a bio-compost facility at the BCPL Township to treat domestic organic waste and convert it to bio-fertilizer and manure for use in horticulture.





Decarbonization is today the prime moto as a part of India's "Net Zero Emission" target to be achieved by 2070. Your Company has taken initiative in collaboration with M/s. OIL India Limited for utilization of carbon di oxide generated in BCPL in Enhanced Oil Recovery (EOR) at M/s. OIL India where a set of advanced techniques are employed to extract additional oil from reservoirs beyond what can be achieved through primary and secondary recovery methods. Notably, on the occasion of Energy Conservation Day, 14<sup>th</sup> December, 2022 a technical seminar was organized at BCPL Dibrugarh by your Company in collaboration with the Institution of Engineers (India) where steps for efficient use of energy with emphasis on use of renewable energy and net zero emission were discussed.

To encourage conscious efforts for conserving the natural surroundings, training programs on environment and sustainable development both on online and offline modes are arranged for employees. Various awareness programmes and activities including World Environment Day, Water Day, Saksham, Earth Day and Earth hour and plantation drives in and around the plant areas are carried out with enthusiasm and there has been an appreciable amount of greenbelt development at 33.1% of total area. Initiative is being taken for development of a proper forest conservation plan. Publication of an annual souvenir, Envicare on the occasion of Environment Day is a practice to raise awareness with knowledge and expertise sharing content from renowned environmentalists and eminent personalities. Copies are distributed to



*First Industrial Meet on Environment Management System on Van Mohotsav, 2022*



nearby schools, colleges, institutions and other stakeholders as a part of environmental awareness programme.

World Environment Day, 2022 was celebrated by conducting a district level awareness programme at the township in Dibrugarh along with other in-house programmes. Nearly 500 participants took part in the district level photography & art competition along with 12 guest artists. The event witnessed a gathering of more than 700 people.

Efforts are made to share best practices by interacting with other leading companies and in the process, develop a framework for sustainable development of the organization. Your Company organized the First Industrial Meet on Environment Management System in association with Pollution Control Board, Assam at BCPL Dibrugarh on 5<sup>th</sup> July, 2022 on the occasion of Van Mahotsav 2022 wherein delegates from 25 leading PSUs & private sector industries participated to discuss different environmental concerns and the way forward. Senior dignitaries from leading industries shared the best practices adopted by different industries on environmental conservation.

A meet for downstream plastic manufacturers was organized in the presence of Pollution Control Board, Assam and GAIL (India) Ltd at Guwahati on 10<sup>th</sup> August 2022 with the primary agenda of clarifying different issues arising from Single Use Plastic (SUP) and plastic waste management as per

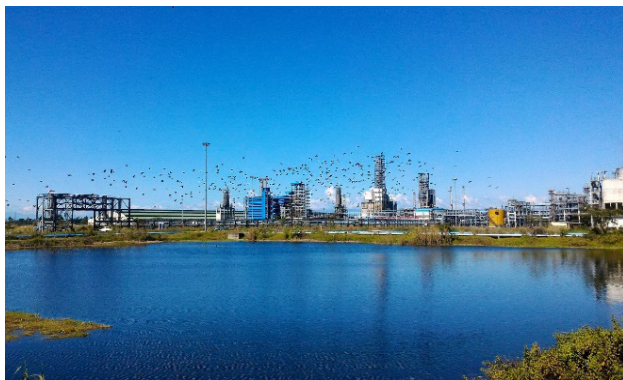
“Plastic waste Management Rule, 2016”. During deliberations, Extended Producer Responsibility (EPR) of Plastic waste processors (PWPs) and Brand Owner (BO) was emphasised.

The operational complex at Lepetkata features a nourishing ecosystem, *Eco Pond* by way of natural water harvesting covering an area of 60,000 sq. meters attracting several migratory birds every winter besides preserving the aquatic flora and fauna. *Jalashray*, an observatory has been prepared from eco-friendly material at the pond creating an enchanting ambience in the plant area. Plantation drive involving visitors is usually carried out in the vicinity.

To promote the use of traditionally used and commonly available medicinal plants an initiative has been taken to develop a small herbal garden in the BCPL complex where 27 varieties of herbal trees have been planted with 90% survival rate. A rose garden and an orange garden have also been developed using bio sludge from the effluent treatment plant as manure.

### ***Vigil Mechanism***

Your Company has a Whistle Blower Policy whereby employees can raise concerns to the competent authority in case they observe unethical and improper practices or any other wrongful conduct in the Company. The policy provides direct access to the Chairman, Audit Committee and necessary safeguards for protection of the whistle blower from reprisals or victimization.



*Eco Pond in the plant complex*



*Jalashray, an observatory at the Eco Pond*



### ***Right to Information Act, 2005***

Your Company adheres to Government instructions issued in pursuance of the Right to Information Act, 2005, and has designated a Central Public Information Officer and First Appellate Authority under the Act. A total of 76 RTI queries were received during the financial year 2022-23. Replies to all the queries were duly sent as per the provisions of the Act. Queries pertaining to other Public Authorities were duly transferred as per the provisions of the Act.

### ***Statutory Auditors' Report***

M/s R K P Associates, Chartered Accountants, Silchar was appointed by the Comptroller and Auditor General of India as Statutory Auditors of your Company for the year under review. There have been no qualifications or adverse remarks by the Statutory Auditors on the financial Statement for FY 2022-23. The Independent Audit Report is annexed hereto.

### ***Comments of Comptroller & Auditor General (C&AG) of India; pending audit paras***

The Comptroller & Auditor General of India has undertaken supplementary audit on the accounts of the Company for the year ended 31st March, 2023 under Section 143 (5) of the Companies Act, 2013. The comments of the C&AG on the financial statements of your Company for the year under review are annexed hereto.

### ***C&AG Audit on Other Matters***

The status of pending CAG para is given below:

Para no 9.1 of CAG report no 18 of 2020 related to irregular payment of Performance Related Pay :

In the CAG report it is advised that PRP payment made to GAIL amounting to ₹15.54 crore be recovered. BCPL has represented against the CAG para considering that GAIL, being the lead promoter, was required to provide technical and managerial expertise in terms of the JV agreement and they had placed their executive in BCPL based on their expertise and targeted profile. Further, willingness/ consent of said GAIL employees

were not sought by GAIL before placing them in BCPL. The terms & conditions of executives on secondment from GAIL were deliberated by Board's of Directors of BCPL in its 35<sup>th</sup> meeting held on 06.03.2012 and it was noted that secondment was on CTC basis.

### ***Cost Audit***

The Company is required to maintain cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 and accordingly such accounts and records are made and maintained.

### ***Secretarial Audit Report***

M/s Narayan Sharma & Associates, Practising Company Secretary was appointed as the Secretarial Auditor of your Company for the year under review. The report is annexed hereto along with the replies of the management to the qualifications therein.

All applicable secretarial standards have been complied with by the Company during the year.

### ***Management Discussion & Analysis***

A Management Discussion & Analysis Report as stipulated in the DPE Guidelines on Corporate Governance for CPSEs forms part of the Annual Report.

### ***Corporate Governance***

A separate section on Corporate Governance forming part of the Board's Report and a certificate from a Practising Company Secretary confirming compliance of Corporate Governance norms as stipulated in the DPE Guidelines on Corporate Governance for CPSEs is included in the Annual Report.

### ***Adequacy of internal financial controls with reference to the Financial Statement***

Your Company has maintained adequate financial control system, commensurate with the size, scale and complexity of its operations and ensures compliance with various policies, practices and statutes in keeping with the organization's pace of growth and increasing complexity of operations. Due attention has been given since the



beginning to ensure sufficient internal controls for safeguarding the assets of your Company and there has been reliable financial reporting, timely feedback on the achievement of targets and compliance with applicable laws and regulations. Your Company has been gradually introducing its own systems, policies and procedures and in areas in which this is yet not achieved, those of its holding Company are being followed. Comprehensive enterprise risk management policy governs the risk actions within the risk organogram of the Company. Quarterly internal audit has been conducted by Internal Audit Department and M/s Deloitte India LLP on co-sharing basis. The progress and activities of your Company is being continuously monitored and reviewed at all levels including the holding Company, GAIL, the Central and State Government authorities. M/s Batliboi & Purohit, Chartered Accountants, Mumbai has also evaluated the efficacy of the Internal Finance Control and found the systems in place to their satisfaction. The Internal Management Audit Committee (IMAC) has been carrying out micro level reviews of the systems and processes in the Company, addressing internal audit observations and flagging major points to the Audit Committee. Further, CAG has also conducted a special IT and CSR Audit of the Company.

### ***Audit and other Committees of the Board***

Details as to composition, meetings and attendance of the Committees of the Board including the Audit Committee and the Nomination & Remuneration Committee are provided in the Corporate Governance Report forming part of this report.

### ***Responsibility Statement of the Board of Directors***

As required by Section 134 (3) (c) & 134(5) of the Companies Act, 2013 your Directors to the best of their knowledge and explanation affirm that:

- i. In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

- ii. The Directors had selected such accounting policies and applied them consistently except changes as per the Companies Act, 2013 (Ref. Note No. 1 to Balance Sheet on "Significant Accounting Policies") 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 and loss of the Company for that period;
- iii. The Directors had 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 had prepared the annual accounts on a going concern basis; and
- v. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### ***Performance evaluation of Directors***

As per MCA Notification dated 5th June, 2015 the provisions of Section 134(3)(p) of the Companies Act, 2013 shall not apply in case the Directors are evaluated by the administrative ministry or as the the case may be, the state government as per its own evaluation methodology. As BCPL is a Government Company pursuant to section 2(45) of the Act by virtue of being subsidiary of GAIL (India) Ltd., the performance evaluation of individual directors including the Independent Directors is carried out by the Government.

### ***Statement on Declaration of Independence by Independent Directors***

The Independent Director duly affirmed meeting the criteria of independence specified under Section 149(6) of the Companies Act, 2013, for the year 2022-23.





### ***Particulars of contracts or arrangements with related parties***

As required, the particulars of contracts or arrangements with related parties pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is annexed hereto in the specified format.

### ***Extract of the Annual Return***

The Annual Return of your Company will be available on the Company's website at <https://www.bcplonline.co.in/Footer/download> within 60 days of the annual general meeting.

### ***Particulars of loans, guarantees or investments under section 186***

Your Company has not given any loan /provided any guarantee or security in connection with a loan to any person or other body corporate and acquired by way of subscription, purchase or otherwise, the securities of any other body corporate during the year under review.

### ***Risk Management Policy***

A comprehensive enterprise risk management policy is in place with five components of enterprise risk management framework viz. governance, strategy, performance, review and communication which are supported by a set of principles. These principles cover everything from governance to monitoring. A risk management organogram is activated that renders the support necessary for achieving the risk objectives.

As a part of risk mitigation/reduction during operational stage, a Comprehensive Mega Operational insurance scheme has been taken covering – (i) Property damage with machinery breakdown (ii) Business interruption cover, loss

due to fire & machinery breakdown and (iii) Terrorism risk for material damage with business interruption. Further, review of internal controls by Internal Audit has been a support for the management in the risk management process.

Your Company has a risk organogram and unit level risk owners are reporting to the Chief Risk Officer. For monitoring the enterprise risk management, an in-house application has been developed and hosted in your Company's intranet. The key risks are closely monitored by the Risk Management Committee. During the year, the Company has initiated action to appoint a consultant for conducting risk training and incorporation of ESG framework in Risk Management System. BCPL is in discussion with promoter companies for adopting the best practices in risk management.

### ***Acknowledgement***

Your Directors remain grateful for the support and guidance from the Ministry of Petroleum and Natural Gas and the Ministry of Environment and Forests. Your Directors gratefully acknowledge the assistance and support from the promoters, GAIL, OIL, NRL and Government of Assam as well as the lenders, Oil Industry Development Board and State Bank of India. Your Directors acknowledge the cooperation extended by the entire team of process licensors, the bankers, consultants, suppliers and other intermediaries. Your Directors also appreciate the support and counsel extended by the Internal Auditors, the Statutory Auditors, the Secretarial Auditors, the Cost Auditors and the officials of the Comptroller & Auditor General of India. Above all, your Directors acknowledge the involvement and incessant efforts of the employees in overcoming various challenges and taking the organization forward towards achieving its vision.

Dated : 9<sup>th</sup> August, 2023

Place: New Delhi

Sd/-  
(Sandeep Kumar Gupta)  
Chairman



## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### *Industry Structure and Developments*

The chemical industry, a vital part of the Indian economy covers a diverse range of over eighty thousand commercial products meeting basic needs and is both a knowledge intensive as well as capital intensive industry employing over two million people. The backbone of industrial and agricultural development in the country, the industry enhancing the quality of life providing building blocks for several downstream industries such as textiles, papers, paints, varnishes, soaps, detergents and pharmaceuticals.

Petrochemicals comprising of plastic and a host of other chemicals constitute a major share of the chemical industry and are derived from various chemical compounds, mainly from hydrocarbons derived from crude oil and natural gas, petroleum gases, naphtha, kerosene and gas oil which are fractions produced from crude oil by refining process. Ethane, propane and liquid hydrocarbons obtained from natural gas constitute other feedstock used in the petrochemical industry. Performing the important role of enabler, the petrochemical industry has immense potential and is responsible for significant value additions catering to innumerable products required in practically every sector of the Indian industry and to basic needs and household items. Textiles and clothing, agriculture, packaging, infrastructure, healthcare, furniture, automobiles, IT, power, electronics and telecommunication, irrigation, drinking water, construction, household items are but a few instances of sectors of the economy reliant on petrochemical products. Global production of Plastic which consist of polymers has been growing and packaging, building and construction, and automotive emerging as the top three markets for plastics. Demand for Plastics,

the most used Petrochemical, has overtaken other bulk materials like steel, aluminium and cement.

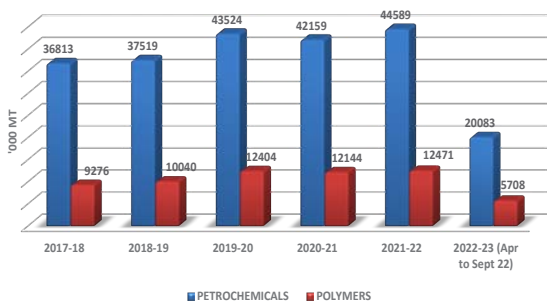
The biggest challenge in Petrochemicals continues to be availability of indigenous supply of feedstock, the cost of which is the largest component of its production cost. The Middle East and the United States have an edge in this respect with access to low-cost ethane owing to rich natural gas supplies leading to a significant contribution from stand-alone petrochemicals assets. In India on the other hand, a major proportion of the petrochemicals capacity continues to be by way of refinery integration, a key source of cost competitiveness over the past decade. The United States of America and Western Europe have the largest petrochemical industry at present with Asia and the Middle East projected to catch up in the long run due to major growth in new production capacity and demand.

India is the third largest consumer of polymers and has the sixth largest sales of chemicals in the world. Demand for chemical products is expected to grow at approximately 9% p.a. during 2020-25. The production of Major Chemicals and Basic Petrochemicals in FY 2022-23 (up to September 2022) was 26570 thousand MT out of which production of Basic Petrochemicals was 20083 thousand MT. Polymer production was 5708 thousand MT for the same period (roughly 28% of total Basic Petrochemicals). Value of total import of Chemicals and Petrochemicals in India other than Pharmaceutical products and fertilizers for FY 2022-23 (up to September 2022) was ₹341925 crore contributing 11.6% of total imports in 2022-23 (up to September, 2022) while the value of exports for the same period was ₹196739 crore contributing 10.8% of total export in the year 2022-23.





### Production Trend of Basic Petrochemicals & Polymer ('000MT)



Source: Annual Report 2022-23, DCPC

Commonly used Polymers include Polypropylene (PP), Poly vinyl chloride (PVC), Polystyrene (PS), Polyethylene (PE), Teflon (Polytetrafluoroethylene), Nylon and Acrylonitrile Butadiene Styrene (ABS). PE again is of three types - high density polyethylene (HDPE), low-density polyethylene (LDPE), linear low density polyethylene (LLDPE). PP has been the fastest growing Polymer.

The Indian chemical and petrochemical industry is one of fortunate few that was not severely impacted by the Covid pandemic. Factors driving growth include rising disposable income levels and purchasing power, increasing E Commerce sales and demand for packaging products specially for healthcare and hygiene products urbanisation, growing construction activity and rural demand, adoption of modern building material like polymer modified cement sheet, plastics and ceramic tiles. The Polypropylene market in particular received a tremendous boost post Covid. The Polymer market shows immense promise given the product durability and versatility coupled with the meagre per capita consumption of only 11kg as compared to the world average of 28 kg. The Indian Plastic industry has country-wide presence with more than 2,000 exporters. It employs over 4 million people in the country and constitutes 30,000 processing units; among these, 85-90% belong to small and medium enterprises.

### Strengths and Weaknesses

One of the biggest strengths of your Company is the support of the promoter organisations, GAIL, OIL and NRL each having an unenviable reputation in the industry. The fourth promoter, Government of Assam has enabled fructification of the project not only through equity participation but also various other ways including fiscal support. The promoters have been supplementing expertise and trained manpower whenever required and sharing their knowledge borne of experience. Your Company has an arrangement with GAIL, the major stakeholder, for 100% evacuation of the products and by-products through its established marketing network for ten years.

Your Company has been successfully operating the plant for seven years and has acquired an excellent name as a major player in the petrochemical sector in the country. The products meet the accepted quality standards in the market, earning BCPL a commendable brand image. Your Company witnessed a Polymer sales of 2.46 lakh MT during the financial year under review. Equipped with a vibrant and mostly young manpower team, there are 615 permanent employees on the rolls and around 2600 additional manpower under contract earning a livelihood from this dream project of the region. The plant has provided a major boost to employment prospects and created opportunities for not only investment in downstream industries but also for vendors, transporters, suppliers and other service providers. Efforts in cooperation with the government continue to make the plastic park in Tinsukia more attractive to investors and additional discount has been offered to entrepreneurs willing to set up downstream plastic units in the park.

Having only a single production unit with sub-optimal capacity is a major disadvantage for your Company and any unexpected disruption in production can impact the financials adversely. High fixed cost which is common



to all petrochemical plants is a critical factor, particularly cost of feedstock which is the highest component in cost of production and volatile, being dependent on global prices. Feedstock constraints continue and constant efforts are being made for solution through various alternative measures for procurement of Naphtha, Butene-1 and Propylene which have enabled stable and sustained operation of the plant. These efforts have been complemented by release of feedstock subsidy by the Government of India providing considerable relief in this regard.

Disadvantages due to the plant being in the far northeast has gradually been easing with improvement in connectivity and infrastructure. Nevertheless, major market continues to be outside the north-eastern region and till the full potential of the region's market can be tapped, low realization from sales in distant markets will continue due the freight disadvantage. Realising the need, continuous efforts are being made to prioritise sales in the north-eastern region. Being advantageously located in relation to the members of ASEAN your Company is exporting Polymer to neighbouring Bangladesh and is exploring export potential in the other countries. With implementation of revised pay scales for executives and gradual increase in employee incentives, your Company is more comfortably placed in terms of recruitment and retention of quality manpower.

The Indian petrochemical market is marked by factors like fragmented customer base of plastic processing units, most of them SMEs, credit-intensive market with the customers traditionally dependent on informal systems of credit extension and short-term lending for their routine business operations, a unique channel setup and finally, tight control over pricing by producers to limit pricing distortions. The twin advantages of cost and durability however make Plastics an irreplaceable material which is clearly visible from its use in a wide array of articles of

every day personal as well as commercial use. The country has been witnessing an increasing trend of replacing wood with plastics, particularly in the furniture and construction sectors which is a heartening development for conservation and sustainability in the north-eastern region.

### ***Opportunities and Threats***

The Union government's ambitious national gas grid project for an interconnected natural gas network -*One Nation One Gas Grid*-, promises to ease feedstock constraints in the years to come. India targets increasing the pipeline coverage to 34,500 km by 2024-25. All states are intended to be connected by a trunk national pipeline network by 2027. The natural gas grid in the northeast region is envisioned to connect with the upcoming, Barauni-Guwahati natural gas pipeline as a part of Urja-Ganga scheme, also connecting to sustainable and viable gas sources in the northeast. It is expected that this gas grid will make additional gas available to your Company which has faced feedstock constraints since beginning. Considering gas availability in future, your Company is working for expansion/capacity enhancement of the Plant.

With emphasis on *Make in India* and *Atmanirbharta*, the government is shifting its focus to industries such as electronics & semiconductors, renewable energy and pharma. As an enabler industry for most industries, the role of chemicals and petrochemicals industry is set to evolve into a more specialized one and they will eventually emerge as a necessary conduit to achieving the Indian dream of self-sufficiency.

The state of Assam shares its border with all the north-eastern states in India and internationally with Bangladesh and Bhutan. Connecting the state with major cities of the country and with nearby international cities it has six airports. The Government of India plans to develop 23 river systems for cargo and passenger vessel movement, aiming for greater use of inland waterways as a





cheaper mode of transport. Sharing the longest stretch of the India-Bhutan border, Assam is expected to witness increased activities of cross-border trade not just between India and Bhutan but also between Bhutan and Bangladesh through its land and river routes. The Government has taken steps to make Dibrugarh a major river port which will go a long way to promote trade and commerce not only in Dibrugarh but also in the entire Northeast. Development of the port will also enhance connectivity to neighbouring Bangladesh through National Waterways 2 besides providing an opportunity to reach markets in different parts of the world. The use of waterways will provide economical, environment friendly and seamless transport of cargo and heavy machineries for up-coming projects in the region. The plastic park at Tinsukia presently offers an allocable area of 480000 sqm providing a specific zone for downstream industries and your Company along with the Government is making efforts to make the park attractive to entrepreneurs. The state has access to trained manpower through numerous engineering related institutes including CIPET, IIT and Plastic Waste Management Centre. The Government of Assam initiative, Assam Startup, encourages start-ups by providing a host of tax benefits, easier compliance, IPR fast-tracking & more to create a culture of entrepreneurship in Assam by promoting and empowering the youth to become job creators and pursue their entrepreneurial dreams. The government also has a program for building Centres of Excellence (CoEs) to develop the existing petrochemical technology and promote the research environment pertaining to the sector in the country. The aim is to aid in promoting and developing new applications of polymers and plastics in the country. Additionally, about 23 Central Institute of Plastics Engineering & Technology (CIPET) have been approved to accelerate financial and technological collaboration for promoting skills in chemicals and petrochemicals sector.

India is the world's third largest Polymer consumer and with per capita consumption of only 11 kg, the potential for growth in the country is huge. Supply disruption in China due to COVID and closure of plants in the EU and China due to increasing environmental concerns have favoured Indian manufacturers. Despite concerns on environmental pollution emanating from the use and disposal of Plastic, the dependence on the material due to its durability and cost is growing and both refineries with integrated petrochemical complexes as well as other domestic petrochemical players are expanding their petrochemical capacities.

The pandemic and post pandemic world in recent years witnessed rising and sustained demand for packaging material for healthcare products and E Commerce, especially for FMGC goods. This necessitated a change in the perceptions and laws on the use of Plastic which changed globally, some existing laws were suspended. Governments globally need however to prioritise implementation of measures for waste management to tackle indiscriminate disposal of plastic products leading to pollution. India recycles only 30 percent of 3.4 million tonnes plastic waste generated annually and the most important barrier in Indian plastic waste management is the lack of source segregation.

In line with the announcement made by the Hon'ble Prime Minister to phase out single use plastic by 2022 due to the adverse impacts of plastic litter on both terrestrial and aquatic ecosystems, India notified the Plastic Waste Management Amendment Rules in August 2021, and the ban came into effect a year later. From July 1, 2022, India banned certain single-use plastic items. Although the ban has not significantly impacted the use of single-use plastics yet, its implementation will result in a section of the industry shutting shop which in turn will have an adverse impact on the Polymer industry. With increasing emphasis on sustainable development, there is a shift towards using sustainable polymers



and biodegradable plastics as alternative material. Other effective policy interventions are the need of the hour to create a sustained impact.

Lack of advanced technology and adequate infrastructure, volatility of polymer and feed stock prices are other constraints faced by the Plastic processing industry. Launched in August 2020, the National Infrastructure Pipeline (NIP) is a crucial initiative by the Indian government to boost the country's infrastructure development a novel government initiative aims to provide world-class infrastructure across India covering a wide range of sectors including energy, transportation, water and sanitation, social infrastructure, and others. The Ministry of Road Transport and Highways (MoRTH) has been paying special attention to the development of national highways in the north-eastern region and 10 percent of the total budget allocation is earmarked for NE region. MoRTH is also working on developing better connectivity with neighbouring Bangladesh, Myanmar and Nepal. Due to its unique location, your Company has an option of sourcing feedstock from these neighbouring countries in future provided it is viable and is supported by adequate transport infrastructure and Government policy.

Your Company is setting up Butene-1 & HPG-2 Units at BCPL Dibrugarh for a project cost of ₹386.97 Crores (Butene-1: ₹260.98 Crores & HPG-2: ₹125.99 Crores). Both projects are scheduled for completion by November, 2024 and once operational, there will a major relief from difficulties in sourcing of co-monomer Butene-1.

Besides the countrywide Government initiatives like setting up of Plastic Parks, Centres of Excellence and additional centres of CIPET, conferring of National Petrochemicals awards, various schemes e.g., Industrial & Investment Policy of Assam as amended in 2023, Prime Minister's Employment Generation Programme, Chief Minister's Start-up fund "Sarothi", Assam Startup Policy (Amendment) 2018, Swami Vivekananda Assam Youth Empowerment

(SVAYEM) Yojana have been introduced by the Government to encourage local entrepreneurs in Assam to take up self-employment ventures, projects and micro enterprises, offering opportunity for downstream industries.

Polymers provide vital inputs to almost all sectors of the economy. Your Company is in an advantageous position to tap the market in the north-eastern region which has the lowest per capita consumption (4 kg) in Polymers in the country, besides exporting to neighbouring countries.

### ***Segment wise or Product wise Performance***

During the year under review a total quantity of 2,45,959 MT of Polymer, 38,580 MT of Hydrogenated Pyrolysis Gasoline (HPG), 9,094 MT of Carbon Black Feed stock (CBFS), 3,791 MT of Wash Oil High Aromatics (WOHA), 582 MT of Slop Oil and 284 MT of Liquid Nitrogen were sold across the country, generating a total gross sales turnover of ₹3,504.31 crore (including GST & before discount). Polymer sales is focussed in Eastern, Northern and Southern region and state wise polymer sales percentage indicates majority of sales in the states of Delhi, UP, WB and Assam. LLDPE sale is the major contributor to total sales. Operating in the petrochemical segment, your Company plays a dominant role in the north-eastern region besides enjoying geographical proximity to emerging markets such as Bangladesh. During the year 50 MT Polymer was exported to Bangladesh to keep an open channel while waiting for export prices to become lucrative to encash the opportunity and increase exports.

The plant is working on energy efficiency benchmarks in collaboration with Bureau of Energy Efficiency to set standards of carbon emissions and specific energy consumption. Endeavour is made for continual improvement across all facets of energy management which includes generation,





distribution and consumption. In order to improve energy performance as well as production efficiency and to uphold global competitiveness, a dedicated team is engaged in continuous monitoring & reporting, periodic energy audits and benchmarking with other petrochemical units with similar technology. Centre for High Technology (CHT), a nodal organisation under the Ministry of Petroleum & Natural Gas, Government of India, has been entrusted the responsibility for undertaking Performance Benchmarking of the major Petrochemical units. Your Company has participated in the proposed petrochemical benchmarking as well as petrochemical performance improvement programme for major petrochemical units of PSUs to be carried out under the aegis of CHT. The objective of the study is to assess performance and identify gaps in performance as part of the global benchmarking study including global/ regional and Indian players.

Your Company remains firm in its commitment to enhance customer satisfaction and standardizing business processes through the implementation of Quality Management System. Product quality benchmarking is done to maintain the global industry standards. An NABL accredited Laboratory helps monitor and maintain the quality of the products in accordance with ISO/IEC 17025:2017 for natural gas composition, finished polymer product (LLDPE/HDPE/PP) and effluent treated water. All tests are carried out in accordance with national and international testing protocol such as ASTM, UOP, EN & IS. Your Company has a Licence by from BIS for Polyethylene materials as per IS 7328:2020.

### **Outlook**

The Indian Polymer market has non-integrated players including GAIL PATA, OPAL, HPL and your Company engaged in production of LLDPE, HDPE & PP. The rest are refinery integrated plants, public sector oil refining companies which sell their petroleum feedstock to other companies,

which have been adding value, and converting the same to useful petrochemical products. Due to natural gas supply constraints, Naphtha has been the dominant feedstock for Indian producers. Increasing global availability of alternate feedstock is likely to impact production. Adoption of mixed feed technology by new projects in the country and up-coming technologies like crude-to-chemicals are opening new avenues both globally and potentially in India as well. Both domestic public and private oil companies in India have firmed up their petrochemical capacity investment plans with a hope to reduce significant import dependence and cater to high demand growth for polymer products.

