ANNUAL REPORT 2020-21

Towards sustainable growth

ब्रह्मपुत्र क्रैकर एंड पॉलिमर लिमिटेड

(भारत सरकार का उपक्रम)

Brahmaputra Cracker and Polymer Limited

(A Government of India Enterprise)

Brahmaputra Cracker and Polymer Limited

ANNUAL REPORT 2020-21

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.

Brahmaputra Cracker and Polymer Limited

ANNUAL REPORT 2020-21

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BOARD OF DIRECTORS

Shri Manoj Jain
Chairman

Shri Reep Hazarika
Managing Director

Shri Pruthiviraj Dash
Director (Finance)

Shri Jishnu Barua, IAS
Director
(w.e.f. 25.06.2021)

Shri R K Dutta
Director
(up to 18.05.2021)

Dr. K K Dwivedi, IAS
Director

Shri Kashi Nath Jha
Director
(up to 18.01.2021)

Shri Kapil Verma
Director
(w.e.f. 06-02-2021)

Dr. Ashutosh Karnatak
Director
(up to 20.05.2020)

Shri S K Barua
Director

Shri Harish Madhav
Director

Shri M V Ravi Someswarudu
Director

Shri Saumitra Sarkar
Independent Director

Corporate Identity No. (CIN)

U11101AS2007GOI008290

Bankers

State Bank of India

- Corporate Accounts Group Branch
  4th & 5th Floor
  Parsvnath Capital Tower
  Bhai Veer Singh Marg,
  Gole Market, New Delhi- 110001
- Lepetkata Branch,
  PO- Barbaruah, Dibrugarh- 786007

Axis Bank Limited

4th Floor, Air Conditioned Market Building
1, Shakespeare Sarani
Kolkata - 700 071

ICICI Bank Limited

Registered Office: ICICI Bank Tower
Near Chakli Circle, Old Padra Road
Vadodara - 390 007

Statutory Auditors

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

Internal Auditors

M/s Batliboi & Purohit
Chartered Accountants
National Insurance Building
204, Dadabhoy Naoroji Road
Fort, Mumbai-400001

Secretarial Auditors

CS Ujwal Kumar Kalita
H No 15, Chandra Chowdhury Path
1st Bylane Bhetapara, Beltola
Guwahati 781028

Cost Auditors

M/s Subhadra Dutta & Associates
House No. 29, Krishnanagar,
Chandmari, Guwahati 781003

Registered Office

House No. 6, Bhuban Road, Uzanbazar,
Guwahati, Assam - 781001

BCPL Petrochemical Complex

Lepetkata
P.O. - Barbaruah
District-Dibrugarh
Assam-786007

NOTICE

Notice is hereby given that the Fourteenth Annual General Meeting of the Company will be held on Thursday, the 16th day of September, 2021 at 3.00 p.m. at Radisson Blu Hotel, National Highway 37, Gotanagar, Guwahati, Assam 781033 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, 2021, 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 Balance Sheet as at 31st March, 2021, 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 @ 15.66% per share on the paid-up equity share capital of the Company for the financial year ended 31st March, 2021 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 @ 15.66% per share on the paid-up equity share capital of the Company for the financial year ended 31st March, 2021 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. 16.09.2021."*

3. To appoint a Director in place of Shri Saumendra Kumar Barua (DIN 06503943) 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 Saumendra Kumar Barua (DIN 06503943) 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 Harish Madhav (DIN 08489650), 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 Harish Madhav (DIN 08489650) 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 M V Ravi Someswarudu (DIN 07309877) 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 M V Ravi Someswarudu (DIN 07309877) 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 2021-22 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 2021-22."*

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 Kapil Verma (DIN 9056466), who was appointed as an Additional Director w.e.f. 06.02.2021 be and is hereby appointed as a 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** 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 ₹60,500/-(Rupees Sixty thousand five hundred only) plus GST & re-imbursement of travelling and out–of– pocket expenses at actual payable to M/s Subhadra Dutta & Associates, appointed by the Board of Directors for conduct of cost audit of the cost records of the Company for the financial year 2021-22, 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 : 22nd August, 2021
Place : Guwahati

By Order of the Board

Sd/-

(Ruli Das Sen)
Company Secretary

Notes

1. *Due to the on-going COVID-19 pandemic and pursuant to MCA Circular No. 20/2021 dated 05.05.2020 & 13.01.2021, 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 and the venue may then be deemed to be the registered office of the Company.*
4. *In line with the aforesaid MCA Circulars, the Notice of AGM along with Annual Report 2020-21 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 up to the date of the meeting.*

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

Agenda No. 7

Shri Kapil Verma, Deputy Secretary, Ministry of Petroleum & Natural Gas (MoP&NG) was nominated vide MoP&NG letter No. 31033/1/2016-CA/FTS:42979 dated 19.01.2021 as Government Director on the Board of Directors of the Company vice Shri Kashi Nath Jha with immediate effect for a period of three years on co-terminus basis or until further orders whichever is earlier. Shri Kapil Verma (DIN 9056466) aged 44 years was inducted as an Additional Director w.e.f. 06.02.2021, being the date of allotment of DIN, till the conclusion of this Annual General Meeting.

Shri Kapil Verma is an Engineering Graduate (BE in Mechanical Engineering) from Indian Institute of Technology (IIT) Roorkee and belongs to Indian Defence Service of Engineers cadre (IDSE) of Military Engineer Services (2004-batch). Presently Deputy Secretary in MoP&NG, he has served L&T for a year and ONGC for two years. He has served the Army, Navy, Air Force and DRDO, dealing with strategic projects of national importance.

He does not hold any shares in the Company nor does he hold any directorship/membership in the Board of any other Company. He is not related to any Director or other key managerial personnel of the Company.

The Company has received a Notice under section 160 of the Companies Act, 2013, proposing the candidature of Shri Kapil Verma 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 Kashi Nath Jha is interested in this resolution.

Agenda No. 8

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 Subhadra Dutta & Associates, Cost Accountants (Registration No. 000223) as Cost Auditors to conduct audit of the cost records of the Company for the financial year 2021-22 for a professional fee of ₹ 60,500/- (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 2021-22.

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 Shareholder,

It gives me immense pleasure to inform you that your Company has once again operated the plant at more than its name plate capacity on sustained basis i.e. 106% capacity utilization, surpassing the design efficiency benchmarks. This has been achieved despite a brief setback in performance in the initial period of the financial year 2020-21 due to the ongoing pandemic. A major milestone of FY 2021 was the receipt of ₹1,700 crore on 31st March, 2021 from the Government of India towards feedstock subsidy claims. Your Company also received an exemption from VAT on Natural Gas from the Government of Assam, for 15 years of plant operation from the date of its commissioning. As the financial performance of your Company depends largely on its feedstock prices viz. Naphtha and Natural Gas, enablers like these provide considerable relief. During the year, Polymer market has shown consistent demand with buoyant prices; due to this and consistent efforts, the market share of your Company including that in the Northeast region is steadily increasing. Your Company has achieved a turnover of ₹2,449.66 crore and earned a net profit of ₹739.90 crore. The Board of Directors of your Company has recommended a dividend of 15.66% on the paid-up equity share capital, marking the advent of enhancement of value for the stakeholders.

The financial year has been favourable as Polymer prices remained high, providing cost leverage to your Company. There is a significant improvement in liquidity position with the receipt of feedstock subsidy. Plans for part pre-payment of most of the long-term loans are afoot and necessary action has been taken in this regard. The outstanding balances of short term/ working capital loans is at ₹ 286 crore.

Despite initial disruption due to the pandemic, your Company has performed remarkably well with the net worth increasing to ₹2,811.26 crore from ₹2,073.05 crore in the previous year. CRISIL has upgraded the credit rating of your Company from AA-/stable to AA-/Positive while Acuite Ratings has upgraded their rating from AA to AA+. Your Company was awarded the prestigious "India's best company award of the year 2020" among the petrochemical products manufacturing companies by Berkshire Media LLC, USA.

Having received approval of the administrative ministry for investment in a Butene-1 and 2nd Stage Hydrogenation of Pyrolysis Gasoline plant

at Dibrugarh, Assam at a project cost of ₹ 386 crores, M/s EIL has been appointed as EPCM for the project and the process for selection of licensors is in progress. Environment clearance for both the projects has been received and site enabling works have also commenced. The project will yield value added products and by-products leading to realisation of better margins and wider product slate. Your Company has also initiated actions in consultation with the process licensor towards de-bottlenecking of the plant to enhance the capacity by 27% over the nameplate capacity of Ethylene Cracker Unit (ECU), which would further improve its production capacity and product sales margins.

Health, Safety and Environment has been a focus area for your Company. Safety audits are regularly conducted to ensure implementation of the HSE standards and to check emergency preparedness. Medical surveillance programs are implemented through periodic medical examination at work centres to monitor the occupational health of employees. Regular training of employees, security personnel, contract workers, tanker & truck drivers and other personnel plays an integral part in ensuring safety of people and premises.

This flagship organisation was conceptualised for socio economic development of the Northeast region of the country, and is providing employment to over 600 permanent employees and around 2,600 contractual manpower. It has created opportunities for downstream industries which further generates significant employment opportunities in the region for the vendors, transporters, suppliers etc. In this regard, joint efforts with Government of Assam are underway to make the Plastic Park in Tinsukia more attractive to entrepreneurs. An entrepreneur meet was also organised by your Company in coordination with Government of Assam and other important stakeholders. Despite various challenges, your Company is well on its way to fulfil the dreams of the people of the region.