There is a shortage of feedstock cracker in the petrochemicals sector and more private investments are required in the sector to reduce imports. An estimated investment of ₹18 lakh crore is required for increasing feedstock cracker according to a report by Indian Oil Ltd and Engineers India Ltd. As the government alone cannot make this kind of investment private investments would be required. The Indian economy which had just started to recover from the impact of COVID-19 suffered another setback due to the ongoing Russia-Ukraine war. Deficient in oil and natural gas it is getting increasingly difficult to cope with rising prices. Sanctions and multiple restrictions have disturbed the global oil and gas value chain. Rising crude oil and natural gas prices are affecting inflation, economic progress, and market development. It is imperative for India to enhance its domestic oil and natural gas production through market-oriented policies and strategies, and lucrative production-linked incentive schemes. Recently, India has raised its import tax on Naphtha to 2.5% from 1% in a move to encourage companies to source locally produced fuel instead of buying from overseas. However, this increase in customs duty on Naphtha though beneficial for refiners, would result in some increase in feedstock cost for petrochemical manufacturers, which would



further compress margins. BCPL too has been using Naphtha to compensate for natural gas shortage. The upcoming natural gas grid in the north-eastern region therefore raises hope for easing of feedstock constraints in the years to come.

The global economic slowdown in recent years, the impact of the war in Ukraine, changes in the post pandemic petrochemical supply chain and a thrust for a cleaner, more sustainable environment are compelling companies to alter their strategies. The global sustainability trend, changing consumer preferences and NGO activism coupled with regulatory initiatives are driving petrochemical producers to focus on adopting sustainable practices. A wave of plastic bans and mounting concern over climate change necessitates reduction of carbon footprint by actions like cutting emissions or promoting recycling. In countries like USA, Canada, Mexico, the industry is also trying to emphasize the role plastics play in harnessing renewable energy, as well as efficiently managing resources. Mergers and acquisitions and partnership opportunities are the emerging phenomena for both domestic and global companies. In India presently regulation is mainly focused on single-use plastics while the evolving regulatory environment on sustainability will continue to be a significant driver of market dynamics in the domestic petrochemical industry. Further, the duty structures in respect of import of petrochemical products change continuously in response to prevailing domestic and global market scenarios and tend to impact the competitive dynamics between domestic and imported products.

The Union Budget 2023-24 presented in February, 2023 highlighted that the economic growth during the year under review was estimated to be at 7 percent. As per IMF projections, despite global growth slowing down in recent times, the Asia-Pacific region will be the most dynamic of the world's major regions in 2023, predominantly driven by the buoyant outlook on China and India.

The Indian economy remains resilient and the IMF attributes this mainly to digitalization being used as a major driver, a fiscal policy responsive to economic conditions and learning from the pandemic, implementation of very strong policies to overcome difficult times. IMF forecasts 5.9% growth for India in the current fiscal making it the fastest-growing economy in the world. Although this reflects a slowdown expected in tandem with the rest of the world economy, it would be way above the global average. On similar lines the World Bank believes that India's growth continues to be resilient despite some signs of moderation in growth. According to its April, 2023 development update, India was one of the fastest growing economies in the world and the overall growth is estimated to be 6.9% for the current fiscal with GDP forecast of 6.3%.

Long term outlook of the petrochemical industry in India is promising and there is accelerated demand due to its rising acceptance among diverse industry sectors such as medicines, construction, agriculture, textiles, automotive, packaging, consumer durables and irrigation. Due to the effect of COVID -19, plastic with its superior quality and cost effectiveness will continue witnessing increasing demand in manufacture of medical and hygiene products like PPE kits, syringes, masks, gloves, atomisers, test kits, equipment and in packaging materials for food, medicine, personal care, and medical products specially in E commerce. Demand has also been gradually growing from sustained substitution of metal pipes with plastic pipes, and glass and metal containers with plastic containers.

Plant capacity utilisation in your Company saw a setback by 7.3% as compared to the previous year due to maintenance shutdown during Q1 of FY 2022-23 and the capacity utilization during the financial year was 93%. Cost of raw material consumed had gone up by 61% compared to the previous year and this was mainly due to rise in price of natural gas which had escalated to effective price of \$6.10 per MMBTU from 01.04.2022 &





\$8.67 per MMBTU from 01.10.2022 compared to effective price of 2.96 per MMBTU in March, 2022. Naphtha price was more or less in sync with the crude prices. With GAIL as the sole marketer, the products are sold to downstream industries and BCPL sells approximately 18% of its total annual polymer sales in NE and has about 80% market share (for the grades produced by BCPL) in the NE polymer market during the year 2022-23.

There has been a constant effort to prioritize sales in the north-eastern region to maximize realisation. Entrepreneur sensitization programs are being regularly conducted across the region to create awareness regarding plastic downstream industries and the number of plastic processing units in NER is going up steadily. Entering the eight year of successful and sustained operations, your Company has plans for debottlenecking and capacity expansion on the anvil. Pre-feasibility studies are going on and the results are expected soon.

### **Risks and Concerns**

Feedstock constraint both in quantity and quality has been a major concern for your Company, despite firm arrangements by the Government of India for feedstock availability for 15 years



*Shri Reep Hazarika, Managing Director and Shri Pruthiviraj Dash, Director (Finance) at the BCPL Stall during the Waterways Conclave 2022 organized by the Ministry of Ports Shipping and Waterways (MOPSW) in collaboration with Federation of Indian Chambers of Commerce and Industry.*

of plant operation for your Company. Cost wise, feedstock constitutes a major chunk of cost of production. Use of naphtha, a costlier feed, to compensate for shortfall in NG and volatility of feedstock prices compound the issue. Government support by way of feedstock subsidy available for fifteen years of operation has provided some relief. Nevertheless, the plant capacity being sub-optimal, expansion and diversification is a must for future viability. Debottlenecking and expansion plans for future growth in turn hinge largely on feedstock availability. Your Company has taken measures to meet feed requirements and is in active discussion with the stakeholders to firm up commercial agreements. Your Company entered into agreement with M/s HOEC to infuse additional rich gas in Duliajan unit of BCPL and the results are encouraging. Further, your Company has signed an MoU with AGCL for supply of 0.12 MMSCMD of rich gas from ONGC's Amguri Oil fields produced by M/S OIL Max Energy Private limited. The supply of gas from AGCL started from 1st August, 2022. An MoU was signed with Shyama Prasad Mukherjee Port, Kolkata (SMPK) for streamlining logistic chain for movement of feedstock like Naphtha via railway or via NW-2 by setting up of tankage facility at Haldia Dock Complex. These will provide BCPL additional cushion in addition to domestic market to imported feed from the international market as and when required. A pre-feasibility study was done and terms and conditions are under negotiation. Another MoU was signed with Inland Waterways Authority of India to facilitate feed sustainability amongst others.

Besides feedstock subsidy, your Company is the beneficiary of governmental support in the form of other subsidies and fiscal benefits. Viability is dependent on continuation of these benefits and withdrawal thereof due to changing government policy in the future cannot be discounted.

Your Company has faced difficulties in sourcing raw material Butene-1, a co-monomer required for the production of polyethylene in the absence



of a captive generation facility. The concern is expected to be resolved soon with your Company's captive Butene 1 plant geared for completion in 2024.

A Plastic Park has been set up by the Government in Tinsukia located approximately 50 km away from the BCPL plant to boost downstream entrepreneurship with various opportunities including investment in injection moulding, blow & roto moulding and extrusion moulding facilities. However, despite efforts it has not been able to take off as envisaged. In view of the need to address the deterring factors and concerns of local entrepreneurs to make the facility functional, your Company has offered additional discount for those willing to set up plastic downstream units in the Park and is proactively engaging in discussions with entrepreneurs on site along with representatives from AIDC and Government of Assam. All efforts are being made in this respect in order to maximize sale of Polymers in the north-eastern states to the desired extent.

The possibility of occurrence of another wave of COVID-19 cannot be ruled which would lead to re-imposition of virus management measures which in turn curb economic activity and dampens market and consumer outlook. However, with better knowledge & experience about the disease gathered during previous waves of the pandemic and the growing demand for Plastics in medical, health, hygiene and packaging products, there is no major apprehension on this score.

Plastics inevitably carry a tag of being harmful for the environment and health. Common concerns include that of chemicals from plastic containers and bottles leaching into food and drinks and plastic pollution leading to accumulation of non-biodegradable synthetic plastic products in the environment to the point that they create problems for wildlife and their habitats as well as for human populations, one of the most pressing environmental issues. The focus needs to be on preventing improper disposal

through sensitization and government regulation. Extended producer responsibility (EPR) schemes making the manufacturers of some items responsible for creating an infrastructure to take back and recycle the products that they produce are being adopted in many countries as also in India. The Ministry of Environment, Forest and Climate Change has notified the Guidelines on Extended Producers Responsibility on plastic packaging under Plastic Waste Management Rules, 2016 in February, 2022. New solutions including the increasing use of biodegradable plastics and a "zero waste" philosophy, are being embraced by governments and the public. Recycling of plastic waste needs to be encouraged on a larger scale to generate capital besides tackling the larger issue of plastic waste. The Extended Producer Responsibility (EPR) as brand owner under PWM Rule 2016 is being complied by your Company and also interacting regularly with customers for facilitating their EPR registration.

The north-eastern region of the country where your Company's operations are located has since long faced challenges unique to the region – infrastructure, connectivity, logistics, economic opportunities, amenities, private investment, business environment and finance being some areas. Government initiatives, programmes and economic reforms including the Act East Policy are ushering in a positive change. The NITI Forum for North-East was set up in February 2018 to address various challenges in the region and recommend requisite interventions to achieve sustainable economic growth. NITI Aayog has also been implementing a structured initiative, 'Development Support Services for States (DSSS) for Infrastructure Projects', with the vision to achieve transformational and sustained delivery of infrastructure projects and the projects were taken up under the DSSS initiative, especially in the north-eastern states, substituting some of the original projects. Better investments are expected for this region which enjoy advantages in terms of availability of natural resources and





international border. Though remotely located in the national context, it is ideally placed with respect to Myanmar, Bangladesh and other ASEAN countries with promising markets. Your Company is marketing its products in Bangladesh to keep a channel open to take advantage when exports become more lucrative.

Your Company has a comprehensive risk management policy and various risks are being periodically reviewed for identification and mitigation. An online legal compliance management system assists in periodic review of compliances.

### ***Internal Control Systems and their adequacy***

Due attention has been given since the beginning to ensure sufficient internal controls for safeguarding the assets of your Company and there has been reliable financial reporting, timely feedback on the achievement of targets and compliance with applicable laws and regulations. Your Company has been gradually introducing its own systems, policies and procedures and in areas in which this is yet not achieved, those of its holding company are being followed. A comprehensive enterprise risk management policy has recently been adopted with five components of enterprise risk management framework viz. governance, strategy, performance, review and communication which are supported by a set of principles. These principles cover everything from governance to monitoring. A risk management organogram would render the support necessary for achieving the risk objectives.

Quarterly internal audit is being conducted by the Internal Audit Department along with M/s Deloitte India LLP on co-sharing basis.

### ***Financial Performance with respect to Operational Performance***

The plant has operated at 93% capacity in FY 2022-23 after full capacity operation for the previous four years. This dip in capacity utilisation was

primarily due to a maintenance shutdown in Q1 of the year under review. As a result, quantity sold was also lower. Although the average realization has been increased by 7.19%, the net sales has been reduced by 6.66% compared to previous year due to reduction in quantity sold by 10.48%. There was a 61% increase in cost of raw material consumed as compared to the previous year due to the exorbitant increase in gas price from \$ 2.96 per MMBTU in March, 2022 to \$6.10 per MMBTU from 01.04.2022 & \$8.67 per MMBTU from 01.10.2022 in FY 2022-23. The polymer prices also witnessed a declining trend in the second half of the financial year. Naphtha prices remained more or less in sync with the price of crude.

During the year, natural gas worth ₹1385.31 crore and naphtha worth ₹1023.15 crore was consumed for producing polymer which converted to sale of ₹2866.92 crore. The entire claimed amount of ₹131.00 crore towards the previous year's claim of feed stock subsidy was released during the year. An amount of ₹563.00 crore was accounted for during FY 2022-23 as feedstock subsidy as per the approved methodology under 'Other Operating Income' on accrual basis. The total revenue from operation was ₹3486.82 crore during the year.

While all economic indicators suggest, the Indian economy has fared better than previously believed despite continuing global uncertainties, the petrochemical industry has witnessed a downside during 2022-23 due to rise in input cost. Your Company witnessed an EBITDA margin of 10% compared to 35% in the previous year primarily due to the steep rise in input costs.

The Company repaid an amount of ₹12.55 crore towards long-term loan from OIDB. To meet the requirement of the ongoing project activities an additional loan of ₹100 crore was obtained from OIDB taking the outstanding of secured long term borrowings from OIDB as on 31.03.2023 to ₹196.69 crore. Despite various challenges in the external environment, your Company has been able to demonstrate healthy financial



management. External rating of the company was maintained at AA+ by CRISIL and Acuite Ratings.

### ***Material developments in Human Resources, Industrial Relations front including number of people employed***

The total sanctioned manpower is 700 (491 executives + 209 non-executives) and the employee strength as on 31st March 2023 was 615 including 2 whole time Directors, 419 executives, 194 non-executives and 05 executives on secondment/deputation from GAIL (India) Limited, the major equity holder. 68.8% of the employees are from the north-eastern region. The remaining manpower will be recruited based on need, and care is being taken to ensure suitable representation of female employees and minorities.

In the year under review, 1000 man days of training were conducted in your company promoting employees to acquire new skills, sharpen existing ones to perform better and increase their productivity.

Your Company received many awards and accolades on operation, safety, HR and environment fronts for its sustained efforts by adopting the best practices.

Industrial relations remained cordial during the year.

### ***Environmental Protection and Conservation, Renewable Energy Developments, Foreign Exchange Conservation***

As a responsible corporate citizen, your Company has been conscious about reducing environmental impacts and risks in its corporate activities with the aim of conserving the environment and developing a sustainable society. In keeping with its objective of sustainable development and conservation of the environment, your Company has taken stringent measures towards the protection of the environment by ensuring the plant operations are in sync with the environmental requirements.

Your Company continuously monitors for reduction in fuel and loss, conservation of energy, improvement in yield, optimization of product mix.

A modern effluent treatment plant is in place which ensures proper effluent discharge within the prescribed limits. Clean natural gas is used as feed as well as fuel in the plant which is sulphur free. Greenbelt covering 33.1 % of total area has been developed. Climate change and accompanying socio-economic imbalances are issues about which your Company is mindful and it will make genuine efforts to address them by focusing on a sustainable future. Following systems are in place in the plant towards conservation and protection of environment:

- All furnaces and utility boilers are equipped with Low NOX burners as a part of clean technology.
- In combine cycle co-generation power plant, heat recovery steam generation units (HRSGs) are installed where waste heat is recovered to use steam generation.
- Flare system is installed at a safe height to atmospheric location to burn the unwanted hydrocarbon release during process upset.
- Floating roof tanks are installed for high volatile raw material to reduce the emission of volatile organic compounds (VOCs) into the atmosphere.
- Battery operated electric vehicle is used for movement of materials inside the plant area.

Apart from the above, continuous monitoring of environmental parameters are being done such as online quality monitoring systems for treated water, stacks monitoring, and ambient air quality monitoring are in place and connected to the Central Pollution Control Board (CPCB) server on a 24x7 basis. Moreover, the ambient air quality monitoring, work zone area air and noise monitoring, stack emission monitoring, treated water quality monitoring, storm water monitoring





*Plastic Manufacturers' Meet in the presence of officials of Pollution Control Board, Assam and GAIL(India) Ltd at Guwahati on 10<sup>th</sup> August 2022 on issues arising from Single Use Plastic (SUP) and plastic waste management.*

and meteorological data monitoring etc. are also carried out by an MoEF&CC approved third party.

Your Company has fulfilled 100% statutory compliances. Initiative has been started towards net zero emission and meeting with stakeholder company and the concerned consultant towards the preliminary work out of Scope-1 & 2 emissions has been held in this regard. Your company is obliged to fulfil the Extended Producer Responsibility (EPR) as brand owner under PWM Rule 2016. In this regard EPR target for the financial year 2020-21 & 2021-22 are being complied. In this regard, a customer's meet was organized in the presence of statutory authorities to discuss the way forward towards better clarity on Extended producer responsibility (EPR) for Plastic Waste Processors.

World Environment Day (WED) was celebrated by your Company on 5<sup>th</sup> June, 2022. Plantation drives along with awareness programmes

were carried out at different units of BCPL and townships, joining the worldwide campaign for creation of awareness for protection of our precious environment. Also, district level awareness programme has been conducted with about 700 participants in the art & photography competitions and other awareness programmes.

The first Industrial Meet was organized on 'Environment Management System' on 5<sup>th</sup> July, 2022 on the occasion of Van Mahotsav, where 25 leading industries from the north-east region participated along with statutory bodies.

Your Company also celebrated World Water Day on 22<sup>nd</sup> March, 2023 besides observing Earth Day and Earth Hour for creating awareness on conservation and acknowledging its commitment as a responsible corporate citizen. Your Company won '22<sup>nd</sup> Greentech Environment Award 2022' for outstanding achievements in "Environment Protection" category.



Towards conservation of foreign exchange, your Company has taken measures like indigenization of spares and services wherever possible.

### **Corporate Social Responsibility**

Your Company continues its endeavours to contribute to the well-being of communities and society through various environmental and social measures to promote inclusive growth. A budget of ₹25.27 crore has been approved for CSR activities for the financial year 2022-23 with various projects under the broad heads of health and nutrition, promotion of education, skill enhancement, alternative livelihood promotion and entrepreneurship development, *swachhata* and sanitation, and rural development. The projects are being executed through the district administration and are monitored and implemented through a CSR Coordination Team. All relevant guidelines and rules on CSR are being

complied with. BCPL CSR implementations are mainly focused on the vicinity of BCPL units. BCPL has also started CSR initiatives in the aspirational districts of Assam this financial year.

**Data Source:** DCPC Annual Report 22-23, reports by Invest India, GoI websites.

**Forward Looking Statement:** This document includes statements that are, or may be deemed to be, "forward-looking statements" which by their nature involve risk and uncertainty as they relate to future events and circumstances, a number of which are beyond the Company's control. As a result, actual future results may differ materially from the plans, goals and expectations set out in these forward-looking statements, due to economic conditions, government policies and other incidental factors such as litigation and industrial relation. Readers are advised not to place undue conviction on such statements.



Awareness campaign held in schools near BCPL Lakwa on the occasion of World Environment Day



Children from BCPL Township and nearby schools participating in a drawing competition on the occasion of World Environment Day



## REPORT ON CORPORATE GOVERNANCE

### *Company's Philosophy*

Your Company is committed to the adoption of effective corporate governance practices to ensure transparency in all corporate decisions and activities and to act ethically with emphasis on integrity and accountability in the conduct of business, to promote confidence of the stakeholders and the public and increase stakeholder value on a sustainable basis.

### *Board of Directors*

As on 31<sup>st</sup> March, 2023, the Board of Directors of your Company consisted of eleven Directors including the Chairman and Managing Director, GAIL being the ex-officio Chairman of the Company, two functional Directors, One Government Director, five promoter Directors and one Independent Directors. The Nominee Directors are appointed in accordance with the Joint Venture Agreement and the Articles of Association of the Company.

The composition of the Board of Directors, along with Directorships and committee positions, attendance records during the year under review is as below:

| Sl. No.              | Name of the Director                                                                    | Designation                                                            | No. of Directorships / Chairmanship in other companies as on 31.03.2023 |          | No. of Committee* Memberships / Chairmanship in other companies# as on 31.03.2023 |        | Number of Board meetings | Attendance in last AGM |
|----------------------|-----------------------------------------------------------------------------------------|------------------------------------------------------------------------|-------------------------------------------------------------------------|----------|-----------------------------------------------------------------------------------|--------|--------------------------|------------------------|
|                      |                                                                                         |                                                                        | Chairman                                                                | Director | Chairman                                                                          | Member | Attended                 |                        |
| Functional Directors |                                                                                         |                                                                        |                                                                         |          |                                                                                   |        |                          |                        |
| 1                    | Shri Reep Hazarika (DIN 08667195)                                                       | Managing Director                                                      | -                                                                       | -        | -                                                                                 | -      | 5                        | Yes                    |
| 2                    | Shri Pruthiviraj Dash (DIN 08253888)                                                    | Director (Finance)                                                     | -                                                                       | -        | -                                                                                 | -      | 5                        | Yes                    |
| Promoter Directors   |                                                                                         |                                                                        |                                                                         |          |                                                                                   |        |                          |                        |
| 3                    | Shri Sandeep Kumar Gupta ( DIN 07570165) Chairman & Managing Director GAIL (India) Ltd. | Chairman (w.e.f. 03.10.2022)                                           | 3                                                                       | 1        | -                                                                                 | 1      | 2                        | NA                     |
|                      | Shri Manoj Jain (DIN 07556033) Chairman & Managing Director GAIL (India) Ltd.           | Chairman ( up to 31.08.2022)                                           | NA                                                                      | NA       | -                                                                                 | -      | 2                        | NA                     |
|                      | Shri M V Iyer (DIN 08198178) Director (BD) GAIL (India) Ltd.                            | Chairman (w.e.f 01.09.2022 up to 02.10.2022) Director up to 16.10.2022 | NA                                                                      | NA       |                                                                                   |        | 1                        | Yes                    |



| Sl. No. | Name of the Director                                                                                                          | Designation                     | No. of Directorships / Chairmanship in other companies as on 31.03.2023 |          | No. of Committee* Memberships / Chairmanship in other companies# as on 31.03.2023 |        | Number of Board meetings | Attendance in last AGM |
|---------|-------------------------------------------------------------------------------------------------------------------------------|---------------------------------|-------------------------------------------------------------------------|----------|-----------------------------------------------------------------------------------|--------|--------------------------|------------------------|
|         |                                                                                                                               |                                 | Chairman                                                                | Director | Chairman                                                                          | Member | Attended                 |                        |
| 4       | <b>Shri Harish Madhav</b><br>(DIN- 08489650)<br>Director (Finance), OIL India Ltd                                             | Director                        | -                                                                       | 5        | -                                                                                 | 2      | 4                        | No                     |
| 5       | <b>Shri Biswajit Pegu, IAS</b><br>(DIN 07756420)<br>Deputy Commissioner, Dibrugarh Government of Assam                        | Director<br>(w.e.f 26.10.2022)  | -                                                                       | -        | -                                                                                 | -      | 1                        | NA                     |
|         | <b>Shri Jishnu Barua, IAS</b><br>(DIN 03569714)<br>Chief Secretary Government of Assam                                        | Director<br>(up to 31.08.2022)  | -                                                                       | -        | -                                                                                 | -      | 1                        | NA                     |
| 6       | <b>Dr Lakshmanan S, IAS</b><br>(DIN 9009335)<br>Secretary to Government of Assam, Industries & Commerce Department)           | Director<br>(w.e.f. 20.05.2022) | -                                                                       | -        | -                                                                                 | -      | 1                        | No                     |
|         | <b>Dr. K K Dwivedi, IAS</b><br>(DIN-07632374)<br>Principal Secretary to Government of Assam, Industries & Commerce Department | Director<br>(up to. 19.05.2022) | -                                                                       | -        | -                                                                                 | -      | NA                       | NA                     |
| 7       | <b>Shri Bhaskar Jyoti Phukan</b><br>(DIN 07721895)<br>Managing Director, Numaligarh Refinery Ltd                              | Director                        | -                                                                       | 1        | -                                                                                 | 1      | 4                        | Yes                    |
| 8       | <b>Shri Alope Kumar Naskar</b><br>(DIN 10039744)<br>Executive Director (PC-CO)<br>GAIL (India) Ltd.                           | Director<br>(w.e.f. 10.02.2023) | -                                                                       | -        | -                                                                                 | -      | NA                       | NA                     |
|         | <b>Shri M V Ravi Someswarudu</b><br>(DIN 07309877)<br>Executive Director (O&M -CO), GAIL (India) Ltd.                         | Director (up to 31.12.2022)     | -                                                                       | -        | -                                                                                 | -      | 4                        | Yes                    |





| Sl. No.                                                                                                                                          | Name of the Director                                                                                                | Designation                                   | No. of Directorships / Chairmanship in other companies as on 31.03.2023 |          | No. of Committee* Memberships / Chairmanship in other companies# as on 31.03.2023 |        | Number of Board meetings | Attendance in last AGM |
|--------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------|-----------------------------------------------|-------------------------------------------------------------------------|----------|-----------------------------------------------------------------------------------|--------|--------------------------|------------------------|
|                                                                                                                                                  |                                                                                                                     |                                               | Chairman                                                                | Director | Chairman                                                                          | Member | Attended                 |                        |
| 9                                                                                                                                                | <b>Smt Meenaxee P Medhi</b><br>(DIN 10039736)<br>Chief General Manager<br>(R & D and Startup),<br>GAIL (India) Ltd. | Director<br>(w.e.f. 09.02.2023)               | -                                                                       | -        | -                                                                                 | -      | NA                       | NA                     |
|                                                                                                                                                  | <b>Ms Sandepa Trakroo</b><br>(DIN 09526916)<br>Zonal Chief General<br>Manager (Marketing)<br>GAIL (India) Ltd.      | Director<br>(up to 24.11.2022)                | -                                                                       | -        | -                                                                                 | -      | 4                        | Yes                    |
| <b>Government Directors</b>                                                                                                                      |                                                                                                                     |                                               |                                                                         |          |                                                                                   |        |                          |                        |
| 10                                                                                                                                               | <b>Shri Kapil Verma</b><br>(DIN 09056466)<br>Director<br>MoP&NG, GoI                                                | Director                                      | -                                                                       | -        | -                                                                                 | -      | 5                        | Yes                    |
| <b>Independent Director</b>                                                                                                                      |                                                                                                                     |                                               |                                                                         |          |                                                                                   |        |                          |                        |
| 11                                                                                                                                               | <b>Dr. Raman Kumar Trivedi</b><br>(DIN 09406597)                                                                    | Independent<br>Director                       | -                                                                       | -        | -                                                                                 | -      | 5                        | Yes                    |
|                                                                                                                                                  | <b>Shri Saumitra Sarkar</b><br>(DIN 08401917)                                                                       | Independent<br>Director<br>(up to 19.11.2022) | -                                                                       | -        | -                                                                                 | -      | 4                        | Yes                    |
| (*) Committee positions refer only to Audit Committee and Stakeholders Relationship Committee.<br>(#) Other Company means public companies only. |                                                                                                                     |                                               |                                                                         |          |                                                                                   |        |                          |                        |

### Details of Board Meetings held during the year 2022-23

Five meetings of the Board of Directors were held during the year as per the following details:

| No. of the Board Meeting | Date       | Board Strength | No. of Directors Present |
|--------------------------|------------|----------------|--------------------------|
| 99 <sup>th</sup>         | 23.05.2022 | 11             | 9                        |
| 100 <sup>th</sup>        | 22.07.2022 | 12             | 12                       |
| 101 <sup>st</sup>        | 23.09.2022 | 11             | 10                       |
| 102 <sup>nd</sup>        | 28.10.2022 | 11             | 9                        |
| 103 <sup>rd</sup>        | 24.01.2023 | 9              | 8                        |



### ***Profile of Directors being appointed / reappointed.***

***Dr Lakshmanan S,*** Director, retires by rotation at the ensuing annual general meeting pursuant to section 152(6) of the Companies Act, 2013 and being eligible, offers himself for reappointment. Nominated by Government of Assam, he has been Director on the Board w.e.f. 20.05.2022.

An officer of the Indian Administrative Services of the 2011 batch of the Assam-Meghalaya cadre and also a medical graduate, Dr Lakshmanan S is presently holding the positions of Secretary, Industries & Commerce, Public Enterprises as well as Secretary to Chief Minister, Government of Assam. He has served the state in various capacities including Mission Director, NHM Assam, Deputy Commissioner, Sivasagar SDO (Civil) Sadiya, ADC, Tinsukia district, Deputy Secretary of Guwahati Development Department (GDD) and Joint Secretary of the Health and Family Welfare Department. He was conferred the Excellence in Governance Award by the Indian Express Group for his anti-corruption initiative Debo Na, Lebo Na (Won't give, won't take) in 2019.