Your Company has always been socially responsible towards the developmental initiatives in the surrounding areas. During the year, ₹11.50 crore has been earmarked for CSR activities for various projects broadly under Health and Nutrition, Promotion of Education, Swachhata and Sanitation, Skill Enhancement & Alternative Livelihood and Sustainable Development & Rural Development. As part of the Swachhata drive your Company strives to maintain a healthy and hygienic environment at workplace and township. In a commendable initiative, the employees of your Company have contributed one day's salary to the Government of Assam to fight against COVID-19. Recognising the importance of sustainability in ensuring success, various schemes are being implemented to ensure minimum environmental impact.

The management of your Company has been steadfast in its endeavour to comply with the Corporate Governance standards in its true spirit and your Board of Directors is resolute on maintaining transparent business practices with the objective of enhancing stakeholder value. A report on Corporate Governance forms part of the Annual Report.

In recognition of all the efforts, your Company has been a worthy recipient of several awards and accolades in areas of operations, safety, environment, workplace culture and other fronts. It is now important to consolidate efforts to further improve performance and be vigilant to remain relevant and effective in a dynamic business environment.

On behalf of your Company, I extend my sincere gratitude to the Government of India, Government of Assam and the promoter institutions - Oil India Limited, Numaligarh Refinery Limited and GAIL (India) Limited for their continued support in scripting the success story of BCPL. I take this opportunity to solicit the continued guidance of the promoters and stakeholders in helping your organisation to move ahead and fulfil the aspirations of all the stakeholders.

Sd/-

(Manoj Jain)
Chairman

Directors' Report

Dear Shareholders,

On behalf of the Board of Directors, I am pleased to present the Fourteenth Annual Report of the Company containing the audited financial statements for the year ended 31st March, 2021.

Plant Operations and Status.

With the outbreak of COVID-19, hydrocarbon industries across the globe have witnessed shrinkage in margins in recent times. The disruption caused by the ongoing pandemic took a toll on the performance of your Company in the initial period of the financial year 2020-21. I am pleased to share that despite the setback, your Company has been able to successfully and safely operate the plant on sustained basis at 106% capacity utilization during the year under review, surpassing the design benchmarks.

Your Company has constantly endeavoured to overcome challenges related to feedstock supply affecting capacity utilisation through various alternative measures for procurement of Naphtha, Butene-1 and Propylene and has been successful in ensuring stable and sustained operation of the plant. Joint efforts have resulted in improvement in feedstock supply situation. For further improving the viability of existing operations by way of additional gas, your Company is in active discussion with natural gas producers available in the region like OIL India Ltd, ONGC, AGCL as well as private players. For supply of gas to the Lakwa plant, your Company is in active discussions with AGCL and has signed an MoU for supply of natural gas from Golaghat to BCPL Lakwa plant. Both the companies have carried out a joint pre-feasibility assessment and the preliminary results appear to be viable for both. Your Company is also working towards de-bottlenecking of the plant which shall further improve the production capacity and will further increase its market hold and margins. Towards that end your Company has already initiated actions in consultation with the licensor. Your Company is also implementing two projects viz. Butene-1 and 2nd Stage Hydrogenation of Pyrolysis Gasoline (HPG) plants at Dibrugarh at a cost of ₹386 crore, which will help produce value added products and by-products leading to realization of better margins and product slate in the times to come. The Butene-1 plant shall be a 10 KPTA plant producing Butene-1 using ethylene. The plant will provide a consistent supply of Butene-1 reducing dependence on external source. The HPG (2nd stage) plant shall be a 52 KTPA plant. Second stage of hydrogenation of HPG will yield more value added product to meet a benzene specification of 1 Vol % (max) and Sulphur less than 10 ppm wt, so as to blend in gasoline pool. EIL has been appointed as EPMC for implementation of the projects and licensor selection is in progress. Public hearing for obtaining environment clearances was conducted successfully and environment clearance for both the projects is expected shortly.

Despite various challenges your Company has been steadily and consistently improving performance generating operating profits from FY 2017-18 onwards and enhancing capacity utilisation. Since the initial stages of plant operation, various measures have been taken to optimize energy consumption and several schemes undertaken for reduction of losses, emission, blow down, etc. for hydrocarbon & utilities in different process units and utility & offsite facilities. Your Company continuously

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

During the year, 2.85 lakh MT of Polymers and 60,144 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 3.06 lakh MT . It has been your Company's endeavour to prioritize sales in the northeastern region to ensure there is no dearth of raw materials and to enhance market share in the region.

The highlights of achievements during the financial year 2020- 21 are as below:

- Highest ever Polymer Sale during the month of May 2020: 37093 MT.
- Highest ever HPG Sale during the month of May 2020: 5569 MT .
- First trial of manufacturing Bio-compost Manure within in-house facility successfully completed.
- Signing of of MoU with CSIR-NEIST, Jorhat, Assam an esteemed R&D institute on 18th December, 2020 for R&D Collaboration
- Signing of MoU with AGCL on 19th January, 2021 for supply of rich gas from Golaghat to BCPL Lakwa.
- Accreditation of the BCPL Laboratory in accordance with latest NABL standard (ISO/ IEC 17025:2017 valid up to 26th March, 2022)

Awards and accolades :

- Recognition by National Safety Council for commitment towards safety and award of Certificate of appreciation for maintaining a safe and secure environment.
- The prestigious "**India's best company award of the year 2020**" among the petrochemical products manufacturing companies from Berkshire Media LLC, USA.

India's best company award of the year 2020 from Berkshire Media LLC, USA

Signing of MoU, CSIR-NEIST, Jorhat

Shri Reep Hazarika, Managing Director receiving the 19th Greentech Safety Award.

- "**FICCI Chemicals and Petrochemicals Award 2021"** in the category of **Most Environment Friendly Company**.
- Certification as "**Great Place to Work"** by Great Place to Work Institute, India which reflects high-trust and high-performance culture in the company.
- The "**7th Annual CSR INDIA 2020 Award"** in the category of "Promotion of Health and Healthcare" for its outstanding achievements. The award is recognition of BCPL's commitment towards socio-economic development of the people residing in its operational areas.
- The prestigious **20th Annual Greentech Environment Award 2020'** in Petrochemical Sector for outstanding achievement in Environment Management in the category of "Environment Protection".
- The "**19th Annual Greentech Safety Award 2020**".
- Managing Director, BCPL was conferred with "**CEO with HR Orientation Award**" at Global HR Excellence Awards Ceremony 2021 organized by the World HRD Congress at Mumbai on 16th February 2021.

Health Safety and Environment (HSE)

Your Company respects the need for protecting the natural environment and is committed to work to achieve the goals of no accidents, no harm to people and no damage to the environment, in all its endeavours. Your Company is certified under Integrated Management System comprising of ISO 9001, 14001 and OHSAS 18001 standards for Quality, Environment & Occupational health and Safety Management Systems.

Celebration of National Safety Week, 2021.

A Committee of the Board on Health Safety & Environment monitors the compliance of safety guidelines & statutory requirements and relevant issues are regularly being placed before it. The HSE Best Practices in our Company are primarily driven through the HSE Policy in place which is a statement of commitment of the management of our Company.

Your Company is committed to Environment Protection, Occupational Health, Safety of Plants and Pipelines & Personnel. The HSE Policy has been displayed at various locations in the plant. 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. Onsite Emergency Plan, Safety Management System etc. are in place.

Training is a key to the safety of people and premises and accordingly 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, in order to perform their HSE functions effectively and develop an effective safety culture. 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 so as to avoid and safeguard against unsafe actions or conditions. Monthly Safety Day is observed in all units on the 10th of every month to promote awareness on HSE aspects across the organization and to develop a mindset of safety consciousness at all times.

Your Company has implemented medical surveillance programs through periodic medical

examination at work centers to monitor the occupational health of employees. Safety audits are regularly conducted to ensure the implementation of the HSE Standards, Guidelines and Emergency Preparedness. These audits are performed by both external safety auditors and experienced in-house auditors. Audit recommendations are being complied in a time bound manner. To fulfill the statutory requirement as per Assam Factory Rules, 1950, Plant Safety Committee is conducted once in a quarter. Onsite and offsite emergency mock drills are being conducted periodically to check effectiveness of emergency management system. Offsite emergency mock drill was conducted in association with NDRF, district administration, Mutual Aid member group on 18th February, 2021. OISD audit was conducted for all the BCPL units including pipelines and associated installations. In a commendable achievement, Company won the prestigious '19th Annual Greentech Safety Award 2020' in Petrochemical Sector consecutively for the third time. Your Company also received a certificate of appreciation from National Safety Council for maintaining a safe and secure environment.

To increase safety awareness "Best HSE performer award" known as "MD trophy" competition is conducted among all process units. To promote health and hygiene at workplace "Best Housekeeping" competition is also conducted among all process units. The assessment is carried out by a nominated committee approved by the competent authority.

Financial Summary

During the financial year 2020-21, your Company has earned a net profit of ₹739.90 crore from Revenue from Operation of ₹2902.62 crore. As per approved methodology for computation of feedstock subsidy, a claim of ₹1705.35 crore for the period FY 2015-16 to FY 2018-19 was submitted to MoPNG during FY 2019-20 . The claims were considered and the Government of India has released an amount of ₹ 1700 crore on 31st March, 2021 against the same. Actual claim for FY 2019-20 for an amount of ₹ 645.79 crore has also been submitted. The feedstock subsidy for FY 2020-21 have been worked out as ₹ 391.78 crore and the actual claim shall be submitted after audit of accounts for the year. 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. During the year, BCPL also received exemption from VAT on natural gas for 15 years of plant operation from date of commissioning from the Government of Assam.