***Shri Biswajit Pegu,*** Director retires by rotation at the ensuing annual general meeting pursuant to section 152(6) of the Companies Act, 2013 and being eligible, offers himself for reappointment. Nominated by Government of Assam, he has been Director on the Board w.e.f. 26.10.2022

An officer of the Indian Administrative Services of the 2009 batch of the Assam-Meghalaya cadre, Shri Biswajit Pegu is presently the Deputy Commissioner, Dibrugarh, Government of Assam and the position involves revenue collection, implementation of developmental schemes, maintenance of law and order, conduct of elections from time to time and various other regulatory activities.

***Shri Bhaskar Jyoti Phukan,*** Director, retires by rotation at the ensuing annual general meeting pursuant to section 152(6) of the Companies Act, 2013 and being eligible, offers himself for reappointment. Nominated by Numaligarh Refinery Limited, he has been Director on the Board w.e.f. 01.02.2022. Presently the Managing Director of NRL, Shri Phukan is a mechanical engineer from Assam Engineering College, Guwahati with more than 30 years of experience in the oil industry including logistics, marketing, technical services and operation. Shri Phukan started his career in Indian Oil Corporation Ltd. (Assam Oil Division) in the year 1990 and thereafter joined NRL in the year 1999. Prior to his appointment as Managing Director he was holding the position of Director (Technical) NRL w. e. f. 01.02.2017.

***Shri Sandeep Kumar Gupta*** assumed charge of the post of Chairman & Managing Director, GAIL w.e.f. 03.10.2022 vide GAIL Office Order No GAIL/CO/HR/ES/2022 dated 03.10.2022 and in accordance with the provisions of Article 154 of the Articles of Association of Company and clause 5.1 of the JV Agreement between the promoters he was inducted as an Additional Director (and Chairman) on the Board of BCPL w.e.f. 03.10.2022 till the conclusion of this Annual General Meeting. Shri Sandeep Kumar Gupta, is a Commerce Graduate and a Fellow of the Institute of Chartered Accountants of India. Before joining GAIL in October 2022, Shri Gupta held the position of Director (Finance) since August 2019 on the Board of Indian Oil Corporation Limited, the leading PSU integrated Energy Company in Fortune "Global 500", and several group companies. As Director (Finance), he was in charge of F&A, Treasury, Pricing, International Trade, Optimization, Information Systems, Corporate Affairs, Legal, Risk Management, etc. Shri Gupta has wide experience of over 34 years of Oil & Gas Industry and held different positions in Indian Oil Corporate Office, Refineries Head Office and Refineries at Guwahati, Baroda and Mathura. He has received training through renowned institutions like IIM Calcutta, University of Maryland, Washington, Harvard Business School, XLRI Jamshedpur and IIM Ahmedabad. Shri Gupta has received prestigious individual recognition such as "CA CFO – Large Corporate – Manufacturing and Infrastructure Category"





in January 2021 by ICAI for Financial & Risk Management during Pandemic and was adjudged among Top 30 CFOs in India by StartupLanes.com in May 2022. He is also the Chairman of Standing Conference of Public Enterprises (SCOPE) for the year 2023-25. Shri Gupta was recently honoured with 'India's Best CEO' award for Oil and Gas Sector by India Today Group.

**Smt Meenaxee P Medhi**, Chief General Manager (R & D and Startup), GAIL was nominated vide GAIL letter No. ND/GAIL/SECTT/2023 dated 13.01.2023 as Director on the Board of Directors of the Company and was inducted as an Additional Director w.e.f. 09.02.2023 till the conclusion of this Annual General Meeting. She is an Electrical Engineer from Assam Engineering College, Guwahati with around 34 years of varied experience in the Oil & Gas industry including project execution, commissioning and operations & maintenance of Pata Petrochemicals Project Phase I and Phase II and LPG Recovery Project Pata, LPG Recovery Project Phase I and Phase II, Vijapur, Vizag-Secundrabad LPG Pipeline (VSPL), Corporate HSE, Petrochemicals and retail marketing. She received the award of Best Female Employee in GAIL in 2009-10 for outstanding contribution to Pata petrochemical project and VSPL.

**Shri Alope Kumar Naskar**, Executive Director (PC-CO), GAIL (India) Limited was nominated vide GAIL letter No ND/GAIL/SECTT/2023 dated 13.01.2023 as Director on the Board of Directors of the Company and was inducted as an Additional Director w.e.f. 10.02.2023 till the conclusion of this Annual General Meeting. Holding B.Tech. (Hons.) degree in Chemical Engineering from IIT, KGP, since his joining as GET in GAIL (India) Ltd., he has worked in Gas Processing Unit at Vijaipur and Lakwa, JLPL Pipeline and Petrochemical Plant at Pata. He has rich and varied experience of more than thirty years in the field of Petrochemical, Gas Processing Unit, Pipeline Operations and Project Execution. At present, he is in charge of the overall execution of GAIL's first ever 500 KTA PDHPP Project at Usar site, in the State of Maharashtra, India and other upcoming chemical and petrochemical projects of GAIL in India.

**Shri Rakesh Mishra**, Deputy Secretary, Ministry of Petroleum and Natural Gas, Government of India was nominated vide MoP&NG letter No letter No. CA-31032/1/2021-PNG-37493 dated 16.05.2023 as Government Director. Shri Rakesh Mishra was inducted as an Additional Director w.e.f. 24.05.2023 till the conclusion of this Annual General Meeting. Holding an M.Sc. (Tech) degree, Shri Mishra has been working in the Ministry of Petroleum and Natural Gas since November, 2012. He has also worked in various capacities in the ministries of Information and Broadcasting, Social Justice & Empowerment and Department of Personnel & Training, Government of India.

### **Audit Committee**

During the year under review five meetings of the Committee were held on 23.05.2022, 22.07.2022, 22.09.2022, 28.10.2022 & 24.01.2023. Details of composition and attendance during the year under review are as below:

|                                                       | No of meetings                       |                        |
|-------------------------------------------------------|--------------------------------------|------------------------|
|                                                       | held during the tenure of the member | attended by the member |
| Dr. Raman Kumar Trivedi, Chairman (w.e.f. 17.01.2023) | 5                                    | 5                      |
| Shri Harish Madhav, Member (w.e.f. 17.01.2023)        | 5                                    | 1                      |
| Shri Alope Kumar Naskar, Member (w.e.f. 20.02.2023)   | -                                    | -                      |
| Shri Saumitra Sarkar, Chairman (up to 19.11.2022)     | 4                                    | 4                      |
| Shri M V Ravi Someswarudu, Member (up to 31.12.2022)  | 4                                    | 4                      |



The terms of reference of the Audit Committee are in line with the DPE Guidelines on Corporate Governance and the Companies Act, 2013 and the recommendations of the Committee during the year have been accepted by the Board.

### ***Nomination and Remuneration Committee***

During the year under review one meeting of the Committee was held on 22.02.2023. Details of composition and attendance during the year are as below:

|                                                       | No of meetings                       |                        |
|-------------------------------------------------------|--------------------------------------|------------------------|
|                                                       | held during the tenure of the member | attended by the member |
| Dr. Raman Kumar Trivedi, Chairman (w.e.f. 17.01.2023) | 1                                    | 1                      |
| Shri B J Phukan , Member                              | 1                                    | 1                      |
| Shri Harish Madhav, Member                            | 1                                    | 1                      |
| Smt. Meenaxee P Medhi (w.e.f. 20.02.2023)             | 1                                    | 1                      |
| Shri Saumitra Sarkar (up to 19.11.2022)               | -                                    | -                      |
| Shri M V Ravi Someswarudu, Member (up to 31.12.2022)  | -                                    | -                      |

All the members are non-executive Directors. The scope of the Committee is in consonance with the provisions of the Companies Act, 2013 and the DPE Guidelines on Corporate Governance. It also approves PIS to non-executives.

### ***Other Committees***

**An HR Committee** for examining all HR Policy related matters requiring approval of the Board or as may be assigned by the Board from time to time, comprising of the following members as on 31<sup>st</sup> March, 2023:

1. Shri Reep Hazarika : Chairman
2. Shri Pruthiviraj Dash : Member
3. Shri B J Phukan : Member
4. Shri A K Naskar : Member (w.e.f. 20.02.2023)
5. Shri M V Ravi Someswarudu : Member (upto 31.12.2022)

An empowered **Committee of the Board on Contracts and Procurement** for expeditious clearance of approvals, comprising of the following members as on 31<sup>st</sup> March, 2023:

1. Shri Harish Madhav : Chairman
2. Shri Reep Hazarika : Member
3. Shri Pruthiviraj Dash : Member
4. Shri B J Phukan : Member

**A Committee on Sustainability & CSR** comprising of the following members as on 31<sup>st</sup> March, 2023:

1. Shri B J Phukan : Chairman





2. Shri Reep Hazarika : Member
3. Shri Pruthiviraj Dash : Member
4. Dr. Raman Kumar Trivedi : Member (w.e.f. 17.01.2023)
5. Shri Saumitra Sarkar : Member (up to 19.11.2022)

The terms of reference of the Committee are in line with the scope prescribed under the Companies Act, 2013 and DPE/Government Guidelines.

**A Committee on Health, Safety and Environment** to oversee the HSE performance of the Company and comprising of the following members as on 31<sup>st</sup> March, 2023:

1. Shri B J Phukan : Chairman
2. Shri Reep Hazarika : Member
3. Shri M V Ravi Someswarudu : Member( upto 31.12.2022)

**A Share Transfer Committee** comprising of the following members as on 31<sup>st</sup> March, 2023

1. Shri Reep Hazarika : Chairman
2. Shri Pruthiviraj Dash : Member
3. Shri B J Phukan : Member

**An Employees Disciplinary Committee** which acts as appellate/reviewing for disciplinary matters under the BCPL (Conduct Discipline & Appeal) Rules, 2013, comprising of the following Members as on 31<sup>st</sup> March, 2023:

1. Shri Harish Madhav : Chairman
2. Shri B J Phukan : Member
3. Shri A K Naskar : Member w.e.f 20.02.2023
4. Shri M V Ravi Someswarudu : Member upto 31.12.2022

### **Remuneration to Directors**

Being a Central Public Sector Enterprise, the appointment of the Whole-Time Directors and the terms & conditions thereof including remuneration are determined by the administrative ministry.

The details of remuneration paid to the Whole-time Directors of the Company during the financial year 2022-23 are as below:

₹ in crore

| Name                                        | Salary & Allowances* | Contribution to PF, Gratuity and other funds** | Other benefits and perquisites*** | Total     |
|---------------------------------------------|----------------------|------------------------------------------------|-----------------------------------|-----------|
| Shri Reep Hazarika<br>Managing Director     | 7,548,797            | 369,349                                        | 546,359                           | 8,464,505 |
| Shri Pruthiviraj Dash<br>Director (Finance) | 6,600,218            | 341,315                                        | 498,569                           | 7,440,102 |

\*Amount shows total Salary including PRP paid during the year

\*\* Amount shows contribution to PF only

\*\*\* Amount shows Perquisites for FY 2022-23

The Part-time Non-official (Independent) Directors are not being paid any remuneration other than the sitting fee, which amounted to ₹3,60,000 to Shri Saumitra Sarkar and ₹4,20,000 to Dr. Raman Kumar



Trivedi. The Nominee/Promoter Directors do not receive any pecuniary benefits or sitting fee from the Company.

### **General Meetings**

The details of the last three Annual General Meetings are as follows:

| No of the AGM    | Date       | Time    | Venue                                                                                    | Any Special Resolution passed                                                         |
|------------------|------------|---------|------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|
| 13 <sup>th</sup> | 25.09.2020 | 3:00 pm | Registered Office, H No 6, Bhuban Road, Uzanbazar, Guwahati 781001 held through VC/OAVM. | Yes, adoption of new set of MoA/ AoA of the Company in line with Companies Act, 2013. |
| 14 <sup>th</sup> | 16.09.2021 | 3.00 pm | Radisson Blu Hotel, National Highway 37, Gotanagar, Guwahati, Assam 781033               | None                                                                                  |
| 15 <sup>th</sup> | 23.09.2022 | 3.00 pm | Numaligarh Refinery Limited, 122A, G.S. Road, Christianbasti, Guwahati-781005            | None                                                                                  |

### **16<sup>th</sup> Annual General Meeting**

Date : Friday, 15<sup>th</sup> September, 2023

Time : 3.00 P.M.

Venue : Numaligarh Refinery Limited, 122A, G.S. Road, Christianbasti, Guwahati-781005 with arrangements for video conference (VC)/other audio visual means (OAVM)



*15<sup>th</sup> annual general meeting in progress*

### **Disclosures**

- The related party transactions are disclosed in the notes to accounts forming part of the annual report.
- The Company has complied with the requirements of the DPE Guidelines on Corporate Governance, save and except the composition of the Board with respect to number of Nominee Directors and

Independent Directors. The Board has requested for a special dispensation from the Government of India regarding reduction in the number of Nominee Directors appointed as per JV Agreement. The Government has been requested to appoint the requisite number of Independent Directors as per the said guidelines.

- iii. The Company has a Whistle Blower Policy whereby employees can raise concerns to the competent authority in case they observe unethical and improper practices or any other wrongful conduct in the Company. The policy provides direct access to the Chairman, Audit Committee and necessary safeguards for protection of the whistle blower from reprisals or victimization.
- iv. A new and more comprehensive Risk Management Policy has been adopted for risk assessment and mitigation during the operations phase.
- v. The Public Procurement Policy for Micro and Small Enterprises is being implemented in the Company and consistently since FY 2014-15 your Company has been meeting the requisite procurement target from the Government of India MSME sector. Out of the total annual procurement order (supplies & services) of the value ₹484.92 crores, ₹212 crore (43.61 %) were issued to MSE vendors in the FY 2022-23 against the Government of India target of 25% as per Public Procurement Policy, 2012 as amended w.e.f. 9<sup>th</sup> November, 2018. Out of above 43.61 %, 0.6 % procurement has been made from MSE owned by SC/ST entrepreneurs and 20.4% procurement has been made from MSE owned by Women entrepreneurs.
- vi. Details of vigilance cases during the financial year under review:

| Opening balance as on<br>01.04.2022 | Vigilance cases received<br>during the FY 2022-23 | Vigilance cases disposed of<br>during the FY 2022-23 | Balance |
|-------------------------------------|---------------------------------------------------|------------------------------------------------------|---------|
| 5                                   | 1                                                 | 1                                                    | 5       |



Members of the Board, shareholder representatives, auditors during the 15<sup>th</sup> AGM with Team BCPL

### Audit Qualifications

For the 16<sup>th</sup> successive year there is no audit qualification in the report of the Statutory Auditors on the accounts of the Company for the year ended 31<sup>st</sup> March 2023.

### Means of Communication

The Company has a website [www.bcplonline.co.in](http://www.bcplonline.co.in). There is a dedicated cell for information sharing with stakeholders through the use of information and communication technologies particularly through its



website. The Company periodically disseminates information through press releases and its annual reports.

### ***Shareholding Pattern***

As on 31<sup>st</sup> March, 2023, the shares were held by the promoters in the proportion:

GAIL : 70%

OIL : 10%

NRL : 10%

Government of Assam : 10%

### ***Corporate Governance Compliance Certificate***

A certificate from a Company Secretary in practice regarding compliance of conditions of corporate governance during 2022-23, as per clause 8.2.1 of the DPE Guidelines is annexed.

### ***Secretarial Audit Report***

The Company has carried out the Secretarial Audit for the year under review and the report along with the replies of the management to the qualifications therein are enclosed.

### ***Code of Conduct***

The Company has a Code of Conduct for the Board members and the senior management personnel and all the members of the Board and the senior management personnel have affirmed compliance of the Code of Conduct for the financial year ended on 31<sup>st</sup> March, 2023.

## **DECLARATION**

As required by clause 3.4.2 of the DPE Guidelines on Corporate Governance, it is hereby declared that the members of the Board of Directors as well as senior management personnel of the Company to whom the Code of Conduct is applicable have affirmed compliance with the code.

Date : 7<sup>th</sup> July, 2023

Sd/-  
(Reep Hazarika)  
**Managing Director**



*Study Visit of the Committee on Public Undertakings on CPSE performance at Mumbai*



## 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 arm's length transactions under third proviso thereto**

| 1  | Details of contracts or arrangements or transactions not at arm's length basis - NIL                              |                                                                                                                                                      |
|----|-------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------|
| a) | Name(s) of the related party and nature of relationship                                                           | -                                                                                                                                                    |
| b) | Nature of contracts/arrangements/transactions                                                                     | -                                                                                                                                                    |
| c) | Duration of the contracts / arrangements/transactions                                                             | -                                                                                                                                                    |
| d) | Salient terms of the contracts or arrangements or transactions including the value, if any                        | -                                                                                                                                                    |
| e) | Justification for entering into such contracts or arrangements or transactions.                                   | -                                                                                                                                                    |
| f) | Date(s) of approval by the Board                                                                                  | -                                                                                                                                                    |
| g) | Amount paid as advances, if any:                                                                                  | -                                                                                                                                                    |
| h) | Date on which the special resolution was passed in general meeting as required under first proviso to section 188 | -                                                                                                                                                    |
| 2  | Details of material contracts or arrangement or transactions at arm's length basis                                |                                                                                                                                                      |
| a) | Name(s) of the related party and nature of relationship                                                           | (A) GAIL (India) Ltd., Holding Company.<br>(B) Oil India Ltd., Investing Company/Venturer<br>(C) Numaligarh Refinery Ltd, Investing Company/Venturer |



|    |                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|----|----------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| b) | <b>Nature of contracts/ arrangements/ transactions</b>                                             | <b>(A) Nature of transactions with GAIL</b> <ol style="list-style-type: none"> <li>1. Procurement of Polymer grade Propylene</li> <li>2. Marketing Commission to GAIL</li> <li>3. Secondment charge of employees from GAIL</li> <li>4. Disaster Recovery (DR) Server charges set up in GAIL Noida Premises.</li> </ol>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|    |                                                                                                    | <b>(B) Nature of transactions with OIL</b> <ol style="list-style-type: none"> <li>1. Purchase of Natural Gas</li> </ol> <b>(C) Nature of transactions with NRL</b> <ol style="list-style-type: none"> <li>1. Procurement of Naphtha from NRL</li> <li>2. Hiring of office space measuring 2469.38 sq.ft. at NRL Centre, Guwahati</li> </ol>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| c) | <b>Duration of the contracts / arrangements/transactions</b>                                       | <b>(A) Duration of transactions with GAIL</b> <ol style="list-style-type: none"> <li>1. Procurement of Propylene from GAIL, Pata as per requirement and on best endeavour basis</li> <li>2. Marketing margin @ 2.4% of net sales value of BCPL products &amp; by-products for 10 years</li> <li>3. Arrangement with holding company for secondment of employees</li> <li>4. Disaster Recovery Data Centre set up in GAIL's Noida Premises</li> </ol> <b>(B) Duration of transactions with OIL</b> <ol style="list-style-type: none"> <li>1. BCPL procures Natural Gas from OIL based on the agreement entered for supply of natural gas towards feed stock requirement of the Company.</li> </ol> <b>(C) Duration of transactions with NRL</b> <ol style="list-style-type: none"> <li>1. BCPL procures Naphtha from NRL based on the agreement entered with NRL towards feed stock requirement of the Company.</li> <li>2. BCPL has hired office premises for the regd office at Guwahati for three years</li> </ol> |
| d) | <b>Salient terms of the contracts or arrangements or transactions including the value, if any:</b> | <b>A. Salient terms of the arrangements or transactions with GAIL</b> <ol style="list-style-type: none"> <li>1. Total amount of ₹2.36 crore has been incurred for procurement of Propylene</li> <li>2. Marketing commission as per Marketing Agreement totaling to ₹62.97 crore</li> <li>3. Arrangement with holding company for secondment of employees amounting to ₹4.97 crore</li> <li>4. DR installation configuration and commissioning work completed. Total charges of ₹64.00 lac towards service charge for DR server set-up has been paid to GAIL</li> </ol>                                                                                                                                                                                                                                                                                                                                                                                                                                               |





|    |                                                  |                                                                                                                                                                                                                                                                                                |
|----|--------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|    |                                                  | <b>B. Salient terms of the arrangements or transactions with OIL</b><br>1. Natural Gas for ₹1146.89 crore<br><b>C. Salient terms of the arrangements or transactions with NRL</b><br>1. Procurement of Naphtha for ₹439.38 crore<br>2. Hiring charges for office premises amounting ₹8.00 lakh |
| e) | <b>Date(s) of approval by the Board, if any:</b> | Not applicable.                                                                                                                                                                                                                                                                                |
| f) | <b>Amount paid as advances, if any:</b>          | -                                                                                                                                                                                                                                                                                              |

Dated : 9<sup>th</sup> August, 2023

Place: New Delhi

Sd/-  
(Sandeep Kumar Gupta)  
**Chairman**



## ANNUAL REPORT ON CSR ACTIVITIES DURING FY 2022-23

### 1. Brief outline on CSR Policy of the Company

BCPL has a Policy with an objective of taking up socially relevant projects and initiatives that will promote wholesome growth of the society and improve the quality of life of people living in and around BCPL installations. The projects will be undertaken in the areas specified in Schedule VII of Companies Act, 2013

### 2. Composition of CSR Committee:

| Sl. No. | Name of Director          | Designation / Nature of Directorship      | Number of meetings of CSR Committee held during the tenure of the member | Number of meetings of CSR Committee attended by the member |
|---------|---------------------------|-------------------------------------------|--------------------------------------------------------------------------|------------------------------------------------------------|
| 1       | Shri Bhaskar Jyoti Phukan | Chairman                                  | 2                                                                        | 2                                                          |
| 2       | Shri Reep Hazarika        | Managing Director                         | 2                                                                        | 2                                                          |
| 3       | Shri Pruthiviraj Dash     | Director (Finance)                        | 2                                                                        | 2                                                          |
| 4       | Shri Raman Kumar Trivedi  | Independent Director (w.e.f. 17.01. 2023) | -                                                                        | -                                                          |
| 5       | Shri Saumitra Sarkar      | Independent Director (upto 19.11. 2022)   | 2                                                                        | 1                                                          |

- Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: <https://bcplonline.co.in/CSR/Index>.
- Details of the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable. - Impact assessment will be carried out very soon for the completed projects having outlays of ₹1 Crore and above.
- Average net profit of the company as per section 135(5).

₹ In Crore

|     |                                                                                                    |         |
|-----|----------------------------------------------------------------------------------------------------|---------|
| (a) | The average profit before tax in last three years (w.r.t. FY 2022-23)                              | 1263.45 |
| (b) | Two percent of average net profit of the company as per section 135(5)                             | 25.27   |
| (c) | Surplus arising out of the CSR projects or programs or activities of the previous financial years. | -       |
| (d) | Amount required to be set off for the financial year, if any                                       | -       |
| (e) | Total CSR obligation for the financial year (b+c- d)                                               | 25.27   |





6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project: - ₹7.971 Crore.
- (b) Amount spent in administrative overheads: -- NIL
- (c) Amount spent on Impact Assessment, if applicable: - NIL
- (d) Total amount spent for the Financial Year [(a)+(b) +(c)] ---₹7.971
- (e) CSR amount spent or unspent for the Financial Year:

| Amount unspent (in ₹)                            |                                                                       |                  |                                                                                                       |        |                  |
|--------------------------------------------------|-----------------------------------------------------------------------|------------------|-------------------------------------------------------------------------------------------------------|--------|------------------|
| Total Amount Spent for the Financial Year (in ₹) | Total Amount transferred to Unspent CSR Account as per Section 135(6) |                  | Amount transferred to any fund specified under Schedule VII as per second provision to section 135(5) |        |                  |
|                                                  | Amount                                                                | Date of Transfer | Name of the Fund                                                                                      | Amount | Date of Transfer |
| ₹7,96,60,340/-                                   | ₹17,30,39,660/-                                                       | 29.04.2023       | NA                                                                                                    | NA     | NA               |

- (f) Excess amount for set off, if any: NIL

| Sl. No. | Particular                                                                                                | Amount (₹ in Cr) |
|---------|-----------------------------------------------------------------------------------------------------------|------------------|
| (i)     | Two percent of average net profit of the company as per sub-section (5) of section 135                    | 25.27            |
| (ii)    | Total amount spent for the Financial Year                                                                 | 7.971            |
| (iii)   | Excess amount spent for the Financial Year [(ii)-(i)]                                                     | NIL              |
| (iv)    | Surplus arising out of the CSR projects or programs or activities of the previous Financial Years, if any | NIL              |
| (v)     | Amount available for set off in succeeding Financial Years [(iii)-(iv)]                                   | NIL              |

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

₹ In Crore

| 1       | 2                            | 3                                                                                           | 4                                                                                      | 5                                               | 6                                                                                                                            |                  | 7                                                                       | 8                       |
|---------|------------------------------|---------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------|-------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------|------------------|-------------------------------------------------------------------------|-------------------------|
| Sl. No. | Preceding Financial Year (s) | Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹) Crore | Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in ₹) Crore | Amount Spent in the Financial Year (in ₹) Crore | Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any |                  | Amount remaining to be spent in succeeding Financial Years (in ₹) Crore | Deficiency if any Crore |
|         |                              |                                                                                             |                                                                                        |                                                 | Amount (in ₹)                                                                                                                | Date of Transfer |                                                                         |                         |
| 1       | 2020-2021                    | 9.35                                                                                        | 5.94                                                                                   | 1.2619                                          | NIL                                                                                                                          | NIL              | 4.678                                                                   | NIL                     |
| 2       | 2021-2022                    | 4.55                                                                                        | 4.55                                                                                   | 0.468                                           | NIL                                                                                                                          | NIL              | 4.082                                                                   | NIL                     |



8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **NO**

If Yes, enter the number of Capital assets created/ acquired: **Not applicable**

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

| Sl. No. | Short particulars of the property or asset(s) ([including complete address and location of the property]) | Pincode of the property or asset(s) | Date of creation | Amount of CSR amount spent | Details of entity/ Authority/ beneficiary of the registered owner |      |                    |
|---------|-----------------------------------------------------------------------------------------------------------|-------------------------------------|------------------|----------------------------|-------------------------------------------------------------------|------|--------------------|
|         |                                                                                                           |                                     |                  |                            | CSR Registration Number, if applicable                            | Name | Registered address |
| NIL     | NIL                                                                                                       | NIL                                 | NIL              | NIL                        | NIL                                                               | NIL  | NIL                |

*(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/ Municipal Corporation/ Gram panchayat are to be specified and the area of the immovable property as well as boundaries)*

No assets have been created till date under CSR initiative in the FY 2020-21, 2021-22 and 2022-23.

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

The company has not failed to spend the required percentage of the average net profit. All the projects are in progress and spread over three years. The unspent amount has been kept in a separate designated account as per the requirement of the Companies Act, 2013.

Sd/-  
**(Reep Hazarika)**  
Managing Director

Sd/-  
**(Shri Bhaskar Jyoti Phukan)**  
Chairman of Sustainability and CSR Committee of the Board





**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2023**  
*[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,  
Brahmaputra Cracker and Polymer Limited  
1st Floor, House No. 6, Bhuban Road,  
Uzan Bazar, Guwahati, Assam, PIN-781001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Brahmaputra Cracker and Polymer Limited** (hereinafter called the “Company” or “BCPL”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the company’s books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on **31<sup>st</sup> March 2023** (‘Audit period’) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **31<sup>st</sup> March 2023** according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;  
**(Not Applicable as there were no reportable events)**
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;  
**(Not Applicable as there were no reportable events)**
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(Not Applicable as there were no reportable events)**



- v. The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')(The provisions were not applicable to the Company being an unlisted Company)
- vi. The following industry specific laws and rules, regulations, directions, guidelines, circulars and instructions framed thereunder:
  1. The Petroleum Act 1934;
  2. Legal Metrology Act, 2009
  3. Indian Boilers Act 1923
  4. Explosives Act 1884
  5. The Industries (Development and Regulation) Act 1950
  6. The Electricity Rules 2003
  7. Plastic waste Management Rules 2016
  8. Petroleum and Natural Gas Regulatory Board Act 2006;
  9. DPE Guidelines on Corporate Governance for Central Public Sector Enterprises, 2010;
  10. Instructions and order from the Ministry of Petroleum and Natural Gas.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board & General Meetings.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except for the provisions as mentioned herein below:

- a) *The composition of Company's Board lacks the required number of Independent Directors. There is only one Independent Director in the Board w.e.f. 22<sup>nd</sup> November 2022. Consequently, the Audit Committee did not have the requisite number of independent directors.*
- b) *The number of nominee directors on the Board of the Company are not as per the DPE Guidelines issued by the Department of Public Enterprises, Government of India.*

**We further report that** the Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors and Independent Directors except for the appointment of minimum number of Independent Directors in the Board. 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 Directors of the schedule of the Board & Committee 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 decisions at Board Meetings and Committee Meetings as represented by the management were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or 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.