The ongoing pandemic led to some revenue compression in the initial period of FY 2020-21, however, the situation improved as the normalcy in market conditions returned. Despite COVID-19 related disruptions, the Polymer market has shown consistent demand with buoyant prices and the financial year has been good for your Company. The feedstock price remained low during FY 2020-21 providing cost leverage to BCPL. Your Company was fortunate to receive continued support from the Governments at the center as well as the state in the form of various subsidies and tax exemptions.

The project work of the new value addition plants viz Butene-1 and 2nd Stage Hydrogenation of Pyrolysis Gasoline (HPG) is progressing and environment clearance is expected shortly. The tenders for selection of Licensors for both the projects have been floated. OIDB has released a loan of ₹96.69 crore during FY 2020-21 for setting up of the Butene-1 & HPG (2nd stage) plant.

The financial performance of the company in 2020-21 as compared to 2019-20 is summarized below:

₹ in crore

Financial performance of the Company	2020-21	2019-20
Revenue from Operation	2902.62	2731.38
Other Income	325.24	10.32
Total Income	3227.87	2,741.70
Total Expense	1801.06	2162.34
EBITDA	1426.81	579.37
Less: Interest Cost	235.32	252.43
Less: Depreciation	392.68	390.85

Add: Deferred revenue from Capital Subsidy	211.64	205.95
Profit Before Exceptional Item & Taxes	1010.45	142.04
Exceptional Item	0	1705.35
PBT	1010.45	1847.39
Tax Expense		
-Current Tax	190.64	
-Deferred Tax	79.91	339.79
PAT	739.90	1507.60

With receipt of feedstock subsidy, the liquidity position of the company improved significantly and the outstanding balances of short term/ working capital loans of ₹ 286crore and the inter-corporate loan of ₹150 crore from GAIL were pre-paid. Your Company is also planning to part pre-pay most of the long term loans and necessary action has been taken in this regard.

During the year, the long pending dispute over the shortfall of gas with s OIL has been resolved mutually by both the companies. Under the dispute resolution plan, both OIL and BCPL have agreed to settle the outstanding amount till 30th June, 2020 on 50:50 basis. The necessary accounting adjustments have been done in the current year.

The financial position of your Company by end of the year under review is as under:

₹ in crore

Financial position of the Company	2020-21	2019-20
Net Fixed Asset	6873.18	7,221.00
Borrowings (Long Term)		
-OIDB	893.21	1,010.36
-SBI	1418.48	1,548.36
Borrowings (Short Term)		
-Cash Credit (SBI)	200.23	218.12
-ICICI (WCL)	Nil	105.00
-AXIS (WCL)	10.00	100.00
Borrowings (Inter-Corporate Loan		
-GAIL	Nil	200.00
Paid Up Equity	1417.67	1,417.67
Reserves & Surplus	1393.59	655.38
Net Worth	2811.26	2,073.05

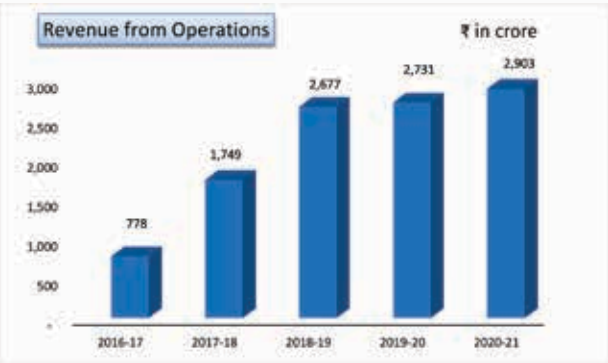
Key Financial Highlights

The plant has operated at 106% capacity in FY 2020-21. It has been possible to maintain the trend of capacity utilization by using additional naphtha to compensate for short supply of natural gas. Polymer prices have caught an upward trajectory since beginning of Q-3 of the financial year and the same sustained for balance part of the year. During the year under review, natural gas worth ₹ 371.03 crore and naphtha worth ₹ 605.07 crore was consumed for producing polymer and by-products which converted to sale of ₹ 2449.66 crore after stock adjustments.

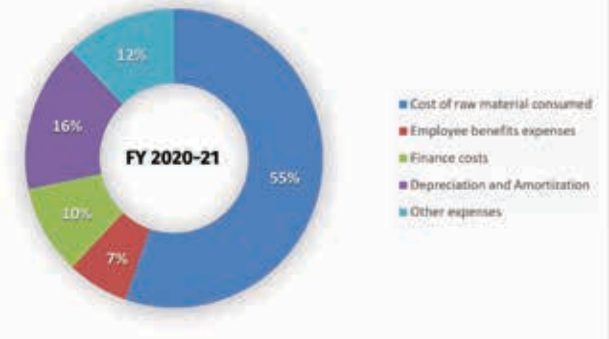
With the exemption of VAT on natural gas extended by Government of Assam w.e.f. commissioning date, reimbursement claim of ₹ 278.50 crore for VAT paid for the period since commissioning till 31st March, 2020 has been submitted. The annual benefit towards VAT exemption shall depend on the price of natural gas and the same is presently around ₹30-35 crore annually. Your Company incurred Capex of ₹78.09 crore during the year out of internal accruals thereby achieving the MoU excellent target of ₹40 crore.

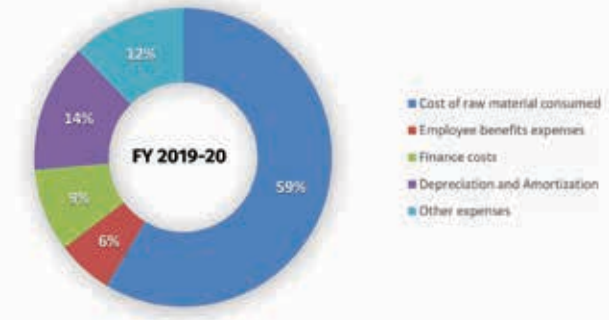
The operating profit of the company improved significantly in 2020-21 as compared to 2019-20 and the same is reflected in EBIDTA/ turnover of 44.20 % in 2020-21 as against EBIDTA/ Turnover of 21.13 % in 2019 -20.

No material changes and commitments affecting the financial position of the Company have occurred since 31st March, 2021 till the date of this report.



Components of total expense





Dividend

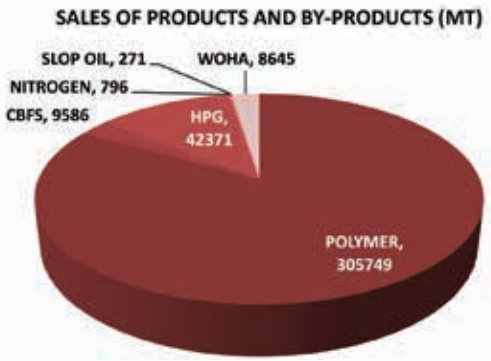
As per DIPAM guidelines on Capital Restructuring of CPSE dated 27.05.2016, 30% of PAT or 5% of Net Worth, whichever is higher, is payable as dividend for the FY 2020-21. For the previous year FY 2019-20 BCPL had applied for exemption from payment of dividends and the same was duly considered and forwarded by MoPNG to DIPAM.

The Board of Directors of the Company has recommended a dividend of ₹ 1.56 (at the rate of 15.66%) per equity share on the paid up equity share capital of the Company, for the year ended on 31st March 2021.

Marketing

Your Company has established its product brand in the market with growing credibility amongst customers. 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 north eastern region and beyond to West Bengal, Jharkhand, Bihar, Uttar Pradesh, Delhi, Orissa, Andhra Pradesh, Telengana, Tamil Nadu to downstream industries with increasing market share. Efforts are on to increase the market share in the northeastern region to maximize realization.

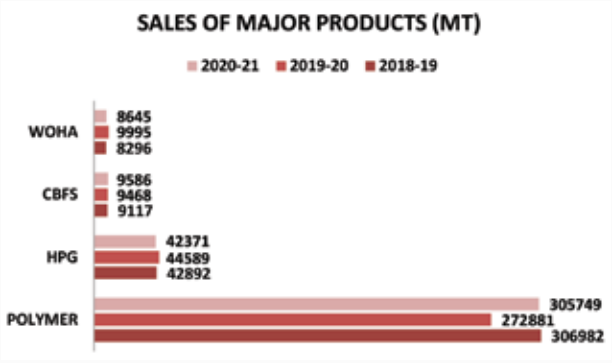
During the year under review a total quantity of 305749 MT of Polymer, 42371 MT of Hydrogenated Pyrolysis Gasoline (HPG), 9586 MT of Carbon Black Feed stock (CBFS), 8645 MT of Wash Oil High Aromatics (WOHA), 271 MT

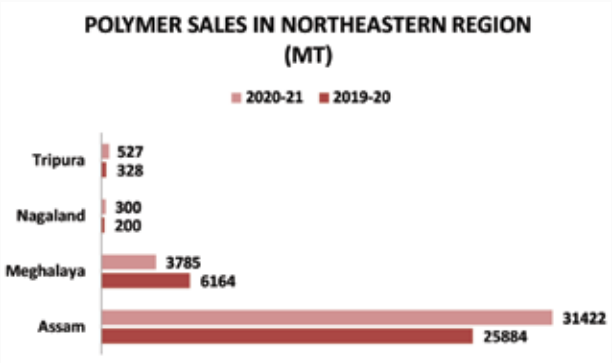


of Slop Oil and 796 MT of Liquid Nitrogen was despatched to various locations in the country, generating a total sales turnover of ₹ 2449.66 crore.