**We further report that** during the audit period no specific events occurred having a major bearing on the company's affairs in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards, etc.

Place: Guwahati

Date: 28<sup>th</sup> June, 2023

**For Narayan Sharma & Associates**

*Practicing Company Secretaries*

**CS Narayan Sharma**

(Proprietor)

**PR. No.: 1563/2021**

**FCS No.: 5117 C P No.: 3844**

**UDIN: F005117E000515154**

**This Report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.**



## **‘Annexure A’**

**To,  
The Members,  
Brahmaputra Cracker and Polymer Limited  
1<sup>st</sup> Floor, House No. 6, Bhuban Road,  
Uzan Bazar, Guwahati, Assam, PIN-781001**

Our report of even date is to be read along with this letter.

- 1) Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- 2) We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
- 3) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company as well as correctness of the values and figures reported in various disclosures and returns as required to be submitted by the Company under the specified laws, though we have relied to a certain extent on the information furnished in such returns.
- 4) Our Audit examination is restricted only to legal compliances of the applicable laws to be done by the Company, we have not checked the practical aspects relating to the same.
- 5) Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
- 6) The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
- 7) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
- 8) Due to the inherent limitations of an audit including internal, financial, and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with audit practices.
- 9) The contents of this Report have to be read in conjunction with the Report(s) furnished/to be furnished by any other auditor(s)/agencies/authorities with regard to the Company. Observations, remarks and qualifications, if any mentioned hereinabove are in addition to the observations, remarks, and qualifications given by the auditor(s)/agencies/authorities of the Company in their respective reports.

Place: Guwahati  
Date: 28<sup>th</sup> June, 2023

**For Narayan Sharma & Associates**  
*Practicing Company Secretaries*

**CS Narayan Sharma**  
(Proprietor)

**PR. No.: 1563/2021**

**FCS No.: 5117 C P No.: 3844**

**UDIN: F005117E000515154**





## EXPLANATION OF THE BOARD TO THE OBSERVATIONS IN THE SECRETARIAL AUDIT REPORT 2022-23

| Observation of the Secretarial Auditor                                                                                                                                                                                                                                               | Explanation of the Board                                                                                                      |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------|
| (i) The composition of Company's Board lacks the required number of Independent Directors. There is only one Independent Director in the Board w.e.f. 22 <sup>nd</sup> November, 2022. Consequently, the Audit Committee did not have the requisite number of Independent Directors. | Appointment of requisite number of Independent Directors has been requested and remains pending with the Government of India. |
| (ii) The number of nominee directors on the Board of the Company is not as per the DPE Guidelines issued by the Department of Public Enterprises, Government of India.                                                                                                               | BCPL has requested for special dispensation to retain the present constitution of the Board in the interest of the Company.   |



BCPL Lakwa Plant



## CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To,  
The Members,  
Brahmaputra Cracker and Polymer Limited  
1<sup>st</sup> Floor, House No. 6, Bhuban Road,  
Uzan Bazar, Guwahati, Assam, PIN-781001

We have examined the compliance of conditions of Corporate Governance by **Brahmaputra Cracker and Polymer Limited** (hereinafter referred as “the Company”) for the year ended **31<sup>st</sup> March 2023**, as stipulated in the Guidelines on Corporate Governance for the Central Public Sector Enterprises issued by the Department of Public Enterprises (DPE), Government of India in May 2010.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned DPE guidelines except:

- a) The composition of Company’s Board lacks the required number of Independent Directors. There is only one Independent Director in the Board w.e.f. 22<sup>nd</sup> November 2022. Consequently, the Audit Committee did not have the requisite number of independent directors.
- b) The number of nominee directors on the Board of the Company are not as per the DPE Guidelines issued by the Department of Public Enterprises, Government of India.

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.

Place: Guwahati  
Date: 30<sup>th</sup> June, 2023

**For Narayan Sharma & Associates**  
*Practicing Company Secretaries*

**CS Narayan Sharma**  
(Proprietor)

**PR. No.: 1563/2021**

**FCS No.: 5117 C P No.: 3844**

**UDIN: F005117E000524834**





## INDEPENDENT AUDITOR'S REPORT

To  
The Members of  
Brahmaputra Cracker and Polymer Limited  
1<sup>st</sup> Floor, House No. 6, Bhuban Road,  
Uzan Bazar,  
Guwahati – 781 001, Assam

### Report on the Audit of the Standalone Ind AS Financial Statements:

#### 1. Opinion

- A. We have audited the accompanying standalone Ind AS Financial Statements of **BRAHMAPUTRA CRACKER AND POLYMER LIMITED** ("the Company"), which comprises the Balance Sheet as at March 31, 2023, 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").
- B. 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 March 31, 2023 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 that there are no key audit matters to communicate in our report.

#### **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, 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.

The 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 31<sup>st</sup> March, 2023 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 31<sup>st</sup> December, 2022. We have not issued a separate limited review report for the last quarter ended 31<sup>st</sup> March, 2023.

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, based on our audit we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c. 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;
  - d. 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;
  - e. 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;
  - 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;

- g. Pursuant to the Notification No. GSR 463(E) dated 5<sup>th</sup> 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
- 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:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – **Refer Note 22 & 29(b)** to the standalone 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 35** to the standalone Ind AS financial statements
  - (a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.
  - (b) The company has not declared and paid any interim dividend during the financial year.



- (c) 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.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.
2. 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.
3. 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

Dated at New Delhi,  
the 17<sup>th</sup> day of May, 2023

**FOR RKP ASSOCIATES**  
**Chartered Accountants**

Sd/-  
**(CA. DEVAJIT BISWAS)**  
PARTNER  
MRN. 304922  
FRN. 322473E  
UDIN -23304922BGVGPV9473





## ANNEXURE–“A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in *Paragraph 1(f)* under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of **BRAHMAPUTRA CRACKER & POLYMER LIMITED** of even date)

### **Report on the Internal Financial Controls with reference to Standalone Financials Statements 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 **BRAHMAPUTRA CRACKER AND POLYMER LIMITED** (‘the Company’) as of March 31’ 2023 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 March 31' 2023, 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.

Dated at New Delhi,  
the 17<sup>th</sup> day of May, 2023

**FOR RKP ASSOCIATES**  
**Chartered Accountants**

Sd/-  
**(CA. DEVAJIT BISWAS)**  
PARTNER  
MRN. 304922  
FRN. 322473E  
UDIN -23304922BGVGPV9473





## ANNEXURE - B TO THE INDEPENDENT AUDITOR'S 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 **BRAHMAPUTRA CRACKER AND POLYMER LIMITED** on the Standalone Ind AS Financial Statements for the year ended March 31, 2023.

- I. In respect of the Company's property, plant and equipment, right-of-use assets and intangible assets:
- The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.
  - The Company has maintained proper records showing full particulars of intangible assets.
  - As explained to us, there is a regular programme of physical verification of Property, Plant and Equipment by the management which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. As informed to us no material discrepancies were noticed on such verification.
  - 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 (₹ in Cr.) | 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          |
|-----------------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------------------------------------------------------------------------------------------|--------------------------------|-------------------------------------------------------|
| PPE                                     | Free-hold Land                  | 3.87                            | Gail India Limited              | Promoter                                                                                                            | May' 2016                      | The Matter is pending before the respective authority |
| ROU Assets                              | Lease Land                      | 5.53                            | Gail India Limited              | Promoter                                                                                                            | May' 2016                      |                                                       |
| ROU Assets                              | Lease Land                      | 21.96                           | Government of Assam             | Promoter                                                                                                            | July' 2008                     |                                                       |
| ROU Assets                              | Lease Land                      | 14.73                           | Government of Assam             | Promoter                                                                                                            | April' 2011                    |                                                       |

{Refer Note -24 of Standalone Ind AS Financial Statements.}

- The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
  - No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 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.

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 five crore rupees, 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 9 of Standalone Ind AS Financial Statements}.*

- iii. The Company has not made investments in any company, has not granted secured/ unsecured loans/advances in nature of loans, or stood guarantee, or provided security to any other entity. Therefore, the reporting under clause 3 (iii) (a) (b) (c) (d) (e) & (f) of the Order are not applicable to the Company.
- iv. According to the information and explanations given to us, the Company has neither granted any loan nor made any investment or provided guarantee or security during the year. In view of this, clause 3(iv) of the Companies (Auditor's Report) Order, 2020 is not applicable.
- 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 clause 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, 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 March 31, 2023 for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us, there are no disputed statutory dues, which have not been deposited/ short deposited as on March 31, 2023, hence provision of this clause is not applicable to the Company.

| Name of the Statute | Nature | Period (A.Y) | Forum where the dispute is pending | Gross Disputed Amount (₹ in Crore) | TDS Credit (₹ in Crore) | Net Disputed Amount (₹ in Crore) |
|---------------------|--------|--------------|------------------------------------|------------------------------------|-------------------------|----------------------------------|
| NIL                 |        |              |                                    |                                    |                         |                                  |



- 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 subsidiaries, associates or joint ventures.
- 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, associates or joint venture, hence the clause 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) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- b) 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 up to the date of this report.
- c) We have taken into consideration the whistle blower complaints received by the Company during the year (and up to 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 Clause 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 Ind AS 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 the provisions of this clause of the Order 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 clause 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. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- XVIII. There has not been any resignation of the statutory auditors during the year, hence the clause is not applicable to the Company.
- 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 this 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.
- b) Unspent amounts towards Corporate Social Responsibility (CSR) on ongoing projects had been transferred to special account in compliance with the proviso to sub-section (6) of Section 135 of the said Act.

*{Refer Note 34 of Standalone Ind AS Financial Statements}*

- XXI. According to the information and explanations given to us, the Company does not have any subsidiary / Associate / Joint Venture. Accordingly, there is no preparation of consolidated financial statements. Accordingly, the provisions stated in clause 3 (xxi) of the Order are not applicable to the Company.

Dated at New Delhi,  
the 17<sup>th</sup> day of May, 2023

**FOR RKP ASSOCIATES**  
**Chartered Accountants**

Sd/-  
**(CA. DEVAJIT BISWAS)**  
PARTNER  
MRN. 304922  
FRN. 322473E  
UDIN -23304922BGVGPV9473



## 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 **BRAHMAPUTRA CRACKER AND POLYMER LIMITED** ("the Company") on the Standalone Ind AS financial statements for the year ended March 31, 2023, 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.<br>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.                                                                                                                                                                                              | During the year under audit, funds (grants / subsidy) received / receivable for specific schemes from Central / State agencies were properly accounted for / utilised as per its terms and conditions.                                                                                            | NIL          |

Dated at New Delhi,  
the 17<sup>th</sup> day of May, 2023

**FOR RKP ASSOCIATES**  
**Chartered Accountants**

Sd/-  
**(CA. DEVAJIT BISWAS)**  
PARTNER  
MRN. 304922  
FRN. 322473E  
UDIN -23304922BGVGPV9473





## Brahmaputra Cracker and Polymer Limited

### BALANCE SHEET

as at 31 March 2023

₹In Cr

| Particulars                                         | Note No. | As at 31 March 2023 (Audited) | As at 31 March 2022 (Audited) |
|-----------------------------------------------------|----------|-------------------------------|-------------------------------|
| <b>ASSETS</b>                                       |          |                               |                               |
| <b>Non Current Assets</b>                           |          |                               |                               |
| Property, Plant and Equipment                       | 2        | 5,950.63                      | 6,245.38                      |
| Capital work-in-progress                            | 2        | 93.44                         | 27.85                         |
| Intangible assets                                   | 3(a)     | 245.66                        | 254.42                        |
| Right-of-use assets                                 | 3(b)     | 239.31                        | 214.80                        |
| Financial Assets                                    |          |                               |                               |
| - Others                                            | 4(e)     | 7.54                          | 4.76                          |
| Other Non Current Assets (Non Financial)            | 5        | 2.08                          | 2.76                          |
| <b>Subtotal (A)</b>                                 |          | <b>6,538.66</b>               | <b>6,749.97</b>               |
| <b>Current Assets</b>                               |          |                               |                               |
| Inventories                                         | 6        | 507.16                        | 406.40                        |
| Financial Assets                                    |          |                               |                               |
| - Trade receivables                                 | 4(b)     | 112.13                        | 65.24                         |
| - Cash and Cash Equivalents                         | 4(d)(i)  | 9.65                          | 91.18                         |
| -Bank Balances other than Cash and Cash Equivalents | 4(d)(ii) | 122.22                        | 343.14                        |
| - Others                                            | 4(e)     | 788.20                        | 344.15                        |
| Other Current Assets (Non Financial)                | 5        | 573.08                        | 558.81                        |
| <b>Subtotal (B)</b>                                 |          | <b>2,112.44</b>               | <b>1,808.92</b>               |
| <b>Total Assets (A+B)</b>                           |          | <b>8,651.10</b>               | <b>8,558.89</b>               |
| <b>EQUITY AND LIABILITIES</b>                       |          |                               |                               |
| <b>EQUITY</b>                                       |          |                               |                               |
| Equity Share Capital                                | 7        | 1,417.67                      | 1,417.67                      |
| Other Equity                                        | 8        | 1,783.97                      | 1,863.12                      |
| <b>Subtotal (C)</b>                                 |          | <b>3,201.64</b>               | <b>3,280.79</b>               |
| <b>LIABILITIES</b>                                  |          |                               |                               |
| <b>Non Current Liabilities</b>                      |          |                               |                               |
| Financial Liabilities                               |          |                               |                               |
| - Borrowings                                        | 9        | 184.60                        | 109.24                        |
| - Lease Liabilities                                 | 11(b)    | 9.50                          | 0.76                          |
| - Provisions                                        | 12       | 17.43                         | 14.07                         |
| - Other Non Current Liabilities                     | 13       | 3,544.94                      | 3,756.59                      |
| Deferred Tax Liabilities (Net)                      | 14       | 282.77                        | 266.53                        |
| <b>Subtotal (D)</b>                                 |          | <b>4,039.24</b>               | <b>4,147.19</b>               |



|                                             |          |                 |                 |
|---------------------------------------------|----------|-----------------|-----------------|
| <b>Current Liabilities</b>                  |          |                 |                 |
| <b>Financial Liabilities</b>                |          |                 |                 |
| - Borrowings                                | 9        | 115.24          | -               |
| - Lease Liabilities                         | 11(b)    | 3.17            | 0.89            |
| - Trade payables                            |          |                 |                 |
| - Due to MSME Vendors                       | 10(a)    | 8.48            | 8.32            |
| - Due to Others                             | 10(b)    | 254.55          | 121.17          |
| - Other Financial Liabilities               | 11       | 205.24          | 195.55          |
| - Provisions                                | 12       | 593.96          | 588.96          |
| - Other Current Liabilities                 | 13       | 229.58          | 216.02          |
| <b>Subtotal (E)</b>                         |          | <b>1,410.22</b> | <b>1,130.91</b> |
| <b>Total Equity and Liabilities (C+D+E)</b> |          | <b>8,651.10</b> | <b>8,558.89</b> |
| <b>Accounting Policy</b>                    | <b>1</b> |                 |                 |

Note No. 1 to 46 forms integral part of Financial Statements

Sd/-  
(Reep Hazarika)  
**Managing Director**  
DIN: 08667195

Sd/-  
(Pruthiviraj Dash)  
**Director (Finance) & CFO**  
DIN: 08253888

Sd/-  
(Ruli Das Sen)  
**Company Secretary**  
M. No. F4012

As per our separate report on Even Date  
For **RKP ASSOCIATES**  
**Chartered Accountants**  
FRN. 322473E

Place: New Delhi  
Date: 17<sup>th</sup> May, 2023

Sd/-  
(CA Devajit Biswas)  
Partner  
M. No. 304922





## Brahmaputra Cracker and Polymer Limited

### STATEMENT OF PROFIT AND LOSS

for the Period ended 31 March 2023

₹ In Cr

| Sr. No. | Particulars                                           | Note No. | For Period Ended           | For Period Ended           |
|---------|-------------------------------------------------------|----------|----------------------------|----------------------------|
|         |                                                       |          | 31 March 2023<br>(Audited) | 31 March 2022<br>(Audited) |
| I.      | Revenue from Operations                               | 15       | 3,486.82                   | 3,243.36                   |
| II.     | Other Income                                          | 16       | 240.63                     | 230.11                     |
| III     | Total Income (I + II)                                 |          | 3,727.45                   | 3,473.47                   |
| IV      | EXPENSES                                              |          |                            |                            |
|         | Cost of raw material consumed                         | 17       | 2,686.89                   | 1,632.03                   |
|         | Change in Inventory of Finished Goods & WIP           |          | (62.47)                    | (3.21)                     |
|         | Employee benefits expenses                            | 18       | 158.97                     | 124.38                     |
|         | Finance costs                                         | 20       | 4.25                       | 66.92                      |
|         | Depreciation and Amortization expense                 | 19       | 361.83                     | 361.89                     |
|         | Other expenses                                        | 21       | 385.29                     | 358.16                     |
|         | Total expenses (IV)                                   |          | 3,534.76                   | 2,540.17                   |
| V       | Profit/(loss) before Exceptional Item & Tax (III-IV)  |          | 192.69                     | 933.30                     |
| VI      | Exceptional Items                                     |          | -                          | -                          |
| VII     | Profit/(loss) before Tax (V+VI)                       |          | 192.69                     | 933.30                     |
| VIII    | Tax expense:                                          |          |                            |                            |
|         | Current Tax                                           |          | 41.97                      | 223.57                     |
|         | Deferred Tax                                          |          | 16.49                      | 19.20                      |
| IX      | Profit/(Loss) for the period (VII - VIII)             |          | 134.23                     | 690.53                     |
|         | Other Comprehensive income (B)                        |          |                            |                            |
| X       | Items that will not be reclassified to profit or loss |          |                            |                            |
|         | Changes in fair value of FVOCI equity instruments     |          | -                          | -                          |
|         | Remeasurement of post-employment benefit obligations  |          | (0.97)                     | 1.35                       |
|         | Income tax relating to these items                    |          | 0.24                       | (0.34)                     |
|         | Other comprehensive income net of tax (X)             |          | (0.73)                     | 1.01                       |
| XI      | Total comprehensive income (IX + X)                   |          | 133.50                     | 691.54                     |
| XII     | Earnings per equity share:( in Rs. )                  |          |                            |                            |
|         | Basic                                                 |          | 0.95                       | 4.87                       |
|         | Diluted                                               |          | 0.95                       | 4.87                       |

Note No. 1 to 46 forms integral part of Financial Statements

Sd/-  
(Reep Hazarika)  
Managing Director  
DIN: 08667195

Sd/-  
(Pruthiviraj Dash)  
Director (Finance) & CFO  
DIN: 08253888

Sd/-  
(Ruli Das Sen)  
Company Secretary  
M. No. F4012

As per our separate report on Even Date  
For RKP ASSOCIATES  
Chartered Accountants  
FRN. 322473E

Sd/-  
(CA Devajit Biswas)  
Partner  
M. No. 304922

Place: New Delhi  
Date: 17<sup>th</sup> May, 2023



## STATEMENT OF CHANGES IN EQUITY for the period ended 31<sup>st</sup> March 2023

| Sl. No | (a) Equity Share Capital                                                 | In No.'s Cr | Amount (In ₹Cr) |
|--------|--------------------------------------------------------------------------|-------------|-----------------|
| i      | Balance at the beginning of the current reporting period                 | 141.77      | 1,417.67        |
| ii     | Changes in Equity Share Capital due to prior period errors               | -           | -               |
| iii    | Restated Balance at the beginning of the Current Reporting Period (i+ii) | 141.77      | 1,417.67        |
| iv     | Changes in equity share capital during the current year                  | -           | -               |
| v      | Balance at the end of the current reporting period (iii+iv)              | 141.77      | 1,417.67        |

## STATEMENT OF CHANGES IN EQUITY for the period ended 31<sup>st</sup> March 2022

| Sl. No | (a) Equity Share Capital                                           | In No.'s Cr | Amount (In ₹Cr) |
|--------|--------------------------------------------------------------------|-------------|-----------------|
| i      | Balance at the beginning of the previous reporting period          | 141.77      | 1,417.67        |
| ii     | Changes in Equity Share Capital due to prior period errors         | -           | -               |
| iii    | Restated balance at the beginning of the previous reporting period | 141.77      | 1,417.67        |
| iv     | Changes in equity share capital during the previous year           | -           | -               |
| v      | Balance at the end of the previous reporting period (iii+iv)       | 141.77      | 1,417.67        |

## SHAREHOLDING OF PROMOTERS

No.s In ₹

| Sl. No. | Particulars                               | As at<br>31-Mar-23 | % of Total<br>Shares | % Change<br>during the<br>Year | As at<br>31-Mar-22 | % of<br>Total<br>Shares | % Change<br>during the<br>Year |
|---------|-------------------------------------------|--------------------|----------------------|--------------------------------|--------------------|-------------------------|--------------------------------|
|         | Shares Held by Holding/ Parent Company    |                    |                      |                                |                    |                         |                                |
| 1       | GAIL( India) Limited                      | 99.24              | 70.00%               | Nil                            | 99.24              | 70.00%                  | Nil                            |
| 2       | Oil India Limited                         | 14.18              | 10.00%               | Nil                            | 14.18              | 10.00%                  | Nil                            |
| 3       | Numaligarh Refinery Limited               | 14.18              | 10.00%               | Nil                            | 14.18              | 10.00%                  | Nil                            |
| 4       | Government of Assam                       | 14.18              | 10.00%               | Nil                            | 14.18              | 10.00%                  | Nil                            |
|         | Total No. Of Equity Shares of Rs. 10 Each | 141.77             | 100.00%              |                                | 141.77             | 100.00%                 |                                |





# NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023

## Corporate information

Brahmaputra Cracker and Polymer Limited ("BCPL") was incorporated on 8<sup>th</sup> January 2007 under the Companies Act, 1956 with authorized capital of ₹2,000 crore. This company was set up to implement the Assam Gas Cracker Project (AGCP) and formed through an agreement between GAIL, NRL, OIL and Govt. of Assam with equity participation of 70%, 10%, 10% and 10% respectively. The project is configured to use both Natural gas and Naphtha as the feed stock. Natural gas is supplied by OIL & ONGC and Naphtha is sourced from NRL. The site for main plant is located at Lepetkata; district Dibrugarh, Assam. Further, other Project facilities viz. C2+ recovery plant and Gas Dehydration Plant are located at Lakwa & Duliajan in Assam. The total Production Capacity is 220,000 TPA of Ethylene and 60,000 TPA Propylene with the main end products being High Density Polyethylene (HDPE) / Linear Low Density Polyethylene (LLDPE) and Polypropylene (PP).

## Authorization of Financial Statements:

The financial statements of the company for the year ended 31st March 2023 were authorized for issue in accordance with a resolution of the Board of Directors in its meeting held on 17<sup>th</sup> May 2023.

## Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind-AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

For all periods up to and including the year ended 31 March 2016, the Company prepared its financial statements in accordance with Indian GAAP, including accounting standards notified under section 133 of the Companies Act 2013, read together with Companies (Accounts) Rules 2014 (Indian GAAP). With effect from year ending 31<sup>st</sup> March 2017, the Company is preparing its financial statements in accordance with Ind-AS.

The financial statements have been prepared on a historical cost basis. Where there are assets and liabilities calculated on a different basis, this fact is disclosed in the relevant accounting policy.

The Company does not have any subsidiary, associates and joint ventures, hence these financial statements are standalone financial statements and does not require any consolidated financial statements.

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

The Company's presentation and functional currency is Indian National Rupee ('INR') and the financial statements are presented in (₹) values rounded to the nearest Crore, except otherwise indicated.



## **1. Significant accounting policies**

### **1.1 Property, Plant and Equipment (PPE)**

#### **A. Tangible Assets**

- i. Property, plant and equipment are stated at original cost net of tax / duty credit availed, less accumulated depreciation and accumulated impairment losses. All costs relating to acquisition of fixed assets till commissioning of such assets are capitalized. In the case of commissioned assets where final payment to the Contractors is pending, capitalization is made on provisional basis, including provisional liability pending approval of competent authority, subject to necessary adjustment in cost and depreciation in the year of settlement.
- ii. Stores & Spares which meets the definition of PPE (whether as components or otherwise) i.e., when the Company intends to use these for a period exceeding 12 months and satisfied recognition criteria, are capitalized. Major inspection/overhaul/repair is recognized in the carrying amount of respective assets as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the statement of profit and loss as incurred. Similarly, when significant parts of property, plant and equipment (identified individually as component) are required to be replaced at intervals, the Company derecognizes the replaced part, and recognizes the new part with its own associated useful life and it is depreciated accordingly. The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.
- iii. Technical knowhow /license fee incurred at the time of procurement of PPE are capitalized as part of the underlying assets.
- iv. Property, plant and equipment are eliminated from financial statements, either on disposal or when retired from active use. Losses/gains arising in case retirement/disposals of property, plant and equipment are recognized in the statement of profit and loss in the year of occurrence.
- v. Depreciation is provided in accordance with the useful life as specified in Schedule II of the Companies Act, 2013, on straight line method (SLM) on pro-rata basis (monthly pro-rata for bought out assets).
- vi. Leasehold lands are amortized over the lease period. Leasehold improvements are amortized over the remaining period of the primary lease or expected useful economic lives, whichever is shorter.
- vii. The asset's residual values, useful lives and methods of depreciation/ amortization are reviewed at each reporting period and adjusted prospectively, if appropriate.
- viii. The company has opted to use the exemption available under Ind AS 101 to continue the carrying value for all of its Property, Plant and Equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition (01st April 2015).

#### **B. Intangible Assets**

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Intangible assets with finite lives (i.e. software and licenses) are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.





Intangible assets with indefinite useful lives (principally comprise those 'right of use' for which there is no foreseeable limit to the period over which they are expected to generate net cash flows given the fact that these rights can be used even after the life of respective pipelines) are not amortized, but are tested for impairment annually. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

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).

## 1.2 Capital Work in Progress

- i. Capital work in progress includes construction stores including material in transit/ equipment / services, etc. received at site for use in the projects.
- ii. All revenue expenses incurred during construction period, which are exclusively attributable to acquisition / construction of fixed assets, are capitalized at the time of commissioning of such assets.

## 1.3 Research and development costs

Revenue expenditure on Research and Development is charged to Statement of Profit and Loss in the year in which it is incurred. Capital expenditure on Research and Development is capitalized in case the same qualifies as an asset.

## 1.4 Depreciation /Amortisation

### A. Tangible Assets

Depreciation on Tangible PPE (including enabling assets) is provided in accordance with the manner and useful life as specified in Schedule II of the Companies Act, 2013, on straight line method (SLM) on pro-rata basis (monthly pro-rata for bought out assets), except for the assets as mentioned below where different useful life has been taken on the basis of external / internal technical evaluation:

i

| Particulars                                     | Useful life  |
|-------------------------------------------------|--------------|
| Mobile Phones provided for the use of employees | 2 Years      |
| Capital Stores/Spares recognized as PPE         | 3/5/10 Years |
| Pipeline                                        | 25 Years     |
| Captive Power Plant                             | 25 Years     |
| Weigh Bridges                                   | 25 Years     |
| Railway Siding Facility                         | 25 Years     |

- ii. Cost of the leasehold land is amortised over the lease period except perpetual leases.
- iii. Depreciation due to price adjustment in the original cost of fixed assets is charged prospectively.



## B. Intangible Assets

- (i) Intangible assets comprising software and licenses are amortised on Straight Line Method (SLM) over the useful life from the date of capitalization which is considered not exceeding five years. Right of use (ROU) having indefinite life (for which there is no foreseeable limit to the period over which they are expected to generate net cash flows given the fact that these rights can be used even after the life of respective pipelines) are not amortized, but are tested for impairment annually.
- (ii) After impairment of assets, if any, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

## C. Capital assets facilities installed at other premises / land

Capital assets facilities installed at the other's premises on the land whose ownership is not with the company, has been depreciated on SLM basis in accordance with the useful life as specified in Schedule II of the Companies Act, 2013.

### 1.5 Impairment of non-financial assets

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 assets 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.

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 Inventories

- i. Raw materials and finished goods are valued at weighted average cost or net realizable value, whichever is lower.
- ii. Stock in process is valued at weighted average cost or net realisable value, whichever is lower. It is valued at weighted average cost where the finished goods in which these are to be incorporated are expected to be sold at or above the weighted average cost.
- iii. Stores and spares and other material for use in production of inventories are valued at weighted average cost or net realisable value, whichever is lower. It is valued at weighted average cost where the finished goods in which they will be incorporated are expected to be sold at/ or above cost.
- iv. Surplus / Obsolete Stores and Spares are valued at cost or net realisable value, whichever is lower. Surplus/Obsolete Capital Stores, other than held for use in construction of a capital asset, are valued at lower of cost or net realisable value.
- v. Renewable Energy Certificates (RECs) are valued at cost on First in First out (FIFO) basis or net realizable value, whichever is lower.

### 1.7 Cash and cash equivalents

Cash and cash equivalents consist of cash at bank and in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.





For the purpose of the cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

### 1.8 Foreign currency transactions

- i. The Company's financial statements are presented in INR, which is also the Company's functional currency.
- ii. Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction.
- iii. At each balance sheet date, foreign currency monetary items (such as receivables, payables, etc.) are reported using the closing exchange rate (BC Selling Rate for Payables and TT Buying Rate for Receivables). Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognized as income or expenses in the period in which they arise.
- iv. Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.
- v. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of nonmonetary items is recognized in line with the gain or loss of the item that gave rise to the translation difference (translation differences on items whose gain or loss is recognized in other comprehensive income or the statement of profit and loss is also recognized in other comprehensive income or the statement of profit and loss respectively).

### 1.9 Revenue and other income

- (a) Sales are recognized on transfer of significant risks and rewards of ownership to the buyer as per the terms of the contracts and no significant uncertainty exists regarding the amount of consideration that will be derived from sale of goods. Generally this coincides with the delivery of goods to customers. Sales exclude Goods and Service Taxes. Any retrospective revision in prices is accounted for in the year of such revision.
- (b) Ind AS 115 supersedes Ind AS 11 Construction Contracts and Ind AS 18 Revenue and it applies, with limited exceptions, to all revenue arising from contracts with customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Ind AS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires extensive disclosures.

The Company adopted Ind AS 115 using the modified retrospective method of adoption with the date of initial application of 1 April 2018. Under this method, the standard can be applied either to all contracts at the date of initial application or only to contracts that are not completed at this date. The Company elected to apply the standard to all contracts as at 1 April 2018.

The Company recognises revenue at different points upon satisfaction of performance obligation as described below:



**i. Petrochemicals:**

The Company after dispatching goods from warehouse, does not have the ability to redirect the goods to any other customer and control of the goods transfers at the time of dispatch from warehouse. As such the revenue in this segment considered as at the point.

**ii. Other Liquid Hydro Carbon:**

In this segment the control of goods is transferred on dispatch of goods from factory, and hence, revenue from the sales of Liquid hydrocarbons is recognized at the time of dispatch from the factory.

- a) Claims on Customers (including interest on delayed realization from customers) are accounted for when there is significant certainty that the claims are realizable.
- b) Other Interest income (e.g. on deposits with bank etc.) is recognized on a time proportion basis.
- c) The company is eligible to receive various subsidies under NEIIP (North-East Industrial & Investment promotion Policy) of the Central Government schemes announced from time to time. Accordingly, the Company has preferred certain claims through Government of Assam, Department of Industries and Commerce. The subsidies are recognized on accrual basis when there exists significant certainty of its realization and conditions being fulfilled. The same is accounted for as income/reduction of corresponding expenses of the Company as appropriate.
- d) The company is eligible to receive Feed Stock Subsidy from the Central Government based on an approved methodology. The subsidies are recognized on accrual basis when there exists significant certainty of its realization and the conditions being met. The same is accounted for as operating income during the year.
- e) The company is eligible to receive refund of 29 % of IGST, 58% of CGST paid through debit in the cash ledger on its primary finished goods under Budgetary Support scheme of Goods and Services Tax (GST). The subsidies are recognized on accrual basis when there exists significant certainty of its realization and the conditions being met. The same is accounted for as operating income during the year
- f) Insurance claims are accounted for on the basis of claims admitted by the insurers.

### **1.10 Employee benefits**

**i. Short term benefits:**

All employee benefits that are expected to be settled wholly within twelve months after the end of period in which the employee render the related services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc. are recognized during the period in which the employee renders related service.

**ii. (a) Post-employment benefits:**

The cost of providing benefits under the defined benefit plan (i.e. gratuity) is determined using the projected unit credit method with actuarial valuations being carried out annually, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation.

**ii. (b)** Re-measurements comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through





other comprehensive income in the period in which they occur. Re-measurements are not reclassified to the statement of profit and loss in subsequent periods. Past service cost is recognized in the statement of profit and loss in the period of plan amendment. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

### **iii Other long-term employee benefit obligations:**

Compensated absences and other benefits which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as a liability at the present value of the obligation at the balance sheet date using the projected unit credit method. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

## **1.11 Borrowing costs**

Borrowing costs that are attributable to the acquisition, construction, or production of a qualifying asset are capitalized as a part of the cost of such asset till such time the asset is ready for its intended use or sale, after netting off any income earned on temporary investment of such funds. A qualifying asset is an asset that necessarily requires a substantial period of time (generally over twelve months) to get ready for its intended use or sale. Capitalisation of borrowing costs is suspended when active development activity on the qualifying assets is interrupted other than on temporary basis and charged to the Statement of Profit and Loss during such extended periods.

All other borrowing costs are recognized as expense in the period in which they are incurred.

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.

## **1.12 Leases**

On March 30, 2019, the Ministry of Corporate Affairs has notified Ind AS 116, "Leases". Ind AS 116 replaces the existing leases standard, Ind AS 17, "Leases, and related interpretations". The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor.

Ind AS 116 introduces a single lease accounting model and requires the lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. The standard also contains enhanced disclosure requirements for lessees.

The effective date for the adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition:

### ***Full retrospective Approach***

Under this option, the entity is required to determine the carrying amount of ROU assets and lease liabilities at the opening of the comparative period (1st April, 2018) as if those leases had been accounted



for under Ind AS 116 since inception of the contract. Difference between the ROU assets and liabilities are adjusted to retained earnings as on 1st April, 2018. Previous year (i.e. FY 2018-19) Profit or Loss figures are required to be restated and the impact for changes of depreciation, interest cost and lease liabilities to be given in FY 2018-19. Third Balance Sheet as on 1st April, 2018 is also required.

### ***Modified Retrospective Approach***

**Option A:** Retrospective Calculation of ROU asset and Prospective calculation of leasehold Obligation. Under this option the ROU asset is calculated on the commencement of the lease and carrying value is calculated on the transition date (1st April, 2019). The lease liabilities are recognized based on incremental borrowing rate on the initial application date (1st April, 2019). The difference between lease liabilities and ROU assets is adjusted to retained earnings as on 1st April, 2019.

**Option B:** Prospective calculation of leasehold obligation and ROU asset:

Under this option, the lease liabilities are recognized based on incremental borrowing rate on the initial application date (1st April, 2019) and the same amount is recognized for ROU assets. In this case leasehold obligation and ROU asset will be equal and there will be no impact to retained earnings on the date of transition.

On completion of evaluation of the effect of adoption of Ind AS 116, the Company has decided to use the Modified Retrospective Approach (Option B) by capitalization of future lease rentals on the transition date i.e., 01.04.2019.

The Company's lease asset classes primarily consist of leases for land, vehicle hire and rental office premises. The Company assesses whether a contract contains a lease, at inception of a contract. 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 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.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, 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 on a straight-line basis over the term of the lease.

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. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

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 interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases.





## **The Company as a lessor**

A lease for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

### **1.13 Liquidated damages/ Price Reduction Schedule**

Amount recovered towards Liquidated Damages/Price Reduction Schedule are accounted for as and when the matter is settled. Liquidation damage if settled after capitalization of the PPE are charged to revenue, if below ₹50.00 lakh in each case otherwise adjusted in the cost of the relevant PPE.

### **1.14 Taxation**

Tax expense represents the sum of tax currently payable and deferred tax.

#### **(a) Current Tax**

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

#### **(b) Deferred Tax**

Deferred tax is provided using the balance sheet method on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period 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 balance sheet date. Tax relating to items recognized directly in equity is recognized in equity and not in the income statement.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and is adjusted to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

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.



### **1.15 Earnings per share**

Basic earnings per share is calculated by dividing the profit from continuing operations and total profit, both attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period.

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.

### **1.16 Provisions, Contingent liabilities, Contingent assets and Commitments**

Provisions are recognized when the Company has 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.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liability is disclosed in the case of:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- a present obligation arising from past events, when no reliable estimate is possible;
- a possible obligation arising from past events, unless the probability of outflow of resources is remote.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

### **1.17 Government grants**

- Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.
- In case of depreciable assets, the cost of the assets is shown at gross value and grant thereon is taken to deferred income which is recognized as income in the Statement of Profit and Loss over the useful life of the asset.
- In case of Government grant received against expenses incurred are considered as income in the year in which it becomes receivable. These are reduced from the respective expenses and the balance is recognized in the statement of Profit & Loss as income of that year.

### **1.18 Current versus non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/ noncurrent classification.





**An asset as current when it is:**

- Expected to be realised or intended to sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

**A liability is current when:**

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

**1.19 Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity and can be held within business model.

**(a) Financial assets**

**Classification**

The Company classifies financial assets as subsequently measured at amortized 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 flows characteristics of the financial asset.

**Initial recognition and measurement**

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

**Subsequent measurement**

For purposes of subsequent measurement financial assets are classified in below categories:

**Financial assets carried at amortised cost**

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**Financial assets at fair value through other comprehensive income**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding



## **Financial assets at fair value through profit or loss**

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

### **Derecognition**

A financial asset is primarily derecognized 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.

### **Impairment of financial assets**

The Company assesses impairment based on expected credit losses (ECL) model for measurement and recognition of impairment loss on the financial assets that are trade receivables or contract revenue receivables and lease receivables.

## **(b) Financial liabilities**

### **Classification**

The Company classifies all financial liabilities as subsequently measured at amortized cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

### **Initial recognition and measurement**

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings etc.

### **Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

#### **• Financial liabilities at amortised cost**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

#### **• Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

### **Derecognition**

A financial liability is derecognized 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 derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.





### **(c) Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

### **1.20 Significant accounting judgments, estimates and assumptions**

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities at the date of the financial statements. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. In particular, the Company has identified the following areas where significant judgments, estimates and assumptions are required. Further information on each of these areas and how they impact the various accounting policies are described below and also in the relevant notes to the financial statements. Changes in estimates are accounted for prospectively.

#### **1.20.1 Judgments**

In the process of applying the Company's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognized in the financial statements:

#### **1.20.2 Contingencies**

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal, contractor, land access and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgment and the use of estimates regarding the outcome of future events.

#### **1.20.3 Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the standalone financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market change or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

#### **1.20.4 Prior Period adjustments**

As per Ind AS 8, material errors refer to those errors that relate to one or more prior periods for which financial statements have already been issued. If this happens, such material errors are corrected by adjusting the comparative information for the periods affected that are included in the current period's financial statements. If the error occurred before the earliest prior period presented, it will restate the opening balances of assets, liabilities and equity for the earliest prior period presented. However, where an error arising in a prior period is not material to prior period financial statements, it might be acceptable to correct the error in the current period rather than retrospectively considering the materiality threshold limit of 1 % of turnover or 5 % of profit before taxes whichever is higher.



### 1.20.5 Impairment of assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where 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. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

### 1.20.6 Defined benefit plans

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

### 1.20.7 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 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023 with respect to Ind AS 1- "Presentation of Financial Statements", Ind AS 8 "Accounting Policies, Changes in Accounting Estimates & Errors", Ind AS 12 "Income Taxes", Ind AS 102 "Share Based payments", Ind AS 103 "Business Combinations", Ind AS 107 "Financial Instruments: Disclosures", Ind AS 109 "Financial Instruments", and Ind AS 115 "Revenue from Contracts with Customers". The company has evaluated the amendment and the impact is not expected to be material.

Sd/-  
(Reep Hazarika)  
**Managing Director**  
DIN: 08667195

Sd/-  
(Pruthiviraj Dash)  
**Director (Finance) & CFO**  
DIN: 08253888

Sd/-  
(Ruli Das Sen)  
**Company Secretary**  
M. No. F4012

As per our separate report on Even Date  
For **RKP ASSOCIATES**  
**Chartered Accountants**  
FRN. 322473E

Place: New Delhi  
Date: 17<sup>th</sup> May, 2023

Sd/-  
(CA Devajit Biswas)  
Partner  
M. No. 304922



# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023

## NOTE 2 :PROPERTY, PLANT AND EQUIPMENTS

Components of Property, plant and equipment are as follows:

₹ In Cr

| Cost/ Valuation                  | Leasehold Land | Freehold Land | Building - Other than factory building | Building -Plant | Roads, Bridges & Fences | Bunk Houses | Plant & Machinery | F& F and Other Equipment | Electrical | EDP    | Motor Cars/ Jeeps | CWIP  | Total    |
|----------------------------------|----------------|---------------|----------------------------------------|-----------------|-------------------------|-------------|-------------------|--------------------------|------------|--------|-------------------|-------|----------|
| At 1st April 2022                | -              | 3.87          | 244.97                                 | 284.67          | 284.44                  | 0.54        | 7,417.84          | 109.72                   | 111.21     | 14.72  | 4.37              | 27.85 | 8,476.35 |
| Additions                        | -              | -             | 0.19                                   | -               | 0.18                    | 0.49        | 40.07             | 0.77                     | 2.20       | 1.55   | 0.22              | 65.59 | 45.66    |
| Transferred on Business purchase | -              | -             | -                                      | -               | -                       | -           | -                 | -                        | -          | -      | -                 | -     | -        |
| Exchange differences             | -              | -             | -                                      | -               | -                       | -           | -                 | -                        | -          | -      | -                 | -     | -        |
| Disposals                        | -              | -             | -                                      | -               | -                       | -           | -                 | -                        | -          | -      | -                 | -     | -        |
| Others                           | -              | -             | -                                      | -               | -                       | -           | (2.40)            | (0.96)                   | (3.04)     | (0.04) | -                 | -     | (6.44)   |
| Others - re-grouping             | -              | -             | (3.87)                                 | (0.67)          | (4.42)                  | (0.00)      | (0.06)            | (8.16)                   | (3.93)     | 0.04   | (0.00)            | -     | (21.08)  |
| At 31st March 2023               | -              | 3.87          | 241.29                                 | 284.00          | 280.19                  | 1.02        | 7,455.45          | 101.37                   | 106.43     | 16.28  | 4.59              | 93.44 | 8,494.49 |

| Depreciation and impairment | Leasehold Land | Freehold Land | Building - Other than factory building | Building -Plant | Roads, Bridges & Fences | Bunk Houses | Plant & Machinery | F& F and Other Equipment | Electrical | EDP    | Motor Cars/ Jeeps | CWIP | Total    |
|-----------------------------|----------------|---------------|----------------------------------------|-----------------|-------------------------|-------------|-------------------|--------------------------|------------|--------|-------------------|------|----------|
| At 1st April 2022           | -              | -             | 21.66                                  | 80.75           | 154.44                  | 0.44        | 1,766.56          | 106.71                   | 84.92      | 11.24  | 4.25              | -    | 2,230.97 |
| Depreciation expense        | -              | -             | 3.99                                   | 9.02            | 4.11                    | 0.16        | 297.76            | 9.20                     | 10.53      | 2.06   | 0.14              | -    | 336.96   |
| Impairment                  | -              | -             | -                                      | -               | -                       | -           | -                 | -                        | -          | -      | -                 | -    | -        |
| Disposal                    | -              | -             | -                                      | -               | -                       | -           | -                 | -                        | -          | -      | -                 | -    | -        |
| Exchange differences        | -              | -             | -                                      | -               | -                       | -           | -                 | -                        | -          | -      | -                 | -    | -        |
| Others                      | -              | -             | -                                      | -               | -                       | -           | (1.45)            | (0.72)                   | (0.82)     | (0.01) | -                 | -    | (2.99)   |
| Others - re-grouping        | -              | -             | 7.03                                   | (19.89)         | 15.56                   | (0.00)      | 39.65             | (45.01)                  | (16.88)    | (1.54) | 0.00              | -    | (21.08)  |
| At 31st March 2023          | -              | -             | 32.69                                  | 69.88           | 174.11                  | 0.59        | 2,102.53          | 70.18                    | 77.75      | 11.75  | 4.39              | -    | 2,543.86 |

| Net Book value                                          | Leasehold Land | Freehold Land | Building - Other than factory building | Building -Plant | Roads, Bridges & Fences | Bunk Houses | Plant & Machinery | F& F and Other Equipment | Electrical | EDP  | Motor Cars/ Jeeps | CWIP  | Total    |
|---------------------------------------------------------|----------------|---------------|----------------------------------------|-----------------|-------------------------|-------------|-------------------|--------------------------|------------|------|-------------------|-------|----------|
| At 31st March 2022                                      | -              | 3.87          | 223.31                                 | 203.92          | 130.00                  | 0.10        | 5,651.27          | 3.01                     | 26.29      | 3.49 | 0.12              | 27.85 | 6,245.38 |
| At 31st March 2023                                      | -              | 3.87          | 208.61                                 | 214.12          | 106.08                  | 0.43        | 5,352.92          | 31.19                    | 28.68      | 4.53 | 0.20              | 93.44 | 5,950.63 |
| Foot Note:                                              |                |               |                                        |                 |                         |             |                   |                          |            |      |                   |       |          |
| Refer to Note-9 with respect to PPE pledged as security |                |               |                                        |                 |                         |             |                   |                          |            |      |                   |       |          |





### NOTE 3(A): INTANGIBLE ASSET

₹ In Cr

| Cost                                       | Software / Licenses | Right of Use (Perpetual) | Right of Use (Limited useful life) | Total         |
|--------------------------------------------|---------------------|--------------------------|------------------------------------|---------------|
| <b>At 1<sup>st</sup> April 2022</b>        | <b>330.21</b>       | <b>8.77</b>              | <b>0.04</b>                        | <b>339.02</b> |
| Additions                                  | 4.91                | -                        | -                                  | 4.91          |
| Capitalised internal development costs     | -                   | -                        | -                                  | -             |
| Acquisitions through business combinations | -                   | -                        | -                                  | -             |
| Transfer to held for sale                  | -                   | -                        | -                                  | -             |
| Disposals                                  | -                   | -                        | -                                  | -             |
| Exchange adjustments                       | -                   | -                        | -                                  | -             |
| Others                                     | -                   | (0.27)                   | -                                  | (0.27)        |
| <b>At 31<sup>st</sup> March 2023</b>       | <b>335.12</b>       | <b>8.50</b>              | <b>0.04</b>                        | <b>343.66</b> |

₹ In Cr

| Accumulated amortization and impairment    | Software / Licenses | Right of Use (Perpetual) | Right of Use (Limited useful life) | Total        |
|--------------------------------------------|---------------------|--------------------------|------------------------------------|--------------|
| <b>At 1<sup>st</sup> April 2022</b>        | <b>84.46</b>        | <b>0.09</b>              | <b>0.04</b>                        | <b>84.60</b> |
| Additions                                  | 13.42               | -                        | -                                  | 13.42        |
| Capitalised internal development costs     | -                   | -                        | -                                  | -            |
| Acquisitions through business combinations | -                   | -                        | -                                  | -            |
| Transfer to held for sale                  | -                   | -                        | -                                  | -            |
| Disposals                                  | -                   | -                        | -                                  | -            |
| Exchange adjustments                       | -                   | -                        | -                                  | -            |
| Others                                     | -                   | (0.02)                   | -                                  | (0.02)       |
| <b>At 31<sup>st</sup> March 2023</b>       | <b>97.88</b>        | <b>0.08</b>              | <b>0.04</b>                        | <b>98.00</b> |

| Net book value            | Software / Licenses | Right of Use (Perpetual) | Right of Use (Limited useful life) | Total         |
|---------------------------|---------------------|--------------------------|------------------------------------|---------------|
| <b>At 31 March 2022</b>   | <b>245.74</b>       | <b>8.68</b>              | <b>0.00</b>                        | <b>254.42</b> |
| <b>At 31st March 2023</b> | <b>237.24</b>       | <b>8.42</b>              | <b>0.00</b>                        | <b>245.66</b> |

### NOTE 3(B): ROU LEASE ASSET

₹ In Cr

| Cost                                       | Leased land   | Leased Offices | Leased Vehicles | Total         |
|--------------------------------------------|---------------|----------------|-----------------|---------------|
| <b>At 1<sup>st</sup> April 2022</b>        | <b>240.17</b> | <b>0.44</b>    | <b>6.33</b>     | <b>246.94</b> |
| Additions                                  | 22.84         | 2.32           | 10.80           | 35.96         |
| Capitalised internal development costs     | -             | -              | -               | -             |
| Acquisitions through business combinations | -             | -              | -               | -             |
| Transfer to held for sale                  | -             | -              | -               | -             |
| Disposals                                  | -             | -              | -               | -             |
| Exchange adjustments                       | -             | -              | -               | -             |
| Others                                     | -             | -              | -               | -             |
| <b>At 31<sup>st</sup> March 2023</b>       | <b>263.02</b> | <b>2.75</b>    | <b>17.13</b>    | <b>282.90</b> |





| Accumulated amortization and impairment    | Leased land        | Leased Offices        | Leased Vehicles        | Total         |
|--------------------------------------------|--------------------|-----------------------|------------------------|---------------|
| <b>At 1<sup>st</sup> April 2022</b>        | <b>26.93</b>       | <b>0.38</b>           | <b>4.82</b>            | <b>32.14</b>  |
| Additions                                  | 9.13               | 0.16                  | 2.15                   | 11.45         |
| Capitalised internal development costs     | -                  | -                     | -                      | -             |
| Acquisitions through business combinations | -                  | -                     | -                      | -             |
| Transfer to held for sale                  | -                  | -                     | -                      | -             |
| Disposals                                  | -                  | -                     | -                      | -             |
| Exchange adjustments                       | -                  | -                     | -                      | -             |
| Others                                     | -                  | -                     | -                      | -             |
| <b>At 31<sup>st</sup> March 2023</b>       | <b>36.07</b>       | <b>0.54</b>           | <b>6.98</b>            | <b>43.59</b>  |
| <b>Net book value</b>                      | <b>Leased land</b> | <b>Leased Offices</b> | <b>Leased Vehicles</b> | <b>Total</b>  |
| <b>At 31 March 2022</b>                    | <b>213.24</b>      | <b>0.05</b>           | <b>1.51</b>            | <b>214.80</b> |
| <b>At 31 March 2023</b>                    | <b>226.95</b>      | <b>2.21</b>           | <b>10.15</b>           | <b>239.31</b> |

#### NOTE 4: FINANCIAL ASSETS

₹ In Cr

| Particulars                                                        | As at           | As at         |
|--------------------------------------------------------------------|-----------------|---------------|
|                                                                    | 31/03/2023      | 31/03/2022    |
| <b>4 (b) Trade receivables</b>                                     | <b>112.13</b>   | <b>65.24</b>  |
| Considered good - Secured                                          | 34.25           | 34.12         |
| Considered good - Unsecured                                        | 77.88           | 31.12         |
| Which have significant increase in Credit Risk                     | 20.48           | 17.17         |
| Less: Provision for Doubtful Debts                                 | (20.48)         | (17.17)       |
| <b>4(d)(i) Cash and Cash Equivalents</b>                           | <b>9.65</b>     | <b>91.18</b>  |
| Balances with banks:                                               |                 |               |
| — On current accounts                                              | 9.65            | 11.18         |
| — Deposits with original maturity of less than three months        | -               | 80.00         |
| <b>4(d)(ii) Bank Balances other than Cash and Cash Equivalents</b> | <b>122.22</b>   | <b>343.14</b> |
| — Others                                                           | 113.46          | 337.20        |
| — Current Account - Unspent CSR Amount                             | 8.76            | 5.94          |
| <b>4(e) Others</b>                                                 | <b>795.74</b>   | <b>348.91</b> |
| Interest accrued but not due                                       | 1.88            | 0.55          |
| Receivable Against Subsidy/ Other Claims                           | 780.05          | 343.21        |
| Receivable Against Services and Others                             | 6.27            | 0.39          |
| Security Deposit Paid                                              | 7.54            | 4.76          |
| - Current                                                          | -               | -             |
| - Non Current                                                      | 7.54            | 4.76          |
| <b>Total</b>                                                       | <b>1,039.74</b> | <b>848.47</b> |
| Current                                                            | 1,032.20        | 843.71        |
| Non current                                                        | 7.54            | 4.76          |
| <b>Total</b>                                                       | <b>1,039.74</b> | <b>848.47</b> |

\*All figures assigned are considered as 'Current' unless classified as 'Non-Current'



## NOTE 5: OTHER NON FINANCIAL ASSETS

₹ In Cr

| Particulars                                           | As at         | As at         |
|-------------------------------------------------------|---------------|---------------|
|                                                       | 31/03/2023    | 31/03/2022    |
| <b>Unsecured (Considered good):</b>                   |               |               |
| Advance income tax                                    | 442.87        | 422.47        |
| <b>Balance with Government Authorities</b>            |               |               |
| GST Credit Receivable                                 | 37.68         | 48.70         |
| TDS                                                   | 11.49         | 7.99          |
| <b>Loans</b>                                          |               |               |
| Loans and advances to employees                       | 0.26          | 0.46          |
| <b>Capital Advances to suppliers/contractors:</b>     | <b>15.82</b>  | <b>6.12</b>   |
| <b>Advances to suppliers/contractors:</b>             | <b>20.77</b>  | <b>22.93</b>  |
| Less: Provision for Doubtful Advances                 | (0.09)        | -             |
| <b>Claims Recoverable from suppliers/contractors:</b> | <b>2.67</b>   | <b>2.91</b>   |
| Less: Provision Against Claims Recoverable            | (0.49)        | (0.49)        |
| <b>Statutory Claims under Dispute</b>                 | <b>30.10</b>  | <b>38.00</b>  |
| <b>Prepayments</b>                                    |               |               |
| Pre-paid expenses                                     | 14.08         | 12.48         |
| - Current                                             | 12.00         | 9.72          |
| - Non Current                                         | 2.08          | 2.76          |
| <b>Total</b>                                          | <b>575.16</b> | <b>561.57</b> |
| Current                                               | 573.08        | 558.81        |
| Non Current                                           | 2.08          | 2.76          |
| <b>Total</b>                                          | <b>575.16</b> | <b>561.57</b> |

\*All figures assigned are considered as 'Current' unless classified as 'Non-Current'

## NOTE 6: INVENTORIES

₹ In Cr

| Particulars                                           | As at         | As at         |
|-------------------------------------------------------|---------------|---------------|
|                                                       | 31/03/2023    | 31/03/2022    |
| <b>(a) Raw materials , Stores , Spares and others</b> |               |               |
| Raw Materials & other Consumables                     | 89.26         | 76.15         |
| Consumable Chemicals                                  | 68.26         | 67.91         |
| Stores & Spares                                       | 255.90        | 225.30        |
| Less: Provision for Obsolescence                      | (27.98)       | (21.66)       |
| <b>(b) Semi Finished Goods/By products</b>            |               |               |
| Semi Process Stock                                    | 23.83         | 28.60         |
| By Products                                           | 8.66          | 2.98          |
| <b>(c) Finished Goods</b>                             |               |               |
| LLDPE                                                 | 64.47         | 3.69          |
| HDPE                                                  | 0.01          | 0.01          |
| PP                                                    | 24.75         | 23.42         |
| <b>Total</b>                                          | <b>507.16</b> | <b>406.40</b> |





## NOTE 7: EQUITY SHARE CAPITAL

₹ In Cr

| Particulars                                                 | As at           | As at           |
|-------------------------------------------------------------|-----------------|-----------------|
|                                                             | 31/03/2023      | 31/03/2022      |
| <b>Share capital</b>                                        |                 |                 |
| <b>Authorised</b>                                           |                 |                 |
| 2,00,00,00,000 Equity Shares of Rs. 10 each                 | 2,000.00        | 2,000.00        |
| (Previous year 2,00,00,00,000 Equity shares of Rs. 10 each) |                 |                 |
|                                                             | 2,000.00        | 2,000.00        |
| <b>Issued, subscribed and fully paid up</b>                 | <b>1,417.67</b> | <b>1,417.67</b> |