Total 36034 MT material was sold in the northeast region catering to the PE (film & roto) and PP (raffia, injection & TQ-film) consumers.

In all, 48 consignment stockists have been





appointed across various locations in the country including the northeast, for marketing your Company's products which are competitive in terms of quality and price and well accepted in the market. As a matter of fact, appointment of some more consignment stockists including an additional one in Northeast is being planned. Having entered some markets in Thermoforming sector, currently about 70-80 MT Polymer per month is sold in the sector by encouraging the producer to use PP Raffia and PP injection in some quantity.

Your Company's market share of Polymer in the northeast region is as below:

PP Raffia - 90% to 95%

PP Injection Moulding - 90%

PP TQ Film - 95%

LL Film - 80% to 85%

LL Roto Moudling - 60% to 70%

The major highlights of marketing activities during the financial year 2020-21 are as below:

- Entrepreneur meet organised in Tinsukia for the promotion of Tinsukia Plastic Park.
- E-Invoice implemented w.e.f 1st October, 2020 with GST Council
- Smooth dispatch of Polymer and LHC material during lockdown imposed due to COVID-19 by following all the COVID protocols.
- Export of 1930 MT of Polymer to Dhaka, Bangladesh.
- Highest Polymer dispatch in the month of May, 2020 - 33558.450 MT
- Highest HPG sales in the month of May, 2020 - 5569.47 MT.

Achievements against MSME target

The Public Procurement Policy for Micro and Small Enterprises is being implemented in your Company and consistently since FY 2014-15 your Company has been meeting the requisite procurement target from the Government of India MSME sector. Annual procurement order (supplies & services) of the value of 40.12% were issued to MSE vendors in FY 2020-21 against the Government of India target of 25% as per Public Procurement Policy, 2012 as amended w.e.f. 9th November, 2018. 236 MSE vendors were benefitted from your Company during annual procurement (including supplies & services) made through tendering mode (both manual & e- tendering).

Your Company participated in ten on-line Vendor Development Programs on MSE vendors across various locations in India organized by Central & State Government and leading industry associations. The events were fruitful and

appreciated by stakeholders towards increasing the participation from local SC/ ST entrepreneurs in tenders. 72 start-ups have participated in different tenders for procurement of goods and services, out of which 12 were awarded during the financial year. Additionally, entrepreneurs were taught about Udyam registration [applicable w.e.f 1st April, 2021] and ways to utilize the portals like MSME Sambandh, MSME Samadhaan, and MSME Samveg etc. Your Company has also started procuring items/goods through GeM 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	There is regular recording and monitoring of Flare, Fuel, Power, Steam, Nitrogen & other utilities consumption with respect to own benchmark & design values. Periodic in-house energy audit is also carried out. Your company is strictly adhering the guidelines of Bureau of Energy Efficiency (BEE) for energy management under Perform, Achieve, Trade (PAT) scheme.
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 utilisation of 106% 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 (i) Ethylene Cracker Unit - (ii) LLDPE / HDPE Swing Unit - (iii) Polypropylene Unit -	LICENSOR Lummus Technology, USA INEOS, UK Lummus Novolen, Germany
	No new technologies have been imported during the year.	
	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. No new technology has been imported during the year.	
	c. Whether the technology has been fully absorbed	Technologies adopted are largely absorbed as more than 100% capacity utilisation has been achieved.
	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 ₹13.51 crore towards export of polymers to Bangladesh. The total value of forex outgo during

First training session of BCPL Learning Centre

Workshop on stress management

the year is ₹74.34 crore and the imports used in consumption is ₹70.59 crore after considering opening stock.

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 in your Company is 700 (491 executives + 209 non-executives) and the employee strength on 31st March, 2021 was 630 including 438 executives and 192 non-executives (including 02 lien posts). Further, 11 executives were on secondment/deputation from GAIL (India) Limited, the major equity holder. 65.87% of the employees were 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. Further, representation of the OBC, SC and ST categories constitute 29.36%, 13.81% and 8.41%. of the employees respectively. Special recruitment drives have been carried out for recruitment of persons with disability to ensure proper representation in this regard.

Training

Your Company promotes employees to help them acquire new skills, sharpen existing ones to perform better and increase productivity. 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 webinar, covering 919 man days was organized including on fire and safety covering 1009 participants.

Initiatives

Your Company introduced the Communication Matrix so that various issues of the employees can be properly addressed and timely action can be taken to improve employee productivity and plant performance. The matrix has been implemented with an objective to facilitate and provide a platform to employees, association, unions and contractual workers to raise their issues of concern before the management/ senior leaders. Every quarter open forums i.e HR open forum, Services Customer meet and O&M meet were conducted wherein employees had the opportunity to interact about their work environment, systems and processes and other aspects of the workplace for improvement of the same.

Inauguration of 1st House Journal by Shri Reep Hazarika, Managing Director in the presence of Shri P R Dash, Director (Finance) and other senior officials during the 14th Foundation Day

Presentation during Professional Circle

The practice of Professional Circle was introduced in HR Department with the idea of stimulating professional growth of executives through knowledge sharing and leveraging of efforts towards meeting business challenges. This concept is expected to be gradually introduced across the organisation.

The first Public Relations Symposium was organised in the year under review in association with Public Relations Society of India (PRSI), Guwahati Chapter under Chairmanship of the Managing Director, BCPL on the theme *Challenges of PR professionals in NE Region*. Public Relations and Corporate Communication professionals from various PSUs and corporates joined the event which was held virtually.

In order to build a cordial relation with the internal public i.e. the employees, there are various communication tools including the E-Newsletter which is published on a bimonthly basis. The Chief of the company also communicates/greets the employees on every occasion and the same is published by the CC Department.

Moreover social media has a very important role to play in today's business scenario. BCPL has two official social media handles in Facebook and Twitter. Moreover it builds a bond with the organisation's customers which is very crucial for long term success in the petrochemical business.

Your Company continued its efforts towards greater use of Hindi in official work during 2020-21 and has taken the initiative to organize a Hindi seminar annually for Town Official Language Implementation Committee (TOLIC) members. On the occasion of Vishwa Hindi Diwas, the third seminar was held on 12th February, 2021 through online mode in which officials from various Central Government organizations participated. The second batch of employees have performed very well in the Hindi examinations held in the month of November, 2020 under Hindi Teaching Scheme, Ministry of Home Affairs, Government of India. In order to encourage the use of Hindi in official work amongst officers/employees of the company, a Hindi fortnight was organized from 14th September to 28th September, 2020. During the fortnight Hindi special e-magazine *BCPL Rajbhasha Darpan* was released. During the year, various Hindi competitions were organized for employees, TOLIC members as well as school and college students. Your Company is continuing the BCPL Rajbhasha Shield to promote Hindi language amongst the TOLIC member offices situated in Dibrugarh. To promote official language and to motivate the Hindi major students a career counselling seminar was organized for the college students on 9th February, 2020. Every quarter a Hindi workshop was organized for the employees of BCPL as well as TOLIC members on different topics. Your Company published the second issue of its TOLIC Hindi Magazine *Rajbhasha Darpan* on

First O & M Symposium

Execution of BCPL Employees Superannuation Benefit Fund Trust Deed

24th December, 2020. The Department of Official Language, Ministry of Home Affairs, Government of India has awarded the Third prize in "C" region for excellent work in enhancing implementation of Hindi as Official Language for the year 2019-20 to Town Official Language Implementation Committee (TOLIC) (offices), Dibrugarh.

Policy

During the year under review, your Company has taken various new initiatives, revised policies to motivate the employees and ensured an environment of mutual cooperation and shared responsibility between the management and employees. New online portal was implemented for employee's personal claims.

During the year your Company enhanced the stipend of non-executive trainees, also implemented two additional increments to the pay scale of non-executives w.e.f 31st December, 2016. Coverage under Group Personal Accident Insurance Scheme and financial assistance in case of death/ total permanent disablement was enhanced.

Reimbursement of expenses incurred for purchasing mobile handset for employees was also enhanced.

There is 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.

Township

At present more than 600 residents stay in various types of family quarters including A, B, C and D Type as well as in two Bachelors Hostels inside BCPL Township, Barbaruah situated amidst lush and green tea gardens. The 2nd phase of quarter construction is in progress where 36 numbers of A-type quarters and 36 numbers of C-Type quarters will be handed over for accommodating residents at BCPL Township, Barbaruah.

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 kms from the Lakwa Plant.

Presently there is no Township at Duliajan for accommodation of families and employees, but the matter is under consideration.

Staff Welfare Committee

In order to promote various Sports and Cultural activities for the employees and family members, the Staff Welfare Committee (SWC) organized several competitions and programmes to generate an atmosphere of freshness, relaxation and comfort in these trying times of the pandemic.

Supplementing the efforts of the management, the Staff Welfare Committee went the extra mile to lift the morale of every individual in the BCPL fraternity by organizing the first ever Sports and Cultural week 2021 (FESTIVISTA – 2021) in the month of February, 2021. The event showcased

A glimpse of FESTIVISTA 2021 organised by the Staff Welfare Committee

International Yoga Day observed from home

the latent potential and skills of the employees and their family members in varied activities including floriculture, singing, dance, drama, fashion & modelling and track & field. Dr. Bhupen Hazarika Shradhanjali programme, Magh Bihu & Holi celebrations, BCPL franchisee night cricket, Children, Ladies & Veteran's cricket were also held amidst the pandemic adhering to all COVID protocols.