## NOTE 8: OTHER EQUITY

₹ In Cr

### A. For the Period Ended 31.03.2023

#### Reserves and Surplus

| Particulars                                                       | Share application money pending allotment | Equity component of compound financial instruments | Capital Total Reserve | Securities Premium | Other Reserves (specify nature) | Retained Earnings | Debt instruments through Other Comprehensive Income | Equity Instruments through Other Comprehensive Income | Effective portion of Cash Flow Hedges | Revaluation Surplus | Exchange differences on translating the financial statements of a foreign operation | Other items of Other Comprehensive Income <sup>a</sup> | Money received against share warrants | Total    |
|-------------------------------------------------------------------|-------------------------------------------|----------------------------------------------------|-----------------------|--------------------|---------------------------------|-------------------|-----------------------------------------------------|-------------------------------------------------------|---------------------------------------|---------------------|-------------------------------------------------------------------------------------|--------------------------------------------------------|---------------------------------------|----------|
| Balance at the beginning of the current reporting period          | -                                         | -                                                  | -                     | -                  | -                               | 1,862.11          | -                                                   | -                                                     | -                                     | -                   | -                                                                                   | 1.01                                                   | -                                     | 1,863.12 |
| Changes in accounting policy or prior period errors               | -                                         | -                                                  | -                     | -                  | -                               | -                 | -                                                   | -                                                     | -                                     | -                   | -                                                                                   | -                                                      | -                                     | -        |
| Restated balance at the beginning of the current reporting period | -                                         | -                                                  | -                     | -                  | -                               | 1,863.12          | -                                                   | -                                                     | -                                     | -                   | -                                                                                   | -                                                      | -                                     | 1,863.12 |
| Total Comprehensive Income for the current year                   | -                                         | -                                                  | -                     | -                  | -                               | 134.23            | -                                                   | -                                                     | -                                     | -                   | -                                                                                   | (0.73)                                                 | -                                     | 133.50   |
| Dividends                                                         | -                                         | -                                                  | -                     | -                  | -                               | (212.65)          | -                                                   | -                                                     | -                                     | -                   | -                                                                                   | -                                                      | -                                     | 212.65   |
| Transfer to retained earnings                                     | -                                         | -                                                  | -                     | -                  | -                               | (78.42)           | -                                                   | -                                                     | -                                     | -                   | -                                                                                   | 0.73                                                   | -                                     | (79.15)  |
| Any other change (to be specified)                                | -                                         | -                                                  | -                     | -                  | -                               | -                 | -                                                   | -                                                     | -                                     | -                   | -                                                                                   | -                                                      | -                                     | -        |
| Balance at the end of the current reporting period                | -                                         | -                                                  | -                     | -                  | -                               | 1,784.70          | -                                                   | -                                                     | -                                     | -                   | -                                                                                   | (0.73)                                                 | -                                     | 1,783.97 |

\* Comprises of remeasurement net defined benefit liability pertaining to gratuity

### B. Other Equity

#### Reserves and Surplus

₹ In Cr

| Particulars                                                        | Share application money pending allotment | Equity component of compound financial instruments | Capital Total Reserve | Securities Premium | Other Reserves (specify nature) | Retained Earnings | Debt instruments through Other Comprehensive Income | Equity Instruments through Other Comprehensive Income | Effective portion of Cash Flow Hedges | Revaluation Surplus | Exchange differences on translating the financial statements of a foreign operation | Other items of Other Comprehensive Income <sup>a</sup> | Money received against share warrants | Total    |
|--------------------------------------------------------------------|-------------------------------------------|----------------------------------------------------|-----------------------|--------------------|---------------------------------|-------------------|-----------------------------------------------------|-------------------------------------------------------|---------------------------------------|---------------------|-------------------------------------------------------------------------------------|--------------------------------------------------------|---------------------------------------|----------|
| Balance at the beginning of the previous reporting period          | -                                         | -                                                  | -                     | -                  | -                               | 1,395.28          | -                                                   | -                                                     | -                                     | -                   | -                                                                                   | (1.69)                                                 | -                                     | 1,393.59 |
| Changes in accounting policy or prior period errors                | -                                         | -                                                  | -                     | -                  | -                               | -                 | -                                                   | -                                                     | -                                     | -                   | -                                                                                   | -                                                      | -                                     | -        |
| Restated balance at the beginning of the previous reporting period | -                                         | -                                                  | -                     | -                  | -                               | 1,393.59          | -                                                   | -                                                     | -                                     | -                   | -                                                                                   | -                                                      | -                                     | 1,393.59 |
| Total Comprehensive Income for the previous year                   | -                                         | -                                                  | -                     | -                  | -                               | 690.53            | -                                                   | -                                                     | -                                     | -                   | -                                                                                   | 1.01                                                   | -                                     | 691.54   |



| Particulars                                         | Share application money pending allotment | Equity component of compound financial instruments | Capital Total Reserve | Securities Premium | Other Reserves (specify nature) | Retained Earnings | Debt instruments through Other Comprehensive Income | Equity Instruments through Other Comprehensive Income | Effective portion of Cash Flow Hedges | Revaluation Surplus | Exchange differences on translating the financial statements of a foreign operation | Other items of Other Comprehensive Income* | Money received against share warrants | Total    |
|-----------------------------------------------------|-------------------------------------------|----------------------------------------------------|-----------------------|--------------------|---------------------------------|-------------------|-----------------------------------------------------|-------------------------------------------------------|---------------------------------------|---------------------|-------------------------------------------------------------------------------------|--------------------------------------------|---------------------------------------|----------|
| Dividends                                           | -                                         | -                                                  | -                     | -                  | -                               | (222.01)          | -                                                   | -                                                     | -                                     | -                   | -                                                                                   | -                                          | -                                     | (222.01) |
| Transfer to retained earnings                       | -                                         | -                                                  | -                     | -                  | -                               | 468.52            | -                                                   | -                                                     | -                                     | -                   | -                                                                                   | 1.01                                       | -                                     | 469.53   |
| Any other change (to be specified)                  | -                                         | -                                                  | -                     | -                  | -                               | -                 | -                                                   | -                                                     | -                                     | -                   | -                                                                                   | -                                          | -                                     | -        |
| Balance at the end of the previous reporting period | -                                         | -                                                  | -                     | -                  | -                               | 1,862.11          | -                                                   | -                                                     | -                                     | -                   | -                                                                                   | 1.01                                       | -                                     | 1,863.12 |

\* Comprises of remeasurement net defined benefit liability pertaining to gratuity

## NOTE 9: BORROWINGS

₹ In Cr

| Particulars                         | As at         | As at         |
|-------------------------------------|---------------|---------------|
|                                     | 31-Mar-23     | 31-Mar-22     |
| <b>Secured</b>                      |               |               |
| <b>Short Term loans:</b>            |               |               |
| - Overdraft From SBI                | 13.15         | -             |
| - SBI WCL                           | 90.00         | -             |
| <b>From Other Parties :</b>         |               |               |
| - Oil Industry Development Board    | 196.69        | 109.24        |
| <b>Total</b>                        | <b>299.84</b> | <b>109.24</b> |
| <b>Less Current Borrowings</b>      | <b>115.24</b> | <b>-</b>      |
| <b>Total Non Current Borrowings</b> | <b>184.60</b> | <b>109.24</b> |

### Schedule of Current Borrowings

| Particulars                                       | As at         | As at     |
|---------------------------------------------------|---------------|-----------|
|                                                   | 31-Mar-23     | 31-Mar-22 |
| <b>Loan Repayable on Demand</b>                   |               |           |
| - Overdraft From SBI                              | 13.15         | -         |
| - SBI WCL                                         | 90.00         | -         |
| <b>Current maturities of Long term borrowings</b> |               |           |
| - Oil Industry Development Board                  | 12.09         | -         |
| <b>Current Borrowings</b>                         | <b>115.24</b> | <b>-</b>  |

#### -Loan from State Bank of India

The working capital loan is secured by 1st charge on current assets and 2nd Charge on the fixed assets, movable and immovable, present and future including tangible and intangible assets, including but not limited to the 'BCPL Petrochemical Complex at Lepetkata, Dibrugarh, Assam' and excluding the assets specifically charged to Oil Industry Development Board.

#### -Oil Industry Development Board

The long term loans to the extent funded by Oil Industry Development Board (OIDB) are secured by way of first charge on all movable (save and except book debt) and immovable properties specifically charged to OIDB, present and future.





**\*Terms of Repayment :** Total period of loan is 10 years from the date of drawal which includes 2 years of moratorium. The repayment shall be in 8 yearly equal installments. The first installment shall become due at the end of 3<sup>rd</sup> year from the date of drawal. Rate of interest is floating linked to AAA rated bond/ G-Sec. available in FIMMDA, reset every quarter.

**\*Rate of interest :** The floating rate of interest in last quarter was 7.06% p.a. payable quarterly.

## NOTE 10 - TRADE PAYABLES

₹ In Cr

| Particulars                | As at         | As at         |
|----------------------------|---------------|---------------|
|                            | 31/03/2023    | 31/03/2022    |
| Trade payables             |               |               |
| 10(a) Due to MSME Vendors  | 8.48          | 8.32          |
| 10(b) Due to others        | 95.69         | 81.15         |
| 10(b) Due to Related Party | 158.86        | 40.02         |
| <b>Total</b>               | <b>263.03</b> | <b>129.49</b> |
| Current                    | 263.03        | 129.49        |
| Non current                | -             | -             |
| <b>Total</b>               | <b>263.03</b> | <b>129.49</b> |

*\*All figures assigned are considered as 'Current' unless classified as 'Non-Current'*

## NOTE 11: OTHER FINANCIAL LIABILITIES

₹ In Cr

| Particulars                                                | As at         | As at         |
|------------------------------------------------------------|---------------|---------------|
|                                                            | 31/03/2023    | 31/03/2022    |
| <b>11(a)</b>                                               |               |               |
| Interest Accrued On Borrowings                             | 0.02          | -             |
| Others :                                                   |               |               |
| Deposits/Retention Money from Contractors and others       | 46.23         | 52.44         |
| Price reduction schedule                                   | 25.14         | 22.94         |
| Security Deposit                                           | 18.99         | 15.93         |
| Earnest money deposit                                      | 0.86          | 0.60          |
| Payable to Employees                                       | 0.20          | 0.20          |
| Payable for CSR Expenditure                                | 45.06         | 19.80         |
| Payable for Capital Expenditure                            | 1.97          | 1.66          |
| Statutory Liability Payables                               | 62.37         | 62.53         |
| Other Payables                                             | 4.40          | 19.45         |
| <b>11(b)</b>                                               |               |               |
| Lease Hold Obligations (ROU)                               | 12.67         | 1.65          |
| - Current                                                  | 3.17          | 0.89          |
| - Non Current                                              | 9.50          | 0.76          |
| <b>Total other financial liabilities at amortised cost</b> | <b>217.91</b> | <b>197.20</b> |
| Current                                                    | 208.41        | 196.44        |
| Non current                                                | 9.50          | 0.76          |
| <b>Total</b>                                               | <b>217.91</b> | <b>197.20</b> |

*\*All figures assigned are considered as 'Current' unless classified as 'Non-Current'*



## NOTE 12: PROVISIONS

₹ In Cr

| Particulars                                      | As at         | As at         |
|--------------------------------------------------|---------------|---------------|
|                                                  | 31/03/2023    | 31/03/2022    |
| Provisions                                       |               |               |
| Provision for employee benefits                  | 50.66         | 84.78         |
| - Current                                        | 33.23         | 70.71         |
| - Non Current                                    | 17.43         | 14.07         |
| Provision for gratuity                           | 3.30          | 2.51          |
| Provision for Income Tax                         | 454.06        | 410.35        |
| Provision for Employees Benefits -Superannuation | 3.37          | 15.97         |
| Provision for Liability (Contractors)            | 41.75         | 47.69         |
| Others                                           | 58.24         | 41.73         |
| <b>Total</b>                                     | <b>611.39</b> | <b>603.03</b> |
| Current                                          | 593.96        | 588.96        |
| Non current                                      | 17.43         | 14.07         |
| <b>Total</b>                                     | <b>611.39</b> | <b>603.03</b> |

\*All figures assigned are considered as 'Current' unless classified as 'Non-Current'

## NOTE 13: NON FINANCIAL LIABILITIES

₹ In Cr

| Particulars                     | As at           | As at           |
|---------------------------------|-----------------|-----------------|
|                                 | 31/03/2023      | 31/03/2022      |
| Other non financial liabilities |                 |                 |
| Government Grants               | 3,756.59        | 3,968.24        |
| - Current                       | 211.65          | 211.65          |
| - Non Current                   | 3,544.94        | 3,756.59        |
| Others                          | 0.44            | 0.31            |
| Advance from customers          | 17.49           | 4.05            |
| <b>Total</b>                    | <b>3,774.52</b> | <b>3,972.61</b> |
| Current                         | 229.58          | 216.02          |
| Non current                     | 3,544.94        | 3,756.59        |
| <b>Total</b>                    | <b>3,774.52</b> | <b>3,972.61</b> |

\*All figures assigned are considered as 'Current' unless classified as 'Non-Current'

## NOTE 14: DEFERRED TAXATION

₹ In Cr

| Particulars                                  | As at           | As at           |
|----------------------------------------------|-----------------|-----------------|
|                                              | 31/03/2023      | 31/03/2022      |
| Deferred tax asset/( liability)              | (282.77)        | (266.53)        |
| <b>Deferred tax assets/(liabilities)-net</b> | <b>(282.77)</b> | <b>(266.53)</b> |





## NOTE 15: REVENUE FROM OPERATIONS

₹ In Cr

| Particulars                                  | Period End      | Period End      |
|----------------------------------------------|-----------------|-----------------|
|                                              | 31/03/2023      | 31/03/2022      |
| Sale of products (including excise duty/GST) |                 |                 |
| (a) Sale of HDPE/LLDPE                       | 2,586.29        | 2,696.07        |
| (b) Sale of Polypropylene                    | 566.41          | 682.09          |
| (c) Sale of HPG ,CBFS,Slop Oil,etc.          | 351.61          | 336.90          |
| <b>Total sale of products</b>                | <b>3,504.31</b> | <b>3,715.06</b> |
| Less: GST on Sales                           | 541.07          | 574.16          |
| Less: Discount on Sales                      | 96.32           | 100.72          |
| <b>Total</b>                                 | <b>2,866.92</b> | <b>3,040.18</b> |
| Add: Other Operating Income                  | 563.00          | 131.00          |
| Add: Budgetary Support Under GST             | 56.90           | 72.18           |
| <b>Total</b>                                 | <b>3,486.82</b> | <b>3,243.36</b> |

## NOTE 16: OTHER INCOME

₹ In Cr

| Particulars                   | Period End    | Period End    |
|-------------------------------|---------------|---------------|
|                               | 31/03/2023    | 31/03/2022    |
| Other non-operating Income:   |               |               |
| Interest on FDR's             | 7.12          | 13.58         |
| Other Interest                | 0.38          | 0.42          |
| Government grants             | 211.65        | 211.65        |
| Recoveries from Employees     | 0.67          | 0.76          |
| Excess Provision Written Back | 18.93         | 1.23          |
| Misc.Receipts                 | 1.88          | 2.47          |
| <b>Total</b>                  | <b>240.63</b> | <b>230.11</b> |

## NOTE 17: COST OF RAW MATERIAL CONSUMED

₹ In Cr

| Particulars            | Period End      | Period End      |
|------------------------|-----------------|-----------------|
|                        | 31/03/2023      | 31/03/2022      |
| Raw materials consumed | 2,612.97        | 1,564.90        |
| Chemical & Catalyst    | 73.92           | 67.13           |
| <b>Total</b>           | <b>2,686.89</b> | <b>1,632.03</b> |



## NOTE 18: EMPLOYEE BENEFIT EXPENSES

₹ In Cr

| Particulars                               | Period End    | Period End    |
|-------------------------------------------|---------------|---------------|
|                                           | 31/03/2023    | 31/03/2022    |
| Salary, Wages and Allowances              | 113.27        | 73.81         |
| Contribution to Provident and other Funds | 25.34         | 27.65         |
| Welfare Expenses                          | 15.39         | 14.99         |
| Secondment charges                        | 4.97          | 7.93          |
| <b>Total</b>                              | <b>158.97</b> | <b>124.38</b> |

## NOTE 19: DEPRECIATION AND AMORTIZATION EXPENSE

₹ In Cr

| Particulars                            | Period End    | Period End    |
|----------------------------------------|---------------|---------------|
|                                        | 31/03/2023    | 31/03/2022    |
| Depreciation and Amortization Expenses | 361.83        | 361.89        |
| <b>Total</b>                           | <b>361.83</b> | <b>361.89</b> |

## NOTE 20: FINANCE COST

₹ In Cr

| Particulars                                                 | Period End  | Period End   |
|-------------------------------------------------------------|-------------|--------------|
|                                                             | 31/03/2023  | 31/03/2022   |
| Interest on Term Loans from Banks                           | -           | 17.28        |
| Interest on Short Term Loans from Banks                     | 1.40        | 1.04         |
| Interest on Loans from Other Institutions                   | 0.27        | 42.91        |
| Interest on other Securities                                | -           | 0.06         |
| Interest on Lease Obligations (ROU)                         | 0.59        | 0.18         |
| Interest on Income Tax (Previous Year)                      | 1.74        | 0.16         |
| Other Borrowing Costs(Commitment and other Finance Charges) | 0.25        | 5.29         |
| <b>Total</b>                                                | <b>4.25</b> | <b>66.92</b> |





## NOTE 21: OTHER EXPENSES

₹ In Cr

| Particulars                                              | Period End    | Period End    |
|----------------------------------------------------------|---------------|---------------|
|                                                          | 31/03/2023    | 31/03/2022    |
| Stores & Spares Consumed                                 | 46.27         | 35.18         |
| Power, Fuel and Water Charges:                           |               |               |
| Power and Water charges                                  | 18.19         | 26.84         |
| Repairs and Maintenance:                                 |               |               |
| Plant and Machinery                                      | 29.78         | 26.02         |
| Building                                                 | 5.62          | 5.76          |
| Others                                                   | 2.69          | 2.40          |
| Provision for obsolescence of Stores & Spares            | 6.81          | -             |
| Insurance                                                | 8.44          | 6.59          |
| Communication expenses                                   | 0.52          | 0.40          |
| Printing and Stationery                                  | 0.10          | 0.05          |
| Travelling Expenses                                      | 2.27          | 0.46          |
| Books and Periodicals                                    | 0.06          | 0.06          |
| Advertisement and Publicity                              | 0.64          | 0.41          |
| Payment to Auditors:                                     |               |               |
| Audit Fees                                               | 0.07          | 0.07          |
| Management services                                      | 0.03          | 0.03          |
| Entertainment Exp                                        | 0.36          | 0.26          |
| Recruitment and Training Expenses                        | 0.55          | 0.26          |
| Vehicle Hire and running Expenses                        | 3.29          | 3.10          |
| Rent Rates & Taxes                                       | 2.97          | 4.90          |
| Consultancy Charges                                      | 5.02          | 0.89          |
| Legal and Professional Charges                           | 1.92          | 1.53          |
| Directors sitting fees                                   | 0.08          | 0.03          |
| Selling and Distribution Expenses                        | 27.11         | 24.86         |
| Bad Debts /Claims Written off                            | 0.11          | 0.49          |
| Provision for Doubtful Debts                             | 3.30          | -             |
| Commission on Sales                                      | 74.77         | 78.80         |
| Security Expenses                                        | 37.58         | 35.29         |
| CSR expenses                                             | 25.27         | 19.10         |
| Net loss on Foreign currency Transaction and Translation | 0.69          | (0.10)        |
| Other Expenses                                           | 80.77         | 84.48         |
| <b>Total</b>                                             | <b>385.29</b> | <b>358.16</b> |



## 22. Contingent Liabilities and Commitments:

₹ in Cr.

| (a) Contingent Liabilities:                                                                    | 31-Mar-23 | 31-Mar-22 |
|------------------------------------------------------------------------------------------------|-----------|-----------|
| Claims against the Company not acknowledged as debts:                                          |           |           |
| Court cases:                                                                                   |           |           |
| Land Acquisition cases for Higher Compensation                                                 | 20.70     | 20.70     |
| Others                                                                                         | 2.00      | 3.31      |
| Claim by contractors Arbitration cases/other extra claims on capital account                   | 615.37    | 559.60    |
| (b) Capital Commitments:                                                                       | 31-Mar-23 | 31-Mar-22 |
| Estimated amount of contracts remaining to be executed on capital account and not provided for | 139.25    | 125.91    |
| (c) Guarantees & other Commitment:                                                             | 31-Mar-23 | 31-Mar-22 |
| Bank Guarantees                                                                                | 3.05      | 1.29      |
| Letter of Credits issued                                                                       | 12.47     | 1.35      |

### Note:

- The Company does not expect any reimbursement in respect of the above contingent liabilities.
- It is not practicable to estimate the timing of cash outflows, if any, in respect of matters above, pending resolution of the arbitration/ appellate proceedings.
- The Company currently does not have any Contingent Assets. The counter claims under arbitrations will be dealt based on legal advice obtained or to be obtained in this respect from time to time.
- The contingent liability reported under Arbitration includes an amount of ₹4.15 Crore relating to M/s Brahmaputra Infrastructure Limited and M/s Rajshekhar Construction Pvt. Ltd. for which provision has not been made although the arbitral award has been passed in favour of the contractor. BCPL has challenged both the arbitral award in the respective high court and honourable high courts have granted stay order in favour of BCPL and both the matters are fixed for hearing.

## 23. Government Grants:

### A. Capital Grants

**Capital Subsidy:** Based on the approval of the Government of India for setting up AGCP, being implemented by BCPL in state of Assam, against Capital Subsidy of ₹5239.45 Cr., the Company has received Capital Subsidy of ₹5221.33 Cr. till 31.03.2023. No Capital subsidy was released during the FY 2022-23. The interest earned on Capital Subsidy has been considered part of capital subsidy and adjusted from capital subsidy receivable. The balance amount of capitals subsidy receivable stands at ₹18.12 Cr and based on request of BCPL, the Administrative Ministry has included the same in BE 2023-24. Capital Subsidy received from Government of India has been considered as





deferred income in terms of Ind-AS 20 and is recognized as income in the Statement of Profit and Loss over the useful life of the petrochemical complex. Accordingly in the current financial year an amount of ₹211.65 Cr. has been transferred (Previous year ₹211.65 Cr.) to the Statement of Profit & Loss as other income and the balance in Capital Subsidy account has been carried forward as “Government Grants” classified under “Non-Financial Liability”.

## B. Revenue Grants

### i. Feed Stock Subsidy:

The feedstock subsidy was approved by CCEA for a period of 15 years of plant operation for maintaining minimum post tax project IRR of 10% of the Assam Gas Cracker Project (AGCP) implemented by BCPL. As per the methodology, an amount of ₹563.00 Cr. (previous year ₹131.00 Cr) as feedstock subsidy has been accounted for during FY 2022-23 under ‘Other Operating Income’ on accrual basis. Till date BCPL have received an amount of ₹2873.92 crore from Ministry of Petroleum and Natural Gas as feedstock subsidy including subsidy against claim for 2021-22.

### ii. North East Industrial & Investment Promotion Policy (NEIIPP) Subsidy:

The Company is registered under NEIIP (North-East Industrial & Investment promotion Policy) and eligible for various subsidy schemes. Accordingly, the Company has accounted the following eligible subsidies under various schemes on accrual basis.

₹ in Cr.

| Description        | Opening Claim Receivable | Accounted During Current Year | Received During Current Year | Expensed Out / Written off During the Year | Closing Claim Receivable |
|--------------------|--------------------------|-------------------------------|------------------------------|--------------------------------------------|--------------------------|
| Freight Subsidy    | 101.43                   | -                             | -                            | -                                          | <b>101.43</b>            |
| Insurance Subsidy  | 50.15                    | 25.82                         | (18.85)                      | -                                          | <b>57.12</b>             |
| <b>Grand Total</b> | <b>151.58</b>            | <b>25.82</b>                  | <b>(18.85)</b>               | -                                          | <b>158.55</b>            |

The current financial year claim towards subsidy amounting to ₹ 25.82 Cr. has been adjusted with respective expenditure (Previous FY 24.55 Cr). Further out of the above total claim receivable, an amount to ₹25.82 Cr is pending for submission.

- i. **Scheme of Budgetary Support (SBS):** Vide notification no 20/2007-CE dated 25.04.2007 as amended from time to time, eligible units in NER was availing excise duty refund. BCPL was eligible under the scheme till transition to GST. In order to enable eligible industries in NER to continue under special benefit scheme, Department of Industrial Policy and Promotion (DIPP) vide notification dated 05<sup>th</sup> October, 2017 read with Circular No. 1060/9/2017-CX dated 27<sup>th</sup> November, 2017 issued by Central Board of Excise and Customs, extended the benefit to all eligible units in NER. Under the scheme, BCPL is entitled for budgetary support on supply of primary finished goods. Accordingly, BCPL has submitted a claim of ₹56.91 Cr. (Previous FY ₹72.18 Cr.) towards GST Refund under the budgetary support scheme and the same has been recognised as “Other Operating Income”.



## 24. Land & Building:

The Company is in possession of total 3904 bigha (Previous year 3904 bigha) of lease hold land and 190 bigha of free hold land of ₹ 94.65 Cr. (Previous Year ₹ 94.65 Cr.) and ₹ 3.87 Cr. (Previous Year ₹ 3.87 Cr.) respectively. Out of which, title deeds for freehold (190 bigha) amounting to ₹ 3.87 Cr. (Previous Year: ₹ 3.87 Cr.) and title deeds for leasehold land (520 bigha) amounting to ₹ 31.19 Cr. (Previous Year: ₹ 15.38 Cr.) are pending to transfer where settlement order for allotment of 122 Bigha of leasehold land has already been issued by Govt of Assam and payment has already been released by BCPL but the process of mutation in the name of BCPL is under progress. The Company enjoys complete possession and ownership of the lease hold land which has been handed over by the Government of Assam (GoA) after acquisition of land from private owners under Land Acquisition Rule and periodic patta for 3384 bigha of lease hold land for 30 years has been issued in the name of the Company as per Land Registration Act of Assam. Accordingly, the lease hold land has been treated as long term lease under Ind-AS 116. Full payment has been settled on possession of the land and no lease amount is payable. The amount is being amortised over the lease period.

| 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 the name of the company**  |
|-----------------------------------------|---------------------------------|----------------------|---------------------------------|------------------------------------------------------------------------------------------------------------------------|--------------------------------|---------------------------------------------------------|
| PPE                                     | Free-hold Land                  | 3.87                 | GAIL India Ltd.                 | Promoter                                                                                                               | May' 2016                      | The matter pending with before the respective authority |
| ROU Assets                              | Lease Land                      | 5.53                 | GAIL India Ltd.                 | Promoter                                                                                                               | May' 2016                      | Do                                                      |
| ROU Assets                              | Lease Land                      | 21.96                | Government of Assam             | Promoter                                                                                                               | July' 2008                     | Do                                                      |
| ROU Assets                              | Lease Land                      | 14.73                | Government of Assam             | Promoter                                                                                                               | April' 2011                    | Do                                                      |

## 25. Trade payables

The total amount of trade payable as on 31.03.2023 stands at ₹263.03 Cr as compared to ₹129.49 Cr as on 31.03.2022. The above includes amount due to related parties totaling to ₹158.86 Cr (₹ 40.02 Cr as on 31.03.22) and outstanding dues to other vendor of ₹104.17 Cr (₹89.47 Cr as on 31.03.22). Further, out of the outstanding due to other vendors, the amount due to MSME vendors is ₹8.48 Cr (Previous Year ₹8.32 Cr).

₹ in Cr

| Trade Payable as of 31 March 2023 | Outstanding for following periods from due date of payment |           |           |                   | Total  |
|-----------------------------------|------------------------------------------------------------|-----------|-----------|-------------------|--------|
|                                   | Less than 1 year                                           | 1-2 years | 2-3 years | More than 3 years |        |
| (i) MSME                          | 8.48                                                       | -         | -         | -                 | 8.48   |
| (ii) Others                       | 250.16                                                     | 0.19      | 4.20      | -                 | 254.55 |
| (iii) Disputed dues – MSME        | -                                                          | -         | -         | -                 | -      |
| (iv) Disputed dues - Others       | -                                                          | -         | -         | -                 | -      |





## 26. Disclosure as per requirements of Ind-AS 19 – “Employees benefit”.

### i. Revision of pay & other benefits:

Revision of pay & other benefits for Board and below Board level officer with effect from 01.04.2019 was approved by the administrative ministry during the FY 2021-22 and presidential directive towards Pay Revision was received vide Letter No.11011/3/2021-GP-II (E:36577) Dated 02.02.2022. Accordingly revision of pay & other benefits for Board and below Board level officer was implemented in the month of March'22 and arrears were paid. The Presidential directive for revision of pay scales is with effect from 01.04.2019 and also directed for taking up matter separately for implementation of pay revision from FY 2018-19, for which provision of ₹14.40 Crs kept in the books of account as on 31.03.2023.

Similarly the wage negotiation/ revision of unionised staffs and non-executives were also recommended by the board after various negotiations. The approval of administrative ministry has been obtained for implementation of wage negotiation. The Memorandum of Settlement (MOS) couldn't be entered till end of the FY 2022-23.

In view of above, a provision pertaining to wage revision of non-executives has been kept amounting of ₹12.17 Cr. as on 31.03.2023.

The provision towards Performance Related Pay (PRP) for the FY 22-23 payable to the executives and non-executives on revised scale has been provided for on estimated basis amounting to ₹6.31 Cr.

- ii. **Employees Provident Fund:** The Company's contribution to provident fund is remitted to Employees Provident Fund maintained with Regional Provident Fund Commissioner, Tinsukia, Assam, on a fixed percentage of the eligible employee's salary and charged to Statement of Profit and Loss.
- iii. **Gratuity:** The Company has a defined benefit gratuity plan fund invested with LIC and the fund is managed by a trust. Gratuity is paid to the staff member who has put in a minimum qualifying period of 5 years of continuous service on superannuation, resignation, termination or to the nominee on death. The valuation of liability on gratuity at the yearend has been estimated based on actuarial valuation and differential liability over the previous year has been provided in the Statement of Profit and Loss. The actuarial valuation has been carried out as per principle laid down in IND AS19 & Guidelines GN26 issued by Institute of Actuaries of India.
- iv. **Leave Encashment:** The Employees are entitled to accumulate Earned leave and half pay leave which can be availed during service period. Employees are also allowed to en-cash the accumulated Earned Leave during the service period and on resignation. Further, the accumulated Earned leave and Half Pay Leave can be en-cashed by the employees on superannuation or by nominee on death. The valuation of liability on leave salary at the yearend has been estimated based on actuarial valuation and differential liability over the previous year has been provided in the Statement of Profit and Loss. The actuarial valuation has been carried out as per principle laid down in IND AS19 & Guidelines GN26 issued by Institute of Actuaries of India.
- v. **Superannuation Benefits:** The Company had received the approval to its proposal of “Employees Superannuation Benefit and Post-Retirement Medical benefit” scheme from its Administrative Ministry, Government of India, effective from the date of issue of approval (February 08, 2018).



Accordingly, a Superannuation Trust was formed in the financial year 2019-20 and a policy from LIC was taken on 01.10.2020 through the Trust for the purpose of pension to the employees, after adjusting the accumulated fund balance of the erstwhile scheme, considering employer contribution @ 4% of basic plus DA from 08.02.2018 to 30.09.2020. Monthly contribution @ 4% of basic plus DA is deposited to the Fund through Trust regularly from October'20 onwards. A scheme is also maintained with LIC by the company with contribution @ 2% of basic plus DA from 08.02.2018 towards PRMS.

Later, the company received the revised scheme from its Administrative Ministry, Government of India, on 01.10.2021 for enhancement of contribution towards superannuation benefit scheme from present approved percentage of 6 % to 13.19 % (making it total to 30 % with effect from 08.02.2018). Accordingly, the enhanced contribution of 9.19% on Basic plus DA on both executives and non-executives has been funded to Pension Scheme and the balance has been kept under PRMS Scheme.

On approval of PRMS scheme w.e.f 24.01.2023, the initial funding has been created based on actuarial valuation after adjusting the earlier provisional fund kept for the purpose and additional provision of ₹3.37 Crs has provided towards PRMS during current FY.

- vi. The reconciliation and disclosure of funded and non-funded defined benefit schemes in compliance to the Ind-As 19 are detailed hereunder.
- a. Net employee benefit expense (recognized in employee cost) for the year ended 31st March, 2023 & 31<sup>st</sup> March, 2022.

₹ in Cr

| Particulars                                         | Gratuity |         | Leave encashment |         |
|-----------------------------------------------------|----------|---------|------------------|---------|
|                                                     | 2022-23  | 2021-22 | 2022-23          | 2021-22 |
| Current Service Cost                                | 2.68     | 2.23    | 2.34             | 1.94    |
| Past Service Cost                                   | -        | -       | -                | -       |
| Net Interest Cost                                   | 0.16     | 0.31    | 0.89             | 0.72    |
| Actuarial Gain/loss                                 | -        | -       | 4.21             | 2.90    |
| Total expenses included in employee benefit expense | 2.85     | 2.54    | 7.43             | 5.56    |

- b. Amount recognized in Other Comprehensive Income for the year ended 31st March, 2023

₹ in Cr

| Particulars                                                                | Gratuity |         |
|----------------------------------------------------------------------------|----------|---------|
|                                                                            | 2022-23  | 2021-22 |
| Actuarial (gain)/ loss on obligations                                      | 0.28     | (2.31)  |
| Return on plan assets (excluding amounts included in net interest expense) | 0.08     | 0.49    |
| Experience adjustments                                                     | 0.77     | 1.45    |
| Recognized in other comprehensive income                                   | 0.97     | (1.35)  |





- c. Changes in the present value of the defined benefit obligation for the year ended 31st March, 2023 and 31<sup>st</sup> March, 2022 are as follows:

₹ in Cr

| Particulars                           | Gratuity     |              | Leave encashment |              |
|---------------------------------------|--------------|--------------|------------------|--------------|
|                                       | 2022-23      | 2021-22      | 2022-23          | 2021-22      |
| Current service cost                  | 2.68         | 2.23         | 2.34             | 1.94         |
| Interest cost                         | 1.20         | 1.07         | 0.89             | 0.72         |
| Transfer In                           | -            | -            | -                | -            |
| Benefits paid                         | 0.54         | 0.40         | 3.72             | 2.54         |
| Actuarial (gain)/ loss on obligations | 1.05         | (0.86)       | 4.21             | 2.90         |
| <b>Defined benefit obligation</b>     | <b>21.23</b> | <b>16.83</b> | <b>17.79</b>     | <b>14.07</b> |

- d. Changes in the fair value of plan assets for the year ended 31<sup>st</sup> March, 2023 and 31<sup>st</sup> March, 2022 are as follows:

₹ in Cr

| Particulars                                                                      | Gratuity     |              | Leave encashment |          |
|----------------------------------------------------------------------------------|--------------|--------------|------------------|----------|
|                                                                                  | 2022-23      | 2021-22      | 2022-23          | 2021-22  |
| Interest income                                                                  | 1.04         | 0.76         | -                | -        |
| Return on plan assets (excluding amounts included in net interest expense) – OCI | 0.08         | 0.49         | -                | -        |
| Contribution by Employer                                                         | 3.03         | 3.07         | -                | -        |
| Benefits paid                                                                    | 0.54         | 0.40         | -                | -        |
| Service cost (Transfer in)                                                       | -            | -            | -                | -        |
| <b>Closing fair value of plan assets</b>                                         | <b>17.93</b> | <b>14.32</b> | <b>-</b>         | <b>-</b> |

- e. Details of the investment pattern for the above-mentioned funded obligations is as under:

₹ in Cr

| Particulars           | Gratuity |         | Leave encashment |         |
|-----------------------|----------|---------|------------------|---------|
|                       | 2022-23  | 2021-22 | 2022-23          | 2021-22 |
| LIC Fund              | 17.93    | 14.32   | -                | -       |
| Insurer managed funds | -        | -       | -                | -       |



- f. The principal assumptions used in determining above-mentioned obligations for the Company's plans are shown below:

₹ in Cr

| Particulars                      | Gratuity              |                       | Leave encashment      |                       |
|----------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
|                                  | 2022-23               | 2021-22               | 2022-23               | 2021-22               |
| Discount rate (in %)             | 7.26                  | 7.34                  | 7.26                  | 7.34                  |
| Salary Escalation (in %)         | 6.00                  | 6.00                  | 6.00                  | 6.00                  |
| Rate of employee turnover (in %) | -                     | -                     | -                     | -                     |
| Attrition Rate (in %)            | 1.00                  | 1.00                  | 1.00                  | 1.00                  |
| Inflation (in %)                 | 6.00                  | 6.00                  | 6.00                  | 6.00                  |
| Medical cost trend rate (in %)   | NA                    | NA                    | NA                    | NA                    |
| Life expectation for (in years): | IALM 2012-14 Ultimate | IALM 2012-14 Ultimate | IALM 2012-14 Ultimate | IALM 2012-14 Ultimate |

- g. A quantitative sensitivity analysis for significant assumption as at 31<sup>st</sup> March 2023 is as shown below:

₹ in Cr

| Gratuity Plan                                 | 31-Mar-23      |                | 31-Mar-23               |                |
|-----------------------------------------------|----------------|----------------|-------------------------|----------------|
| Assumptions                                   | Discount rate  |                | Future salary increases |                |
| Sensitivity Level (%)                         | 0.50% increase | 0.50% decrease | 0.50% increase          | 0.50% decrease |
| Impact on defined benefit obligation-(Amount) | 19.53          | 2.31           | 21.98                   | 2.03           |

| Gratuity Plan                                   | 31-Mar-22      |                | 31-Mar-22               |                |
|-------------------------------------------------|----------------|----------------|-------------------------|----------------|
| Assumptions                                     | Discount rate  |                | Future salary increases |                |
| Sensitivity Level (%)                           | 0.50% increase | 0.50% decrease | 0.50% increase          | 0.50% decrease |
| Impact on defined benefit obligation - (Amount) | 15.45          | 18.37          | 17.58                   | 15.98          |

| Leave encashment                               | 31-Mar-23      |                | 31-Mar-23               |                |
|------------------------------------------------|----------------|----------------|-------------------------|----------------|
| Assumptions                                    | Discount rate  |                | Future salary increases |                |
| Sensitivity Level (%)                          | 0.50% increase | 0.50% decrease | 0.50% increase          | 0.50% decrease |
| Impact on defined benefit obligation- (Amount) | 16.34          | 19.39          | 19.40                   | 16.32          |

| Leave encashment                                | 31-Mar-22      |                | 31-Mar-22               |                |
|-------------------------------------------------|----------------|----------------|-------------------------|----------------|
| Assumptions                                     | Discount rate  |                | Future salary increases |                |
| Sensitivity Level (%)                           | 0.50% increase | 0.50% decrease | 0.50% increase          | 0.50% decrease |
| Impact on defined benefit obligation - (Amount) | 12.90          | 15.39          | 15.39                   | 12.88          |





- h. The following payments are expected contributions to the defined benefit plan in future years:

₹ in Cr

| Particulars                                              | Gratuity |         | Leave encashment |         |
|----------------------------------------------------------|----------|---------|------------------|---------|
|                                                          | 2022-23  | 2021-22 | 2022-23          | 2021-22 |
| Within the next 12 months (next annual reporting period) | 0.33     | 0.16    | 0.37             | 0.12    |
| Between 2 and 5 years                                    | 2.08     | 1.72    | 1.75             | 1.54    |
| Between 5 and 10 years                                   | 3.90     | 2.67    | 2.87             | 2.30    |
| Beyond 10 years                                          | 80.86    | 68.67   | 69.95            | 58.98   |
| Total expected payments                                  | 87.17    | 73.22   | 74.94            | 62.94   |

- i. The average duration of the defined benefit plan obligation at the end of the reporting period is 22 years (31 March 2022: 23 years).
- j. History of experience adjustment is as follows:

₹ in Cr

| Particulars                 | Gratuity  |           |           |           |           |
|-----------------------------|-----------|-----------|-----------|-----------|-----------|
|                             | 31-Mar-23 | 31-Mar-22 | 31-Mar-21 | 31-Mar-20 | 31-Mar-19 |
| Present value of obligation | 21.23     | 16.83     | 14.79     | 10.71     | 7.24      |
| Plan assets                 | 17.93     | 14.32     | 10.40     | 9.38      | 7.75      |
| Experience adjustments      | 0.77      | 1.45      | 2.05      | 0.10      | 0.54      |

| Particulars                 | Leave encashment |           |           |           |           |
|-----------------------------|------------------|-----------|-----------|-----------|-----------|
|                             | 31-Mar-23        | 31-Mar-22 | 31-Mar-21 | 31-Mar-20 | 31-Mar-19 |
| Present value of obligation | 17.79            | 14.07     | 11.05     | 7.71      | 4.80      |
| Plan assets                 | -                | -         | -         | -         | -         |
| Experience adjustments      | 3.97             | 8.04      | 4.22      | 2.32      | 2.21      |

## 27. Claim of Work Contract Tax from Govt. of Assam

₹ in Cr

| Details of claim as under             | Current Year | Previous Year |
|---------------------------------------|--------------|---------------|
| Opening Claim as on 01.04.2022        | 2.60         | 2.60          |
| Claim for the financial year 2022-23  | -            | -             |
| Total Claim:                          | 2.60         | 2.60          |
| Less: Received during the year        | -            | -             |
| (Add) / Less: Claim adjusted/reversed | -            | -             |
| <b>Receivable as at 31.03.2023</b>    | <b>2.60</b>  | <b>2.60</b>   |



## 28. Income Tax

During the FY 2019-20, BCPL evaluated the prospects of migrating into the new tax regime as introduced vide amendment by the Finance Act 2020 under section 115BAA of the Income Tax Act. Under the new tax regime, income tax @ 22% was payable and there would not be any MAT liability under such option. Since the new tax regime was found to be more beneficial to the company based on various analyses, BCPL had adopted the new tax regime w.e.f. FY 2019-20.

Provision for Income Tax in the current financial year has been kept at ₹41.97 Cr. (Previous ₹223.57). The Company has already deposited advance tax amounting to ₹20.40 Cr during the current financial year.

Balance of brought forward 'Unabsorbed Depreciation' and 'Business loss' as per Income Tax Return for the AY 2022-23 (i.e for FY 2021-22) stands at NIL.

## 29. GST Credit and Utilization:

a) Following are the details of GST credit and utilisation for the period 2022-23:

₹ in Cr

| Sl. no. | Location                                                               | Assam  |         |         | Uttar Pradesh |      |      |
|---------|------------------------------------------------------------------------|--------|---------|---------|---------------|------|------|
|         | Particulars                                                            | IGST   | CGST    | SGST    | IGST          | CGST | SGST |
| A       | Opening Balance of ITC                                                 | -      | -       | -       | 0.02          | 0.10 | 0.10 |
| B       | Input Tax credit availed                                               | 155.04 | 79.70   | 79.70   | -             | 0.01 | 0.01 |
| C       | Taxes paid through ITC                                                 | 155.04 | 79.70   | 79.70   | 0.02          | 0.11 | 0.09 |
| D       | Taxes paid through ITC (IGST liability adjusted with CGST/SGST Credit) | 107.38 | (53.69) | (53.69) |               |      |      |
| E       | Taxes Paid in Cash                                                     | 214.42 | -       | -       | -             | -    | -    |
| F       | Total Taxes Paid during the year (C+D+E)                               | 476.84 | 26.01   | 26.01   | -             | -    | -    |
| G       | Closing Balance of ITC                                                 | -      | -       | -       | -             | -    | 0.02 |

b) Input Tax Credit of ₹30.10 Cr. availed pertaining to Duliajan Unit was disputed by the department. The decision of the department was challenged by BCPL before the CESTAT. The CESTAT pronounced the order during the FY 2019-20 and the decision was not in favour of BCPL. Accordingly the said GST Credit was reversed under protest in the FY 2019-20 and has been kept in other non financial assets (Note 5). The Company had challenged the CESTAT order before the honourable Guwahati High Court in the FY 2020-21. The honourable Guwahati High Court had passed a stay order on dated 07.12.2020 for any coercive action against the company relating to the matter in issue.

## 30. Financial risk management :

i. The Company's financial risk management is an integral part of how to plan and execute its business strategies. This note explains the sources of risk which the entity is exposed to and how the company manages the risk.

The Company's Board of Directors have overall responsibility for the establishment and oversight of the company's risk management framework.





- ii. The Company's principal financial liabilities comprise of loans & advances, trade and other payables. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.
- iii. The Company is exposed to market risk, credit risk and liquidity risk. The Company reviews its financial risk and take appropriate mitigation plan based on the requirement.

### Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. It is a risk of changes in market prices such as foreign exchange rates and interest rates that will affect Company's income or the value of its holding of financial instruments.

#### i. Interest rate risk

- a. The company manages its interest rate risk by having a balanced portfolio. The Company's objective is to keep borrowing cost at minimum.
- b. Interest rate sensitivity

With all other variables held constant, the following table demonstrates the sensitivity to a reasonably possible change in interest rates on floating rate portion of loans and borrowings.

₹ in Cr

| Particulars          | Increase/decrease in basis points | Effect on profit before tax |
|----------------------|-----------------------------------|-----------------------------|
| <b>31 March 2023</b> |                                   |                             |
| SBI Loan             | +100                              | -1.03                       |
|                      | -100                              | +1.03                       |
| <b>31 March 2022</b> |                                   |                             |
| SBI Loan             | +100                              | NIL                         |
|                      | -100                              | NIL                         |

#### ii. Foreign currency risk

The Company transacts business in local currency and in foreign currency, primarily U.S. dollars, Euros & Japanese Yen mainly for import of catalysts & chemicals and spares for its imported equipment's through LCs. The Company does not have foreign currency loans, however, has foreign currency liabilities and outstanding foreign Letter of Credits. The exposure to foreign exchange risk of the Company is not substantial. The Company manages its foreign currency risk by keeping foreign currency exposure at minimum.

#### Foreign currency sensitivity:

The following table demonstrates the sensitivity in the USD, Euro, and other currencies, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities in foreign currency. The Company does not have monetary items that form part of net investment in foreign operation and therefore no impact on equity on this account.



₹ in Cr

| Particulars                              | Change in currency exchange rates | Effect on profit before tax |
|------------------------------------------|-----------------------------------|-----------------------------|
| <b>For the year ended March 31, 2023</b> |                                   |                             |
| US Dollar                                | 3%                                | -0.11                       |
|                                          | -3%                               | 0.11                        |
| EURO                                     | 6%                                | -0.09                       |
|                                          | -6%                               | 0.09                        |
| Japanese yen                             | 7%                                | -0.51                       |
|                                          | -7%                               | 0.51                        |
| <b>For the year ended March 31, 2022</b> |                                   |                             |
| US Dollar                                | 3%                                | -0.03                       |
|                                          | -3%                               | 0.03                        |
| EURO                                     | 6%                                | -0.01                       |
|                                          | -6%                               | 0.01                        |
| Japanese yen                             | 7%                                | -0.08                       |
|                                          | -7%                               | 0.08                        |

**iii. Equity price risk**

The Company does not have any equity risk.

**iv. Liquidity risk:**

The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys an appropriate cash management system.

Liquidity risk - Maturity profile

₹ in Cr

| As at 31 March 2023                   | On Demand | Less than 3 Months | 3 to 12 Months | 1 to 5 Years | > 5 Years | Total  |
|---------------------------------------|-----------|--------------------|----------------|--------------|-----------|--------|
| Interest-bearing loans and borrowings | -         | 103.15             | 12.09          | 110.43       | 74.17     | 299.84 |
| Interest Payable                      | -         | 4.12               | 10.46          | 51.34        | 11.38     | 77.30  |
| Trade and other payables              | 263.03    | -                  | -              | -            | -         | 263.03 |
| Other financial liabilities           | 68.05     | 112.82             | 27.55          | 9.49         | -         | 217.91 |
| Other – specify                       | -         | -                  | -              | -            | -         | -      |

| As at 31 March 2022                   | On Demand | Less than 3 Months | 3 to 12 Months | 1 to 5 Years | > 5 Years | Total  |
|---------------------------------------|-----------|--------------------|----------------|--------------|-----------|--------|
| Interest-bearing loans and borrowings | -         | -                  | -              | 48.35        | 60.90     | 109.24 |
| Interest payable                      | -         | 1.76               | 5.31           | 21.18        | 7.83      | 36.09  |
| Trade and other payables              | 129.49    | -                  | -              | -            | -         | 129.49 |
| Other financial liabilities           | 70.64     | 102.20             | 23.61          | 0.75         | -         | 197.20 |
| Other specify                         | -         | -                  | -              | -            | -         | -      |





#### v. Credit risk

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities primarily for trade receivables, including deposits with banks.

#### Trade receivables

Customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored.

#### Financial Instruments and Cash Deposits

Credit risk from balances with banks and financial institutions is managed in accordance with the Company's policy. Investments of surplus funds are made as per approved methodology. Credit limits of all authorities are reviewed by the Management on regular basis.

The aging analysis of trade receivables as on the reporting date is as follows:

₹ in Cr

| Trade receivables as of<br>31 March 2023                       | Outstanding for following periods from due date of<br>payment |                     |              |              |                      | Total         |
|----------------------------------------------------------------|---------------------------------------------------------------|---------------------|--------------|--------------|----------------------|---------------|
|                                                                | Less than<br>6 months                                         | 6 months-<br>1 year | 1-2<br>years | 2-3<br>years | More than<br>3 years |               |
| (i) Undisputed Trade receivables –<br>considered good          | 112.13                                                        | -                   | -            | -            | -                    | 112.13        |
| (ii) Undisputed Trade Receivables –<br>considered doubtful     | -                                                             | -                   | -            | 1.30         | 19.18                | 20.48         |
| (iii) Disputed Trade Receivables<br>considered good            | -                                                             | -                   | -            | -            | -                    | -             |
| (iv) Disputed Trade Receivables<br>considered doubtful         | -                                                             | -                   | -            | -            | -                    | -             |
| (v) Disputed Trade Receivables with<br>significant credit risk | -                                                             | -                   | -            | -            | -                    | -             |
| (vi) Disputed Trade Receivables – credit<br>impaired           | -                                                             | -                   | -            | -            | -                    | -             |
| <b>TOTAL</b>                                                   | <b>112.13</b>                                                 | <b>-</b>            | <b>-</b>     | <b>1.30</b>  | <b>19.18</b>         | <b>132.61</b> |

₹ in Cr

| Trade receivables as of<br>31 March 2022                   | Outstanding for following periods from due date of<br>payment |                     |              |              |                      | Total |
|------------------------------------------------------------|---------------------------------------------------------------|---------------------|--------------|--------------|----------------------|-------|
|                                                            | Less than<br>6 months                                         | 6 months-<br>1 year | 1-2<br>years | 2-3<br>years | More than<br>3 years |       |
| (i) Undisputed Trade receivables –<br>considered good      | 61.70                                                         | -                   | 1.51         | 2.01         | 0.02                 | 65.24 |
| (ii) Undisputed Trade Receivables –<br>considered doubtful | -                                                             | -                   | -            | 2.53         | 14.64                | 17.17 |



|                                                             |              |          |             |             |              |              |
|-------------------------------------------------------------|--------------|----------|-------------|-------------|--------------|--------------|
| (iii) Disputed Trade Receivables considered good            | -            | -        | -           | -           | -            | -            |
| (iv) Disputed Trade Receivables considered doubtful         | -            | -        | -           | -           | -            | -            |
| (v) Disputed Trade Receivables with significant credit risk | -            | -        | -           | -           | -            | -            |
| (vi) Disputed Trade Receivables – credit impaired           | -            | -        | -           | -           | -            | -            |
| <b>TOTAL</b>                                                | <b>61.70</b> | <b>-</b> | <b>1.51</b> | <b>4.54</b> | <b>14.66</b> | <b>82.41</b> |

### Provision for Doubtful Debts / Claims

₹ in Cr

| Provisions                                                        | 31 March 2023 | 31 March 2022 |
|-------------------------------------------------------------------|---------------|---------------|
| Start of the year                                                 | 17.66         | 17.17         |
| Provision for doubtful Debts / Claims                             | 3.30          | 0.49          |
| Receivables / Claims written off during the year as uncollectable | -             | -             |
| Unused amounts reversed                                           | -             | -             |
| End of the year                                                   | 20.96         | 17.66         |

## 31. Capital Management

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize the shareholder value.

The Company maintains its capital structure as per approved funding pattern of the project cost of the Company by Government of India ensuring viability of the project. No changes were made in the objectives, policies or processes during the years ended 31<sup>st</sup> March 2023 and 31<sup>st</sup> March 2022.

However, the Company's net gearing ratio, which is total debt (long term debt + short term debt + bank overdraft) divided by total equity is furnished in the table below.

₹ in Cr

| Particulars                                      | As at 31 March 2023 | As at 31 March 2022 |
|--------------------------------------------------|---------------------|---------------------|
| Interest-bearing long term loans and borrowings  | 196.69              | 109.24              |
| Interest-bearing short term loans and borrowings | 90.00               | -                   |
| Bank Overdraft                                   | 13.15               | -                   |
| <b>Total Debt</b>                                | <b>299.84</b>       | <b>109.24</b>       |
| Equity                                           | 1,417.67            | 1,417.67            |
| <b>Total Capital</b>                             | <b>3201.64</b>      | <b>3280.79</b>      |
| <b>Net Gearing ratio</b>                         | <b>0.09</b>         | <b>0.03</b>         |





## 32. Accounting classifications and fair value measurements

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data

Set out below is a comparison by class of the carrying amounts and fair values of the Company's financial instruments that are carried in the financial statements:

As at 31 March 2023 the company held the following financial instruments carried at fair value on the statement of financial position:

₹ in Cr

| Particulars                                                                    | Carrying Amount<br>31.03.2023 | Fair Value |         |         |
|--------------------------------------------------------------------------------|-------------------------------|------------|---------|---------|
|                                                                                |                               | Level 1    | Level 2 | Level 3 |
| <b>Financial assets at amortised cost:</b>                                     |                               |            |         |         |
| <b>Non-current</b>                                                             |                               |            |         |         |
| Loans and receivables                                                          | 7.54                          | -          | -       | -       |
| Other Financial Assets (Feed Stock Subsidy Claim)                              | -                             | -          | -       | -       |
| <b>Current</b>                                                                 |                               |            |         |         |
| Trade receivables includes other receivable                                    | 118.40                        | -          | -       | -       |
| Cash and cash equivalents & Bank Balances other than Cash and cash equivalents | 131.87                        | -          | -       | -       |
| Other Financial Assets (It includes Feed Stock & NEIIPP Subsidy)               | 781.93                        | -          | -       | -       |
| <b>Total</b>                                                                   | <b>1039.74</b>                | -          | -       | -       |
| <b>Financial liabilities at amortised cost:</b>                                |                               |            |         |         |
| <b>Non-current</b>                                                             |                               |            |         |         |
| Borrowings                                                                     | 184.60                        | -          | -       | -       |
| Other financial liabilities                                                    | 9.50                          | -          | -       | -       |
| <b>Current</b>                                                                 |                               |            |         |         |
| Borrowings                                                                     | 115.24                        | -          | -       | -       |
| Other financial liabilities                                                    | 208.41                        | -          | -       | -       |
| Trade payables                                                                 | 263.03                        | -          | -       | -       |
| <b>Total</b>                                                                   | <b>780.78</b>                 |            |         |         |



As at 31 March 2022 the company held the following financial instruments carried at fair value on the statement of financial position:

₹ in Cr

| Particulars                                                                    | Carrying Amount<br>31.03.2022 | Fair Value |         |         |
|--------------------------------------------------------------------------------|-------------------------------|------------|---------|---------|
|                                                                                |                               | Level 1    | Level 2 | Level 3 |
| <b>Financial assets at amortised cost:</b>                                     |                               |            |         |         |
| <b>Non-current</b>                                                             |                               |            |         |         |
| Loans and receivables                                                          | 4.76                          | -          | -       | -       |
| Other Financial Assets (Feed Stock Subsidy Claim)                              | -                             |            |         |         |
| <b>Current</b>                                                                 |                               |            |         |         |
| Trade receivables includes other receivable                                    | 65.63                         | -          | -       | -       |
| Cash and cash equivalents & Bank Balances other than Cash and cash equivalents | 434.32                        | -          | -       | -       |
| Other Financial Assets (It includes Feed Stock & NEIIPP Subsidy)               | 343.76                        | -          | -       | -       |
| <b>Total</b>                                                                   | <b>848.47</b>                 | -          | -       | -       |
| <b>Financial liabilities at amortised cost:</b>                                |                               |            |         |         |
| <b>Non-current</b>                                                             |                               |            |         |         |
| Borrowings                                                                     | 109.24                        | -          | -       | -       |
| Other financial liabilities                                                    | 0.76                          |            |         |         |
| <b>Current</b>                                                                 |                               |            |         |         |
| Borrowings                                                                     | 0.00                          | -          | -       | -       |
| Other financial liabilities                                                    | 196.44                        | -          | -       | -       |
| Trade payables                                                                 | 129.49                        | -          | -       | -       |
| <b>Total</b>                                                                   | <b>435.93</b>                 | -          | -       | -       |

Cash and short-term receivables, trade receivables, trade payables and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair values of non-current financial assets (such as security deposits) and long-term variable-rate borrowings are considered to be same as their carrying values, as the impact of fair valuation is not material.

### 33. Leases

Effective April 1, 2019, the Company adopted Ind AS 116 “Leases” and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method. The Company recorded the lease liability at the present value of the lease payments discounted at the incremental cost of capital of 3 Year SBI MCLR and the right of use asset at its carrying amount.