To inculcate a love for music and encourage interest, the SWC has been conducting music classes in Keyboard, Guitar & Tabla, maintaining all extant COVID protocols.

Sexual Harassment of Women at Workplace

Your Company has complied with the provisions relating to the constitution of Internal Complaints 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 work place is in place.

One complaint was received during the year, which was settled through conciliation. The Committee submitted the report/order confirming conciliation to the management within the time limit. Since there was no specific recommendation for any punitive action, the need for taking action by the management did not arise.

Industrial Relations

There is a constant endeavour to create a conducive working environment in the plant by ensuring cordial industrial relations which is the key to increased productivity in industrial establishments.

Your Company maintained cordial industrial relations throughout the year and adopted a consultative approach with the collectives, establishing a harmonious relationship for industrial peace thereby leading to higher productivity. Adoption of pre-emptive and responsive IR policies resulted in a salutary effect on all statutory liabilities towards various social security schemes. Regular meetings are held with the representatives of the various Associations/ Unions to sort out the local issues as well as policy related matters and as a result of timely action there was zero loss of man days during the year under review.

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. Dr Ashutosh Karnatak, then Director (Project), GAIL ceased to be a Director w.e.f. 21.05.2020.

ii. Shri M V Ravi Someswarudu, Executive Director (PC-OM), GAIL India Ltd and

presently also CEO, GAIL Gas Ltd was appointed as Director w.e.f. 22.05.2020.

iii. Shri Kashi Nath Jha, Joint Secretary to the Government of India, Ministry of Chemicals & Fertilizers ceased to be a Director w.e.f 19.01.2021.

iv. Shri Kapil Verma, Deputy Secretary to the Government of India, Ministry of Petroleum and Natural Gas was appointed as Government Director w.e.f. 06.02.2021.

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

Since the project implementation phase, your Company has contributed to society through its CSR initiatives in the areas of healthcare, hygiene, education, infrastructure development & environment, literacy enhancement to the extent possible. Subsequently, not having generated any net profit, your Company was unable to take up substantial CSR projects. Nevertheless your Company has continually been involved in community & health activities and development of nearby areas which bear testimony to its commitment to society even in the face of various challenges and liquidity issues. Having now entered the profit regime, a budget of ₹11.50 crore has been approved for CSR activities for the financial year 2020-21 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. Some of the flagship projects undertaken under BCPL CSR for the financial year 2020-21 are upgradation of infrastructure & addition of facilities including equipment and introduction of specialist medical treatment at Barbaruah Public Health Centre, upgradation of infrastructure & training facility at Emergency Care Department at AMCH, Skill Enhancement & Entrepreneur Development program at ITI, Barbaruah, initiatives towards pure drinking water facility at all the high/higher secondary schools under Barbaruah Panchayat etc. BCPL has complied with the all relevant guidelines on CSR issued by the government in the recent past. The projects are being monitored and implemented through a CSR Coordination Team. A dedicated CSR Team is being developed for the coming years. All relevant guidelines on CSR are being complied with.

Initiatives under the aegis of Swachh Bharat Abhiyan

Your Company is keen to maintain a healthy and hygienic workplace and Township premises. In view of the pandemic situation, PPE kits were distributed to housekeeping workers at plant. In order to emphasize the dream of the Hon'ble Prime Minister of India, "Swachhta Pakhwada" was organized under the aegis of Swachh Bharat Abhiyan. As part of the Swachhta drive, various activities were organized for employees, family members and contract workers to promote awareness on the importance of hygiene. A message was also aired in All India Radio to educate the general masses. In addition to this, cleanliness drives are being undertaken on regular intervals to ensure safe and healthy work environment.

COVID Management

Your Company is adhering to all the COVID protocols being issued by different authorities from time to time while operating the plant. Thermal scanners are used at all entry points and works places are being sanitized on regular intervals. Sanitization units are in place in all the workstations and contactless biometric attendance has also been implemented. Employees are continuously instructed about the necessity for usage of mask, hand sanitizers and

Contribution of employees for COVID- 19 handed over to Shri Sarbananda Sonowal, Hon'ble Chief Minister, Assam by Shri Reep Hazarika, Managing and other officials

Distribution of PPE kits in Sibsagar

frequent hand washing and testing after travel as well as responsible behavior by exposed/ symptomatic employees. Majority of the training programmes and meetings including Board and annual general meeting were organized virtually to ensure safe and secure work environment. Your Company has provided assistance for testing of persons with symptoms, facilitated quarantine in the township guesthouse and is presently also making arrangements to facilitate vaccination of employees with the help of District Authority. Your Company has also made some changes in the work-schedule of its employees /contract workers through which gathering at workplace could avoided to minimize risk of infection of the virus.

Sustainable Development

Your Company recognizes that sustainability is today integral to corporate success which is defined by a wider range of measures beyond the financial, embracing social, environmental and ethical impacts. It has thus been consistent in its efforts to achieve a better and more sustainable future for all and is implementing various schemes to ensure minimum environmental impact.

Sensitive to the impact on environment, your Company has taken appreciable steps in all respects, whether it is air, water, noise or soil pollution or waste management. Pollution control and other environment protection norms are being fully complied with and there has been an endeavour to maintain high levels of precaution and environmental standards along with operational efficiency. Your Company is fully committed to conform to ambient air qualities as well as point source emission qualities as per the standards of Central Pollution Control Board and the State Pollution Control Board. With respect to water conservation and management, the effluent generated in plants are being maintained well within the specifications as prescribed by the Pollution Control Board authorities. With an aim to reduce fresh water intake, a chemical treatment facility for reuse of treated effluent water partly

Inauguration of the Bio Compost facility by Shri Reep Hazarika, Managing Director

Shri Y Suryanarayana, IFS, Chairman and Dr. D N Das, Member Secretary, Pollution Control Board, Assam during a plant visit

Padma Shri Dr. Jadav Payeng, the Forest Man of India planting a sampling and interacting with school students, employees & family members in Dibrugarh on 28th January , 2021

in fire water network and horticulture has been installed.

Your Company follows a holistic approach of reducing generation of waste as a part of its responsibility towards environment and to manage its waste in the best possible ways. Utmost care is given for segregation of different wastes, their storage, treatment and disposal as per the latest environment practices. Co-processing of high calorific value wastes as fuel in cement industries is done successfully. E-waste, battery waste have also been dispatched to authorized recyclers. Bio-medical wastes are 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 is being treated and converted into soil through Bio-remediation facility at effluent treatment plant. Solid wastes have been disposed to authorized recyclers for re-use.

Further, a bio-compost facility has been developed to treat the domestic organic waste at BCPL Township, which converts the waste into bio-fertilizer and the manure is being used in horticulture.

Being an ISO 14001:2015 Company, BCPL is committed towards operational excellence to improve environmental performance in all respects, adhering to all statutory compliances of MoEFCC, Central Pollution Control Board, and State Pollution Control Board, Assam etc. The Environment Team is actively interacting with other leading companies to share best practices to construct a framework for sustainable development of our organization.

Further, the employees have attended various training programs on environment, sustainable development and also participated in an International Conference on virtual mode considering the pandemic COVID 19 situation. Keen to promote environment conservation, various awareness activities and plantation drives in and around the plant areas are carried out on regular basis following the Government guidelines and COVID 19 protocols.

Vigil Mechanism

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.

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 14 RTI queries were received during the financial year 2020-21. Replies to all the queries were duly sent 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 and their report is annexed hereto.

Comments of Comptroller & Auditor General (C&AG) of India

The Comptroller & Auditor General of India has undertaken supplementary audit on the accounts of the Company for the year ended 31st March, 2020 under Section 143 (5) of the Companies Act, 2013. The comments of the C&AG on the annual accounts of your Company for the year under review are also annexed hereto.

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

CS Ujwal Kumar Kalita, Practising Company Secretary was appointed as the Secretarial Auditor of your Company for the year under review and the report along with explanation of the Board to the observations therein pursuant to the provisions of Section 134 (3) (f) of the Companies Act, 2013, is annexed hereto.

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 Directors' 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. A new comprehensive enterprise risk management policy has been recently adopted and the risk organogram has been activated. Quarterly internal audit is being conducted by the Internal Auditors, M/s Batliboi & Purohit, Chartered Accountants, Mumbai. The progress and activities of your Company is being continuously monitored and reviewed at all levels

including the holding company, GAIL, the State and Central Government authorities. M/s Batliboi & Purohit, Chartered Accountants, Mumbai has also evaluated the efficacy of the Internal Control System on Financial Reporting and found the systems in place to their satisfaction. Further, an external agency is also reviewing the IFC in BCPL and their recommendations shall be discussed and adopted suitably. During the financial year, Internal Management Audit Committee (IMAC) has been constituted by the Audit Committee to have micro level reviews of the systems and processes in 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.

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 2020-21.

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

The 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.

However, GAIL vide Deed of amendment dated 08.05.2020 reduced the unconditional and unequivocal corporate guarantee from ₹ 250 crore to ₹100 crore to OIDB in the event of BCPL being unable to fulfill its obligation for repayment of loan outstanding and interest accrued thereon. BCPL has accordingly, amended the Counter Guarantee to GAIL from ₹ 250 crore to ₹100 crore vide Counter Guarantee deed dated 01.10.2020.

Risk Management Policy

The Risk Management Policy in your Company for identification, evaluation and mitigation of risks was framed in the project implementation phase and was rudimentary providing the basic framework. 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.

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 activated the risk organogram and unit level risk owners have been identified. The 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.

Acknowledgement

Your Directors gratefully acknowledge the support and guidance from the Ministry of Petroleum and Natural Gas, Ministry of Chemicals and Fertilizers and the Ministry of Environment and Forests. Your Directors are grateful to the promoters, GAIL, OIL, NRL and Government of Assam and to the lenders, Oil Industry Development Board and State Bank of India for their continued assistance and support. Your Directors acknowledge the cooperation of the entire team of process licensors, the bankers, consultants, suppliers and other intermediaries. Your Directors also acknowledge with gratitude the support and advice extended by the Internal Auditors, the Statutory Auditors, the Secretarial Auditors, the Cost Auditors and the officials of the Comptroller & Auditor General of India. Your Directors appreciate the contribution of the employees in taking your Company forward during the difficult time of the ongoing pandemic.

Sd/-
(Manoj Jain)
Chairman

Dated : 11th August, 2021
Place: New Delhi

Management Discussion and Analysis Report

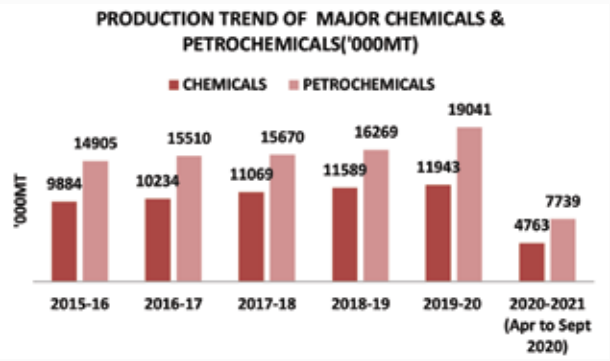
Industry Structure and Developments

The chemical industry employing over two million people and encompassing bulk chemicals, specialty chemicals, Agrochemicals, Petrochemicals and Polymers is an integral part of the Indian industry that has seen significant diversification with over eighty thousand commercial products meeting essential needs and enhancing the quality of life. Providing building blocks for several downstream industries in diverse fields including textiles, papers, paints, varnishes, soaps, detergents and pharmaceuticals, the industry forms the pillar of industrial and agricultural development in the country. Except for a few hazardous chemicals, the industry in India has been de-licensed and proximity to the Middle East, the richest source of petrochemicals feedstock, makes for economies of scale.

A major constituent of the Chemical industry, Petrochemicals which is a downstream hydrocarbon derived from crude oil and natural gas and comprising of Plastics and a plethora of other chemicals, plays a vital role in meeting basic needs and improving quality of life. With immense potential for value addition they cater to the need for a huge range of products of day to day use such as textiles and clothing, agriculture, packaging, infrastructure, healthcare, furniture, automobiles, information technology, power, electronics and telecommunication, irrigation, drinking water, construction and a host of other articles of daily and specialized usage in other emerging areas, its consumption permeating all conceivable areas of the economy. Demand for Plastics, the most used Petrochemical has overtaken other bulk materials like steel, aluminum and cement. Indigenous feedstock supply is however a challenge and feedstock cost is the single largest cost component in the production of Petrochemicals, estimated at 40-60% of total cost.

The United States of America and Western Europe have the largest petrochemical industry at present with Asia and the Middle East expected to catch up in the long run due to major growth in new production capacity and demand. The Middle East and the United States have a feedstock advantage in their access to low-cost ethane owing to abundant natural gas supplies.

Over the last 5 years, India has grown from 7th largest to 6th largest player in the chemical business. The Indian Chemical sector continues to grow at 1.2 to 1.5 times the GDP. As demand surpasses supply, imports continue to grow substantially. At present 30% of India's needs are met by imports. Going forward as India grows from the current $160 billion to $300 billion, the gap between demand and supply will only go up. This gap more often creates large enough size to support world scale capacities for various products. Also, it has been the experience that the demand grows much faster with easy local availability. Thus, even for products where demand has not yet grown to support world scale plants, putting such plants and exporting surplus for a short period will increase demand growth rates as local availability cases. Upcoming Petroleum, Chemicals and Petrochemicals Investment Regions (PCPIRs) and Plastic parks will provide state-of-the-art infrastructure for Chemicals and Petrochemicals sector. The enterprising initiatives and schemes of Government such as Make in India, Aatmanirbhar



Source : Annual Report 2020-21, DCPC

Bharat Abhiyan provide the roadmap for competitiveness of domestic manufacturing.

There are 11 cracker complexes in operation in the country with a combined annual Ethylene capacity of 7.05 million tonnes per annum. The production of polymers accounts for around 72% of the total production of basic major petrochemicals for the year 2020-21 (up to September 2020). The production of basic major petrochemicals in 2020-21 (upto September 2020) was 7,739 thousand MT. The CAGR in production of major petrochemicals during the period 2015-16 to 2019-20 is 6.31%.

The Indian petroleum industry's downward integration into petrochemicals, driven by the developments around alternative fuels is a potential game changer. This shall expand the availability of feedstock and intermediate products for polymer industries.

In the domestic Polymer scenario, non-integrated players including GAIL, PATA, OPAL, HPL and your Company are present in production of PP & HDPE, LLDPE. 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. Presently RIL, IOCL, HPL and GAIL are the major players in the domestic petrochemical industry

Commonly used Polymers include Polypropylene (PP), Poly vinyl chloride (PVC), Polystyrene (PS), Polyethylene (PE) 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 primary products of the Company, PP, LLDPE and HDPE are essentially used in the manufacture of plastic products.

Besides the regular drivers, the growth in global packaging market due to increased demand for FMCG and pharmaceutical packaging and rising E Commerce sales since the onset of the Covid -19 pandemic and lockdown, has been a major growth driver that has sustained the demand for chemical and petrochemical products through the rough times. Polymers proved their resilience, worth and value during the pandemic. A high consumption of packaging products is being witnessed due to increased demand for healthcare and hygiene products like vials, atomizers, syringes and cartridges. Increasing government investments in manufacturing PPE kits has given the Indian Polypropylene market a tremendous boost. Sales in automobile industry a major consumer of PP impact copolymer and Plastics, have begun to improve from July 2020, after reports of reaching almost zero during the full-fledged lockdown enforced as a result of the coronavirus pandemic in March-June, 2020. One of the major drivers for this demand revival is the apprehension of using public transport during the pandemic. It is reported that job losses in the Polymer industry were relatively lower compared with many other industries in the country *(Source: ICIS).* With an estimated per capita consumption of only 11kg for Polymers as compared to the world average of 28 kg, the potential for Polymers is immense particularly in view of the sudden spurt in consumption brought on by the pandemic.

Strengths and Weaknesses

Surpassing the design benchmarks the plant was operating during the fiscal with average capacity of 106% employing over 600 permanent employees and around 2600 additional manpower under contract. A substantial part of the human resource comprises of young, tech savvy and vibrant employees who have contributed to the growth of the organization with their verve and involvement, adapting easily to the ever changing dynamics of process, technology and other priorities. The plant has upped employment prospects and created opportunities for not only investment in downstream industries but also for vendors,

transporters, suppliers and other service providers. Efforts are continuously being made in sync with the government both at the centre and the state, 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.

The brand image of your Company is excellent with its products having gained wide acceptability as quality Polymers. It is commendable that your Company has been able to gain a reputation as major player in the petrochemical sector in the country over a remarkably short period. Overcoming Covid related disruptions, your Company witnessed a sales figure of 3,05,749 MT during the financial year under review

Feedstock, the biggest contributor to cost of production has been a constraint from the initial stages with constant efforts being made for resolution through various alternative measures for procurement of Naphtha, Butene-1 and Propylene which have helped ensure stable and sustained operation of the plant. Other challenges include high fixed cost which is common to all petrochemical plants coupled with sub-optimal capacity of the plant. With the recent approval of feedstock subsidy by the Government of India and release of first installment of ₹ 1700 crore, considerable relief is expected on this front and request has been made for early release of full claim.

The strong backing of the promoters having formidable reputation and experience in the industry has undoubtedly been your Company's biggest strength. Contributing equity and supplementing expertise and trained manpower since the early stages, much of the success of the gas cracker project is owed to the combined benefaction of the promoters. Additionally, 100% evacuation of the products and by-products is being ensured through an agreement with the holding company, GAIL (India) Ltd. which has an established marketing network.

Location of the plant in the far northeast coupled with inadequate infrastructure and connectivity has from the start been a constraint both for marketing of products and recruitment and retention of manpower. In the absence of adequate market in the region, realization from sale in distant markets has been lower due to the freight disadvantage. However, with new employee incentives and improvement in communication, the manpower situation is far improved. Constant endeavour is made to prioritize sales in the northeast which has borne fruit for, in a heartening development, the number of plastic processing units in the north eastern region has increased from 158 in 2014 to 235 in 2020 with a promise of growing market potential. Taking advantage of its proximity, your Company is exporting Polymer to neighbouring Bangladesh and is exploring export potential in other members of ASEAN.

Plastics as a product is hard to do without considering its cost and durability and its use can be seen in a magnitude of articles of personal as well as commercial use. The growing trend of replacing wood with plastics, particularly in the furniture and construction sectors due to easy availability of raw material bodes well for conservation of the fast depleting forest reserves of the north-eastern region.

Opportunities and Threats

The administrative control of your Company has shifted in the last fiscal from the Ministry of Chemicals and Fertilizers to the Ministry of Petroleum and Natural Gas (MoP&NG) as per approval of CCEA vide OM No. 45012/10/2014-PC-I (FTS:6169) dated 01.01.2020. This shift is a positive change bringing better synergy with the promoter organisations- viz. GAIL, OIL and NRL, all of which are under the umbrella of the MoP&NG.