As on 31.03.2023, ROU Asset balance stands at ₹239.31 Cr. (Previous Year ₹214.80 Cr.) and Lease Liability at ₹12.67 Cr. (Previous Year ₹1.65 Cr.).

#### Lease Liabilities

Reconciliation of Lease Liabilities:





₹ in Cr

| Particulars                            | Year ended March 31, 2023 | Year ended March 31, 2022 |
|----------------------------------------|---------------------------|---------------------------|
| Opening Balance                        | 1.65                      | 1.60                      |
| <b>Adjustments for:</b>                |                           |                           |
| Additions during the year              | 13.12                     | 1.89                      |
| Deletions during the year              | -                         | -                         |
| Accreditation of interest              | 0.59                      | 0.18                      |
| Lease Liabilities paid during the year | 2.68                      | 2.02                      |
| <b>Closing Balance</b>                 | <b>12.67</b>              | <b>1.65</b>               |
| Current                                | 3.17                      | 0.89                      |
| Non-Current                            | 9.50                      | 0.76                      |

#### Maturity analysis of Lease Liabilities

₹ in Cr

| Particulars                     | Less than 3 months | 3 to 12 months | > 1 Year    | Total        |
|---------------------------------|--------------------|----------------|-------------|--------------|
| Lease Liabilities (Current)     | 0.77               | 2.40           | 0.00        | 3.17         |
| Lease Liabilities (Non Current) | 0.00               | 0.00           | 9.49        | 9.49         |
| <b>Total</b>                    | <b>0.77</b>        | <b>2.40</b>    | <b>9.49</b> | <b>12.67</b> |

#### Amount recognized in Statement of Profit and Loss:

₹ in Cr

| Particulars                           | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---------------------------------------|---------------------------|---------------------------|
| Depreciation on right-of-use assets   | 11.45                     | 10.78                     |
| Interest expense on lease liabilities | 0.59                      | 0.18                      |
| <b>Total</b>                          | <b>12.04</b>              | <b>10.96</b>              |

### 34. CSR Expenditure:

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, requires to spend at least 2% of its average net profit for the immediately preceding three financial years on Corporate Social Responsibility (CSR) activities. The said section was applicable to the company from the FY 2020-21 and accordingly budgets of ₹11.50 crore and ₹19.10 crore were approved for CSR activities for the financial years 2020-21 and 2021-22 respectively, with various projects under the broad heads of Health and Nutrition, Promotion of Education, Swachhata and Sanitation, Skill Enhancement & Alternative Livelihood and Sustainable Development and Rural Development. Similarly, a budget of ₹25.27 crore was approved for CSR activities for the financial year 2022-23. The projects are being executed by the Company in collaboration with the district administration and are monitored and implemented through a CSR Coordination Team. In terms of the CSR Amendment Rules 2021, the unspent amount towards ongoing projects have been transferred to an 'Unspent CSR Account' within 30 days from closure of the financial year, as stipulated in Sub Section 6, Section 135 of Companies Act' 2013. Below are the details:

₹ in Cr

| Particulars                                                    | As at March 31, 2023 | As at March 31, 2022 |
|----------------------------------------------------------------|----------------------|----------------------|
| (a) amount required to be spent by the company during the year | 25.27                | 19.10                |
| (b) Amount of expenditure incurred                             | 7.97                 | 13.10                |
| (c) Shortfall at the end of the year                           | 17.30                | 6.00                 |



|                                                                                                                                                                                         |                                                                                                                                                                      |                              |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|
| (d) Total of previous years' shortfall                                                                                                                                                  | 8.76                                                                                                                                                                 | 5.94                         |
| (e) Reason for shortfall                                                                                                                                                                | Pertains to ongoing projects                                                                                                                                         | Pertains to ongoing projects |
| (f) Nature of CSR activities                                                                                                                                                            | Health and Nutrition, Promotion of Education, Swachhata and Sanitation, Skill Enhancement & Alternative Livelihood and Sustainable Development and Rural Development |                              |
| (g) Details of related party transactions e.g. contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard                     | Not Applicable                                                                                                                                                       | Not Applicable               |
| (h) Where a provision is made with respect to a liability incurred by entering into a contractual obligation the movements in the provision during the year should be shown separately. | Not Applicable                                                                                                                                                       | Not Applicable               |

### 35. Proposed dividend and tax :

During the year ended March 31, 2023, on account of the dividend payment for the FY 2021-22, the Company has incurred a net cash outflow of ₹212.65 Cr.

For the FY 2022-23, an amount of ₹40.27 Cr, which is 2.84 % of paid-up equity of ₹1417.67 Crs has been proposed as dividend. The same will be disbursed after approval by the shareholders in the Annual General Meeting of the Company.

### 36. Related Party Disclosures:

Names of Related parties and nature of related party relationships:

**a. Entities which exercise control/ joint-control/ significant influence over the company:**

Gail (India) Limited  
Numaligarh Refinery Limited  
Oil India Limited  
Government of Assam

**b. Key management personnel :**

Sh. Reep Hazarika - Managing Director  
Sh. Pruthiviraj Dash - Director (Finance)  
Mrs. Ruli Das Sen- Company Secretary

**c. Entities where Key Management Personnel and their relatives control/ joint control or exercise significant influence : NIL**

**d. The transactions carried out with the related parties during the existence of related party relationship as per Ind AS 24 in the ordinary course of business:**





₹ in Cr

| Particulars                                                                                  | FY 22-23 | FY 21-22 |
|----------------------------------------------------------------------------------------------|----------|----------|
| <b>Gail (India) Limited</b>                                                                  |          |          |
| Manpower cost                                                                                | 4.97     | 7.93     |
| Purchase of goods (Butene-1, propylene, NG etc.)                                             | 2.36     | 8.78     |
| Marketing Commission                                                                         | 62.97    | 66.99    |
| Expenditure towards DRC                                                                      | 0.64     | 0.68     |
| Balance payable at the reporting date                                                        | 7.44     | 8.12     |
| <b>Numaligarh Refinery Limited</b>                                                           |          |          |
| Sale/ Purchase of goods                                                                      | 433.40   | 591.12   |
| Expenditure incurred on Renting of Immovable property                                        | 0.08     | 0.00     |
| Balance payable at the reporting date                                                        | 27.04    | 0.00     |
| <b>Oil India Limited</b>                                                                     |          |          |
| Sale/ Purchase of goods                                                                      | 1146.89  | 364.04   |
| Balance payable (NG supply) at the reporting date                                            | 124.40   | 38.42    |
| <b>Key management personnel</b>                                                              |          |          |
| Remuneration to Sh. Reep Hazarika – Managing Director (Short Term Benefits Only)             | 0.85     | 0.66     |
| Remuneration to Sh. Pruthiviraj Dash - Director (Finance) and CFO (Short Term Benefits Only) | 0.74     | 0.64     |
| Remuneration to Mrs. Ruli Das Sen- Company Secretary (Short Term Benefits Only)              | 0.53     | 0.44     |
| Sitting Fees Paid to Independent Directors                                                   | 0.08     | 0.04     |

### 37. Balance Confirmation

Balance confirmation has been sought from certain vendors/contractors/authorities for balances grouped under loans and advances, deposits and sundry creditors. However, reconciliation of accounts with parties is carried out as an ongoing process.

### 38. Claims due to Micro , Small & Medium enterprise

Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act, 2006"):

₹ in Cr

| Particulars                                                                                                                                                                                                                                                        | 2022-23 | 2021-22 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|---------|
| i. The principal amount and the interest thereon remaining unpaid to any supplier as at the end of each accounting year;                                                                                                                                           | 8.48    | 8.32    |
| ii. The amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;                                                                              | -       | -       |
| iii. 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 ended ) but without adding the interest specified under this Act;                                         | -       | -       |
| iv. The amount of interest accrued and remaining unpaid at the end of each accounting year; and                                                                                                                                                                    | -       | -       |
| v. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23. | -       | -       |



The above information regarding micro, small and medium enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

### 39. Segment Reporting

- (a) The Company has a single operating segment that is "Production and sales of polymers to downstream plastic industries". Accordingly, the segment revenue, segment results, segment assets and segment liabilities are reflected by the financial statements themselves as at and for the financial year ended 31st March 2023.
- (b) Entity wise disclosures:
  - i. Information about products and services: The Company is in a single line of business of "Production and sales of polymers to downstream plastic industries".
  - ii. Geographic Information's: The Company operates presently in the business of production and sale of polymers in India. Accordingly, revenue from customers and all assets are located in India only.
  - iii. Information about major customers: During the year ended 31st March 2023, three major Customers contributed around 7.73% of the revenue amounting to ₹229.00 Cr. (previous year ₹244.32 Cr.).

### 40. Earnings per Share (EPS)

The following reflects the income and share data used in the basic and diluted EPS computations:

₹ in Cr

| Particulars                                                                                           | 31-Mar-23  | 31-Mar-22  |
|-------------------------------------------------------------------------------------------------------|------------|------------|
| Gain/(-Loss) attributable to equity holders of the Company:                                           |            |            |
| Continuing operations                                                                                 | 134.23     | 690.53     |
| Discontinued operation                                                                                | -          | -          |
| <b>Gain/(-Loss) attributable to equity holders of the Company for basic earnings</b>                  | 134.23     | 690.53     |
| <b>Gain/(-Loss) attributable to equity holders of the Company adjusted for the effect of dilution</b> | 134.23     | 690.53     |
| Weighted Avg. No's of Equity shares for basic EPS * (in No.)                                          | 1417670000 | 1417670000 |
| Effect of dilution:                                                                                   | -          | -          |
| <b>Weighted Avg. No's of Equity shares adjusted for the effect of dilution *</b>                      | -          | -          |
| <b>Earnings per equity share: in ₹</b>                                                                |            |            |
| <b>-Basic</b>                                                                                         | 0.95       | 4.87       |
| <b>-Diluted</b>                                                                                       | 0.95       | 4.87       |

### 41. Impairment:

The project was commissioned on 02.01.2016 and has been operating at more than 100% capacity since last four (4) years. With the accounting of feedstock subsidy, buoyant polymer prices and reduction of loan liability, the net worth of the company has been significantly improved & the future projections are also healthy. Further there is no indication that the assets of the company require impairment testing as per IND AS 36. Accordingly, no impairment losses has been estimated and recognised in statement of Profit and Losses.





#### 42. Deferred Tax Liability:

Due to timing difference of depreciation available under Income Tax Act and Companies Act, amount of ₹16.25 Cr has been considered as deferred tax expenditure for FY 2022-23. Due to the above, Deferred tax Liability (net) stands at ₹282.77 Cr as on 31.03.2023 as compared to ₹266.53 Cr as on 31.03.2022.

#### 43. Capital-Work-in Progress (CWIP)

CWIP aging schedule

₹ in Cr

| CWIP                           | Amount in CWIP for a period of |           |           |                   |       |
|--------------------------------|--------------------------------|-----------|-----------|-------------------|-------|
|                                | Less than 1 year               | 1-2 years | 2-3 years | More than 3 years | TOTAL |
| Projects in progress           | 69.30                          | 2.45      | 0.25      | 21.44             | 93.44 |
| Projects temporarily suspended | -                              | -         | -         | -                 | -     |

For capital-work-in progress, whose completion is overdue compared to its original plan

₹ in Cr

| CWIP                                      | To be completed in |             |           |                   | TOTAL       |
|-------------------------------------------|--------------------|-------------|-----------|-------------------|-------------|
|                                           | Less than 1 year   | 1-2 years   | 2-3 years | More than 3 years |             |
| 348V,150ah Tubular L.A. Battery Bank      | 0.21               | -           | -         | -                 | 0.21        |
| Bearing Puller, Three Jaws                | 0.02               | -           | -         | -                 | 0.02        |
| Complete Absorber Column                  | -                  | 1.77        | -         | -                 | 1.77        |
| Compressor Bleed 3 Way                    | 0.10               | -           | -         | -                 | 0.10        |
| Concrete Flooring In Open Yard At BCPL P  | 0.60               | -           | -         | -                 | 0.60        |
| Construction Of Secured Landfill          | 0.39               | -           | -         | -                 | 0.39        |
| COSEC VEGA FAX Biometric Reader           | 0.01               | -           | -         | -                 | 0.01        |
| High Precision Lathe Machine Nh32/3000    | -                  | 0.34        | -         | -                 | 0.34        |
| Isopropanol Pump, Pp Unit                 | 0.06               | -           | -         | -                 | 0.06        |
| Master Trolley, C&S                       | 0.01               | -           | -         | -                 | 0.01        |
| Secondary Injection 3 Phase Test Kit      | 0.26               | -           | -         | -                 | 0.26        |
| SEL Make FMBT System                      | 0.77               | -           | -         | -                 | 0.77        |
| Spare Heat Exchanger For 113-Ee-425       | 0.12               | -           | -         | -                 | 0.12        |
| System Upgradation Of ECS                 | 1.88               | -           | -         | -                 | 1.88        |
| Valve Ball, On-Off, 3", 300#, 113-Xv-9824 | 0.05               | -           | -         | -                 | 0.05        |
| Construction Of 33KV OH Line              | -                  | 0.34        | -         | -                 | 0.34        |
| <b>TOTAL</b>                              | <b>4.48</b>        | <b>2.45</b> | <b>-</b>  | <b>-</b>          | <b>6.93</b> |



#### 44. Relationship with Struck off Companies

₹ in Cr

| Name of struck off Company:                    | Nature of transactions with struck-off Company | Balance outstanding as on 31.03.2023 | Balance outstanding as on 31.03.2022 | Transaction during the year | Relationship with the Struck off company, if any, to be disclosed |
|------------------------------------------------|------------------------------------------------|--------------------------------------|--------------------------------------|-----------------------------|-------------------------------------------------------------------|
| ADVANCE VALVES PRIVATE LIMITED                 | Payable                                        | 0.11                                 | 0.11                                 | -                           | Vendor                                                            |
| GULBRANDSEN CHEMICALS PRIVATE LIMITED          | Payable                                        | 0.10                                 | 0.57                                 | - 0.48                      | Vendor                                                            |
| PARAMOUNT FORGE PVT LTD                        | Payable                                        | 0.01                                 | 0.01                                 | -                           | Vendor                                                            |
| STAR INFOTECH PVT LTD                          | Payable                                        | -                                    | 0.01                                 | - 0.01                      | Vendor                                                            |
| AMIT AND CO PRIVATE LIMITED                    | Payable                                        | -                                    | 0.01                                 | - 0.01                      | Vendor                                                            |
| AQUA SERVICES PVT LTD                          | Payable                                        | 0.01                                 | 0.01                                 | -                           | Vendor                                                            |
| D.J. ENGINEERING PRIVATE LIMITED               | Payable                                        | 0.00*                                | 0.00*                                | -                           | Vendor                                                            |
| PRIME ENGINEERS PRIVATE LIMITED                | Payable                                        | 0.00*                                | 0.00*                                | -                           | Vendor                                                            |
| ASSAM BULK CARRIERS PRIVATE LIMITED            | Payable                                        | 0.00*                                | 0.00*                                | -                           | Vendor                                                            |
| PRESSURE AND FLOW CONTROL PRIVATE LIMITED      | Payable                                        | 0.00*                                | 0.00*                                | -                           | Vendor                                                            |
| POLYCAB WIRES AND CABLES PRIVATE LIMITED       | Payable                                        | 0.00*                                | 0.00*                                | -                           | Vendor                                                            |
| ASHCROFT INDIA PRIVATE LIMITED                 | Payable                                        | 0.00*                                | 0.00*                                | -                           | Vendor                                                            |
| TIRUPATI ENTERPRISES PRIVATE LIMITED           | Payable                                        | 0.00*                                | 0.00*                                | -                           | Vendor                                                            |
| DELTA POWER SALES AND SERVICES PRIVATE LIMITED | Payable                                        | 0.00*                                | 0.00*                                | -                           | Vendor                                                            |
| ADNET ADVERTISING PRIVATE LIMITED              | Payable                                        | 0.00*                                | 0.00*                                | -                           | Vendor                                                            |
| AMS ENGINEERING PVT.LTD.                       | Payable                                        | 0.00*                                | -                                    | 0.00*                       | Vendor                                                            |

\*Indicates that the amount is less than Rupees Fifty Thousand.





## 45. Ratios

| Sl. No. | Particulars                      | Numerator                            | Denominator                  | 2022-23 | 2021-22 | Variance | Explanation                                                                                                                                                                                    |
|---------|----------------------------------|--------------------------------------|------------------------------|---------|---------|----------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1       | Current Ratio                    | Current Assets                       | Current Liabilities          | 1.50    | 1.60    | -6%      |                                                                                                                                                                                                |
| 2       | Debt-Equity Ratio                | Total Debt                           | Shareholder's Equity         | 0.09    | 0.03    | 181%     | While the long term borrowings had increased for funding the Butene-1 & HPG-2 project, there is reduction in total equity due to payment of dividend.                                          |
| 3       | Debt Service Coverage Ratio      | Earnings available for Debt-Service  | Debt-Service                 | 42.46   | 5.07    | 737%     | As BCPL has repaid/ pre-paid most of the long term loan in the previous financial year, the loan liabilities during current year has drastically reduced bring about improvement in the ratio. |
| 4       | Return on Equity Ratio           | Net Profit after Preference dividend | Average Shareholder's Equity | 9.47%   | 48.71%  | -80.56%  | The net profit has reduced primarily due to exorbitant increase in cost of natural gas and reduction in sales realisation in current year.                                                     |
| 5       | Inventory Turnover Ratio         | Sales                                | Average Inventory            | 31.78   | 53.25   | -40%     | The sales had decreased while the inventory levels have increased in the current financial year.                                                                                               |
| 6       | Trade Receivables turnover ratio | Net Credit Sales                     | Avg. Accounts Receivable     | 32.33   | 45.60   | -29%     | The trade receivable has increased significantly in the current financial year. .                                                                                                              |
| 7       | Trade payables turnover ratio    | Total Purchases                      | Average Trade Payables       | 13.50   | 13.24   | 2%       |                                                                                                                                                                                                |
| 8       | Net capital turnover ratio       | Revenue from Operation               | Average Working Capital      | 5.05    | 3.06    | 65%      | While there is increase in revenue from operation compared to previous year, the net current asset has reduced due to receipt of the accounted subsidies.                                      |



|    |                            |                                     |                        |       |        |         |                                                                                                                                                                                                             |
|----|----------------------------|-------------------------------------|------------------------|-------|--------|---------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 9  | Net profit ratio           | Net Profit                          | Revenue from Operation | 3.85% | 21.29% | -81.92% | This ratio has reduced due to reduction in profit owing to exorbitant increase in natural gas price and reduction in polymer prices..                                                                       |
| 10 | Return on Capital employed | Earnings before interest and taxes  | Capital Employed       | 5.37% | 27.35% | -80.38% | This ratio has reduced due to reduction in profit owing to exorbitant increase in natural gas price and reduction in polymer prices. There is not any significant difference in Total capital Employed.     |
| 11 | Return on investment       | EBIT (Earnings Before Interest Tax) | Average Total Asset    | 2.29% | 10.38% | -77.94% | The EBIT has reduced in current year due to increase in gas price and reduction in polymer prices. The Avg Total Asset has reduced primarily due to liquidation of Current Asset upon receipt of subsidies. |

**46.** Previous period figures have been re-arranged /re-grouped whenever necessary to make them comparable with current period figure.

Sd/-  
(Reep Hazarika)  
**Managing Director**  
DIN: 08667195

Sd/-  
(Pruthiviraj Dash)  
**Director (Finance) & CFO**  
DIN: 08253888

Sd/-  
(Ruli Das Sen)  
**Company Secretary**  
M. No. F4012

As per our separate report on Even Date  
For **RKP ASSOCIATES**  
**Chartered Accountants**  
FRN. 322473E

Place: New Delhi  
Date: 17<sup>th</sup> May, 2023

Sd/-  
(CA Devajit Biswas)  
Partner  
M. No. 304922





## CASH FLOW STATEMENT FOR THE PERIOD ENDED

31 March 2023

₹ in Cr

| Particulars                                    | Year Ended 31.03.2023 | Year Ended 31.03.2022 |
|------------------------------------------------|-----------------------|-----------------------|
| <b>Cash Flow From Operating Activity</b>       |                       |                       |
| Net profit Before Tax & Extra Ordinary Items   | 192.69                | 933.30                |
| <b>Adjustment For:</b>                         |                       |                       |
| Depreciation/ Amortisation                     | 361.83                | 361.89                |
| Proceeds From Government Grant                 | 131.00                | 1,042.92              |
| Proceeds From VAT Reimbursement Claim          | -                     | 278.50                |
| Proceeds From GST Subsidy                      | 59.05                 | 75.33                 |
| Proceeds From NEIIPP (Net)                     | 18.85                 | 9.93                  |
| Accounting of Revenue Grant                    | (563.00)              | (131.00)              |
| Accounting of NEIPP & Other Subsidy            | (25.82)               | (23.64)               |
| Accounting of GST Subsidy                      | (56.91)               | (72.18)               |
| Deferred Income (Capital Subsidy)              | (211.65)              | (211.65)              |
| Interest Paid                                  | 2.51                  | 62.02                 |
| Interest on Income Tax                         | 1.74                  | 0.16                  |
| Other Provisions                               | 10.00                 | 1.55                  |
| <b>Cash Flow before Working Capital Change</b> | <b>(79.71)</b>        | <b>2,327.12</b>       |
| <b>Adjustment For Working Cap Changes</b>      |                       |                       |
| Changes in Current Assets                      | (151.56)              | (75.51)               |
| Changes in Current Liability                   | 119.39                | (248.28)              |
| <b>Cash Generated From Operating Activity</b>  | <b>(111.88)</b>       | <b>2,003.33</b>       |
| Current Tax (Advance Tax Paid)                 | (20.40)               | (242.69)              |
| Interest on Income Tax (Previous Year)         | -                     | (4.01)                |
| Deferred Tax                                   | -                     | -                     |
| <b>Cash Before Extra Ordinary Items</b>        | <b>(132.28)</b>       | <b>1,756.63</b>       |
| Extra-Ordinary Items                           | -                     | -                     |
| <b>Net Cash From Operating Activity</b>        | <b>(132.28)</b>       | <b>1,756.63</b>       |
| <b>Cash Flow From Investing Activity</b>       |                       |                       |



|                                                               |                |                   |
|---------------------------------------------------------------|----------------|-------------------|
| Net Addition/ Purchase of Assets                              | (82.84)        | 29.46             |
| Capital Work In Progress                                      | (65.59)        | (1.58)            |
| Decrease/ (Increase) in Deposit (Maturity more than 3 Months) | 223.74         | (337.20)          |
| <b>Net Cash Flow From Investing Activity</b>                  | <b>75.31</b>   | <b>(309.32)</b>   |
| <b>Cash flow From Financing Activity</b>                      |                |                   |
| Repayments of Borrowings                                      | (12.55)        | (2,412.67)        |
| Receipt From Borrowings                                       | 203.15         | -                 |
| Interest paid                                                 | (2.51)         | (62.02)           |
| Dividend Paid                                                 | (212.65)       | (222.01)          |
| <b>Net Cash Flow From Financing Activity</b>                  | <b>(24.56)</b> | <b>(2,696.70)</b> |
| Net Increase/(Decrease) In Cash & Cash Equivalent             | (81.53)        | (1,249.40)        |
| Opening Cash & Cash Equivalent                                | 91.18          | 1,340.57          |
| <b>Closing Cash &amp; Cash Equivalent</b>                     | <b>9.65</b>    | <b>91.18</b>      |

Sd/-  
(Reep Hazarika)  
**Managing Director**  
DIN: 08667195

Sd/-  
(Pruthiviraj Dash)  
**Director (Finance) & CFO**  
DIN: 08253888

Sd/-  
(Ruli Das Sen)  
**Company Secretary**  
M. No. F4012

As per our separate report on Even Date  
For **RKP ASSOCIATES**  
**Chartered Accountants**  
FRN. 322473E

Place: New Delhi  
Date: 17<sup>th</sup> May, 2023

Sd/-  
(CA Devajit Biswas)  
Partner  
M. No. 304922





## COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA

### COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF BRAHMAPUTRA CRACKER AND POLYMER LIMITED FOR THE YEAR ENDED 31 MARCH 2023.

The preparation of financial statements of Brahma Putra Cracker and polymer Limited for the year ended 31 March 2023 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 auditors 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 Audit Report dated 17 May 2023.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of Brahma Putra Cracker And Polymer Limited for the year ended 31 March 2023 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.

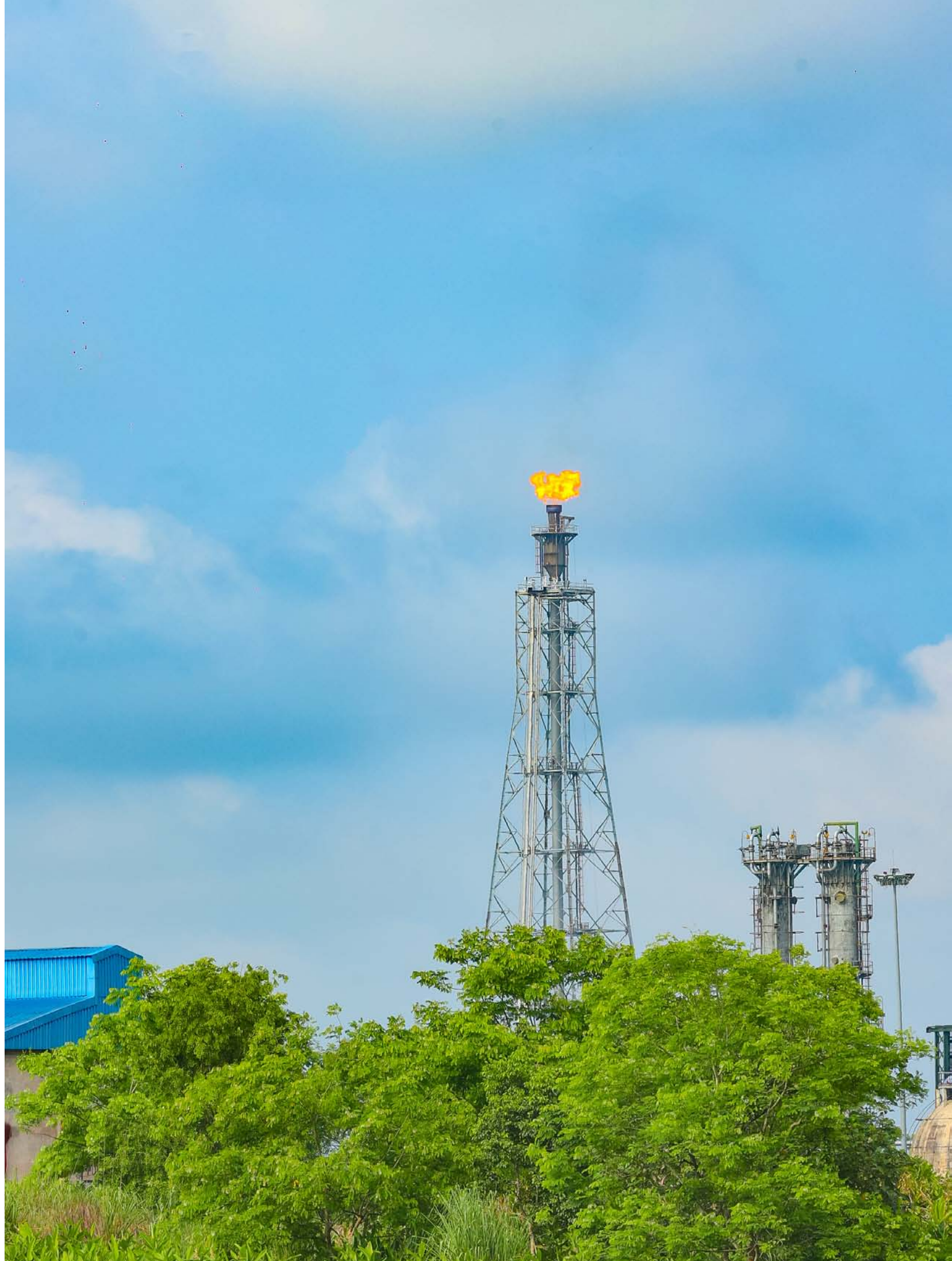
On the basis of my supplementary audit nothing significant has come to my Knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143 (6) (b) of the Act.

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

Place: Kolkata  
Date: 14<sup>th</sup> July, 2023

Sd/-  
(Atul Prakash)  
Principal Director of Audit (Mines)  
Kolkata







**Brahmaputra Cracker and Polymer Limited**  
Registered Office  
1<sup>st</sup> Floor, House No. 6, Bhuban Road,  
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