As the world's third largest Polymer consumer, Polymers in India account for approximately

72% of total production of basic major petrochemicals. With existing low levels of per capita consumption of Plastic estimated at 11 kg, the potential for growth in India is huge. The majority of Indian petrochemical companies has evolved from petroleum refineries with the intention of achieving higher realisation. Despite the environmental concerns on the use of Plastic, there is no denying the fact that a close substitute in an ever growing range of products would be difficult to come by in terms of durability and cost. Both refineries and domestic petrochemical players are expanding their petrochemical capacities. Given the strong underlying demand trends, India's petrochemical sector is expected to witness a significant investment boom, with a number of multibillion-dollar capital investments either already being implemented or expected within the next five years. Furthermore, with recent revisions in the basic customs duties of naphtha and petrochemicals, further traction in investments is expected in the coming years.

Oddly enough, after the initial setback, the Covid -19 pandemic has given an impetus to the Polymer industry with rising demand for packaging material for healthcare products and E Commerce especially for FMGC goods. With the pandemic, due to the importance of Plastic, opinions and laws on the use of this material changed globally and some existing laws were suspended. Demand has gone up due to increased use of vials, syringes, atomisers and other medical/sanitation products. The importance of Plastic in the manufacture of hospital devices, respirators, Covid tests and personal protective equipment (PPE) is undeniable as they contribute to the reduction of the virus spread, helping health systems globally in saving lives. However, the same material that is a protector becomes a contaminator due to indiscriminate disposal, polluting the environment and water bodies, the danger being greater as they carry traces of the pathogen. Governments the world over therefore need to address this issue and in the post-pandemic scenario, paradigm shifts in waste management should be one of the priority issues. In what could be a significant setback for the Polymer industry, the Government of India has proposed to ban the manufacture, use, sale, import and handling of some single-use plastic items on a pan India basis in view of high environmental costs associated with management of single-use plastics, particularly the adverse effect on the marine environment. The Environment Ministry has in March, 2021 unveiled a set of draft rules that propose to ban several categories of single-use plastic items in keeping with the Hon'ble Prime Minister's announcement in 2019 on phasing out single-use plastic by 2022. The draft Plastic Waste Management (Amendment) Rules, 2021 is proposed to be implemented in three stages starting this year and culminating in mid-2022. With increasing concerns over sustainable environment, there is a shift towards using sustainable polymers. Generating awareness on developments in the field of biodegradable and photodegradable plastic resulting in improved product quality with reduced adverse effect on environment has therefore become imperative.

Besides environmental concerns, the Plastic processing industry faces multiple challenges including lack of advanced technology, limited infrastructure, particularly electricity, & unpredictability of feedstock prices. The lack of proper infrastructure, particularly electricity, has always been one of the major deterrents to investment in the sector. Here the initiative of the Government, the National Infrastructure Pipeline (NIP) for FY 2019-25, a first-of-its-kind, whole-of-government exercise is expected to provide world-class infrastructure to citizens and improving their quality of life. The transport sector including well-developed roads and highways, a widespread railway network, fast-growing aviation and developing ports, shipping and inland waterways infrastructure in India, is expected to grow at a CAGR of 5.9 percent thereby becoming the fastest growing area of India's infrastructure sector. The India Investment Grid has a vision to provide last mile connectivity

and electricity connection through targeted installation of 175 GW of renewable energy capacity in the state of Assam. In the meantime, substantial effort would be required from the stakeholders to overcome the challenges and achieve optimal results.

The Hydrocarbon Vision 2030 released by the Ministry of Petroleum & Natural Gas in 2016 envisages economic development in the northeast region by leveraging the region's hydrocarbon potential, enhancing access to clean fuel and accelerating growth of the region. Feedstock cost, the largest component of the cost of producing Polymers is high in India as compared to the Middle East. Indradhanush Gas Grid Limited (IGGL), a Joint Venture of IOCL, ONGC, GAIL, OIL and NRL was incorporated in August, 2018 for implementing the Hydrocarbon Vision 2030. IGGL has moved ahead towards fulfilling the Government's vision for developing the 1650 km long North East natural gas pipeline grid and viability gap funding/capital grant to the extent of 60% of the estimated total cost of the project has been approved by the Government. 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. The grid would also connect to sustainable and viable gas sources in the northeast and it is expected that this gas grid will make additional gas available to your Company which has since beginning been dogged by natural gas supply constraints. Due its unique location, your Company has an option of sourcing feedstock from the neighbouring countries like Myanmar and Bangladesh in future provided it is viable and is supported by adequate transport infrastructure and Government policy. Taking into account the gas availability in future, your Company is working for expansion/capacity enhancement of the Plant.

Your Company's proposal for setting up of a Butene-1 and 2nd Stage Hydrogenation of Pyrolysis Gasoline plant at Lepetkata, Assam at a cost of ₹ 386 Cr to overcome the difficulties in sourcing of co-monomer Butene-1 was approved by the Government of India in June, 2019 and Engineering and Project Management Consultancy was awarded to M/s EIL on 31st January, 2020. Various works and clearances are in process and global tender for licensor selection is being floated shortly. The investment will ensure value addition leading to realization of better margins and product slate in future.

The Vision Statement 2024, Department of Chemicals and Petrochemicals envisages taking advantage of the gap between domestic production and consumption of Polymer, to establish India as a leading chemicals & petrochemicals manufacturing hub with a thrust on reduction in import dependency by attracting investments for manufacturing quality products using cutting edge technology in specified clusters with focus on sustainability. The National Policy on Petrochemicals aims to achieve sustainable development for the petrochemical industry by promoting research and development and human resource planning and development to cater to the needs of the industry by adopting a mission mode approach.

The end products of petrochemicals such as polymers have become inevitable in almost all areas such as packaging, automotive, infrastructure, transport and telecommunication. R&D efforts and diversification of usage in an environmentally friendly and competitive way with scalability of projects in new areas would strengthen the Indian petrochemical sector. The number of Centre(s) of Excellence (COE) being set up in existing educational and research institutions working in the field of polymers to improve existing petrochemical technology and research in the country and to promote the development of new applications of polymers and plastics, is steadily increasing. So far, eleven COEs have been set up including in several IITs, addressing an array of pertinent subjects including sustainable green materials, speciality polymers and manufacturing of next generation bio-medical devices. The Central Institute of

Plastic Engineering and Technology (CIPET) which is a Centre for Skill and Technical Support (CSTC) has also been set up to develop manpower in different disciplines of Plastics Engineering and Technology with centres all over the country including two in the northeastern region at Guwahati and Imphal. So far, CIPET operates at 37 locations spread across the country which includes 7 Institute of Plastics Technology (IPTs), 23 Centres for Skilling and Technical Support (CSTS), 3 School for Advanced Research in Polymers (SARP), 3 sub-centres and 01 Plastics Waste Management Centre. The Government has also set up Petroleum, Chemicals and Petrochemicals Investment Regions (PCPIRs) which are clusters that provide investors with high-class infrastructure and a competitive environment conducive for setting up businesses with a view to bring together manufacturing facilities, logistic and other services, required infrastructure, residential and administrative areas etc. to provide common infrastructure and support facilities.

At the state level, Assam completed the reforms stipulated by the Department of Expenditure, Ministry of Finance, under the 'Ease of Doing Business' which is an indicator of growth of the state economy and facilitator of investment friendly business climate. The North East Industrial Development Scheme (NEIDS) in force from 2017 to 2022 with various incentives on investment, interest, insurance GST, income tax, transport and employment, provided to new units in manufacturing and services sectors is expected to speed up industrial development and downstream industries in the NE region.

A highly fragmented industry, unreliable power and comparatively high energy costs in India are major constraints on optimal capacity utilization in the plastic processing sector. Downstream industries in the petrochemical industry in India are mostly in the MSME sector which faces varied constraints including lack of adequate capital, poor infrastructure, access to modern technology, access to markets and getting statutory clearances related to power, environment, labour etc.

Nevertheless, considering how indispensible Polymers are in providing critical inputs to all major sectors in the economy, your Company is in an advantageous position to tap the available potential in the northeastern region having the lowest per capita consumption (4 kg) in Polymers in the country. This coupled with lack of any major competition in the region augurs well for marketing its products in the region besides exporting to neighbouring countries.

Segment wise or Product wise Performance

During the year, 2.85 lakh MT of Polymers and 60,144 MT liquid hydrocarbons were produced. A total quantity of 305749 MT of Polymer, 42371 MT of Hydrogenated Pyrolysis Gasoline (HPG), 9586 MT of Carbon Black Feed stock (CBFS), 8645 MT of Wash Oil High Aromatics (WOHA), 271 MT of Slop Oil and 796 MT of Liquid Nitrogen were sold to various locations in the country,

LLDPE sale is the major contributor to total sale. The company operates in petrochemical segment and plays a dominant role in the North East Region. The company also enjoys its geographical proximity to emerging market such as Bangladesh and during the year the company exported 1930 MT polymer. The company is also exploring to make profitable forays in to Nepal & Bhutan.

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. Your Company endeavours for continual improvement across all facets of energy management which include generation, distribution and consumption. Dedicated teams are working on monitoring, reporting and periodic energy audits and benchmarking with other petrochemical units with like technology to enable your Company to improve energy performance as well as for continual improvement in production

efficiency and upholding global competitiveness.

Your Company is committed to enhance customer satisfaction and standardizing business processes through the implementation of Quality Management System. Product quality benchmarking is done to sustain the global industry standards. To monitor and maintain the quality of the products, your Company has a NABL accredited Laboratory 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. For benchmarking the product quality and to compete with the global standards, your Company participates in Inter Laboratory Comparison (ILC) testing and Proficiency Testing (PT) every year with the organizations working in the same field and the results always remain within the specifications.

Outlook

The implementation of a national lockdown in India on March 24, 2020 brought economic activity to a halt, affecting both production and consumption. According to the World bank, this lead to negative growth in the first half of the fiscal year and only modestly positive in the second half. The World Bank estimated that over the entire FY 2020-21, India's economy contracted by 8.5 %. But due, to a great extent, to several proactive monetary and fiscal policy measures by the Government and the Reserve Bank of India the economy is expected to rebound - with a strong base effect materializing in FY 2021-22 - and growth is expected to stabilize at around 6-6.5 % thereafter. Prospects of an economic rebound in South Asia are firming up as growth is set to increase by 7.2 percent in 2020-21 and 4.4 percent in FY 2021-22, climbing from historic lows in 2020 and putting the region on a path to recovery despite uneven economic activity far below pre- COVID-19 estimates. The various financial and economic packages offered by the Indian government to offset the lockdown losses and efforts to keep COVID-19 caseload under control and swiftly roll out its vaccine campaign promises to push the country to bounce back in earnest. The strategy and economic impact during the ongoing second wave of the pandemic however, remains to be seen.

During the nearly three-month national lockdown, not only did demand in India's plastics industry crash, but there was also a heavily reduced labour force, transportation problems and a severe credit crunch. Certain sectors in the industry which include the monofilament and raffia sector, health and hygiene sector, and multilayer film sector have however shown some resilience and improvement and the pandemic crisis has also helped the industry focus on new materials especially in the medical sector. The industry has since, seen a resurgence in demand. A fundamentally strong economy and widespread use of plastics across all sectors, often replacing conventional material, has sustained the industry through difficult times. Since the outbreak, a rise in the demand for packaging materials for food, medicine, personal care, and medical products has combatted the impact on the Polymer industry to some extent.

The Chemicals industry in India is highly diversified, covering more than 80,000 commercial products and broadly classified into Bulk chemicals, Specialty chemicals, Agrochemicals, Petrochemicals, Polymers and Fertilizers. As per export and import figures of the Ministry of Chemicals and Fertilizers, exports of chemicals and chemical products (excluding pharmaceutical products and fertilizers) contributed 14.9% of total export in the year 2020-21 (upto September 2020) compared to 12.4% in the year 2019-20 during the corresponding period. Imports contributed 14.4% of total imports in 2020-21 (upto September 2020) which was 11.1% in the year 2019-20 during the same period. CAGR in export of total chemicals and chemicals products (excluding pharmaceutical & fertilizer products) during the period 2015-16 to 2019- 20 is 11%

while CAGR of total national export is 6.64%. CAGR in Import of total chemicals and chemicals products (excluding pharmaceutical & fertilizer products) during the period 2015-16 to 2019-20 is 8.25% while CAGR of total national import is 7.78%.

Long term outlook of the petrochemicals industry is promising and demand will remain robust from major consumer segments such as packaging, automobiles, consumer durables, construction, and irrigation. With COVID -19 expected to linger, Plastics 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 kids, 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.

As a net importer of Chemicals in general and most polymers in particular, India has promise for expansion of existing and adding of new capacities. The major constraint for capacity additions in Polymers is the unavailability of feedstock olefins owing to lack of sufficient cracker capacity. This is gradually easing due to adding of cracker capacities and flexibility in switching between alternative feedstock in dual feed crackers. From the perspective of your Company, the upcoming natural gas grid in the northeastern region augurs well for easing the feedstock constraints in the near future

Plant operations in your Company are steady and sustained with capacity utilization of 106 during the financial year. With GAIL as the sole marketer, the products are sold to downstream industries and the market share of your Company in Polymer is increasing consistently and presently stands at more than 90% in the north-eastern region (for the grades produced) where 11.81% of its products were sold in FY 2020-21.

The number of plastic processing units in NER increased from 158 in 2014 to 235 in 2020 and it is the constant endeavor of your Company to prioritize sales in the region to maximize realisation. Entrepreneur development activities are being regularly conducted across the region to create awareness regarding plastic downstream industries. An exercise for enhancement of Polymer production capacity by 30 % through de-bottlenecking has been initiated pre-feasibility studies are being carried out for expansion of polymer capacity based on additional availability of feedstock in NER.

Risks and Concerns

Shortage of feedstock has been the major concern for the petrochemical industry resulting in plants of suboptimal capacity. Being highly capital intensive, petrochemical plants need an optimal size to generate benefits and feedstock constraints both in terms of quality and quantity hinder feasibility. Feedstock cost is the single largest component of cost of production for Polymer industry. Despite firm arrangements by the Government of India for feedstock availability for 15 years of plant operation for

Quality Circle team event

Public hearing for the Butene 1 plant.

your Company, fluctuations in feedstock prices is a major worry. Your Company's plant has been facing constraints in both quantity and quality of natural gas and supply of naphtha and has had to use more naphtha at higher cost to compensate for the shortfall of natural gas in order to sustain production levels. Approval of feedstock subsidy by the Government of India and release of ₹1700 crores during the year under review has mitigated the effects to some extent.

Your Company does not as yet have a captive generation facility for Butene- 1, a co-monomer required for the production of polyethylene, and has therefore been facing considerable challenges in sourcing the raw material. On the upside, your Company's proposal for setting up a captive Butene 1 and 2nd Stage Hydrogenation of Pyrolysis Gasoline plant is now moving forward for which selection of Licensors and obtaining of environmental clearances are presently in process.

The Plastic Park in Tinsukia approx 50 km away from the BCPL plant, with various opportunities including investment in injection moulding, blow & roto moulding and extrusion moulding facilities has unfortunately not been able to generate the desired interest which could boost downstream industries. 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.

Your Company is the beneficiary of governmental support in the form of feedstock and other subsidies and in a major relief the Government of India has in December, 2019 approved feedstock subsidy amounting to approximately ₹4600 crore for 15 years of plant operation, out of which ₹1700 crore was released in FY 2020-21. Exemption from VAT on feedstock for 15 years has also been cleared by State Cabinet and claims are expected to be released shortly. The plant viability is dependent on continuation of these benefits and there is always a risk of non-viability should such support be discontinued in the future due to changing government policy.

The proposal for implementation of revised pay scales remains pending with the Government for over three years now and needs to be considered expeditiously to boost the morale of the employees.

Plastics invariably bear the stamp of a pollutant despite being an essential commodity finding use in all spheres of our daily lives. Mismanaged disposal leading to environmental pollution is the root cause, rather than its use. Sensitization as well as regulation on the use and disposal of plastics is therefore of paramount importance to combat the negative perception. There is wide scope for industries based on re-cycling of plastics waste and having effective guidelines in place could not only address the issue of environmental degradation but also generate capital.

The north eastern region of the country has suffered from a number of logistics handicaps including infrastructure such as electricity, communication and transportation. Banking and finance are sporadic and unevenly distributed among urban and rural areas. Amenities are limited in nature, and the lack of economic opportunities prompts migration, particularly that of skilled resources to work and live in better developed and developing parts of India. Private investment in the region has been challenged by high transaction costs coupled with a negative perception on business environment. Government initiatives, programmes and economic reforms including the Act East Policy are however expected to alleviate the situation and bring in better investments for this region which can outperform any other part of India

in terms of availability of natural resources and international border. Its remoteness of location in terms of the nation is however combatted to an extent by the unique advantage of being ideally located to Myanmar, Bangladesh and other ASEAN countries with promising market. Your Company is already marketing its products in Bangladesh.

The biggest concern looming large at present is the ongoing second wave of the COVID-19 pandemic which poses a threat to economic recovery in India. The second wave of infections presents a risk to growth forecast which was improving, as the re-imposition of virus management measures will curb economic activity and could dampen market and consumer sentiment. The demand for Plastics in medical, health, hygiene and packaging products is expected to sustain the Polymer industry during these challenging times.

Your Company has a risk management policy which is in the process of being updated. Various risks are being periodically reviewed to identify and mitigate financial, operational and other risks. 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 having 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 Auditors, M/s Batliboi & Purohit, Chartered Accountants, Mumbai. The progress and activities of your Company is being continuously monitored and reviewed at all levels including the holding company, GAIL, the State and Central Government authorities. M/s Batliboi & Purohit, Chartered Accountants, Mumbai has also evaluated the efficacy of the Internal Control System on Financial Reporting and found the systems in place to their satisfaction. Further, an external agency is also reviewing the IFC in BCPL and their recommendations shall be discussed and adopted suitably.

Financial Performance with respect to Operational Performance

The plant has operated at 106% capacity in 2020-21. BCPL has been able to maintain the trend of capacity utilization by using additional naphtha to compensate for short supply of natural gas. The polymer prices have caught an upward trajectory since beginning of Q-3 of the financial year and the same sustained for balance part of the year. During the year, BCPL consumed gas of ₹ 371.03 core and naphtha of ₹ 605.07 crore for producing polymer which converted to sale of ₹ 2449.67 crore after stock adjustments.

India saw a V-shaped recovery from the Covid-19 related disruptions as most consumption and industrial indicators were back in positive growth territory in the September-December quarter after being in deep negative in the June quarter. The business environment for petrochemicals in domestic market improved sharply in the second half of the year with gradual easing of lockdowns and revival in economic activities, resulting in demand recovery to near pre-COVID levels by the end of the year. Your Company has been able to demonstrate both resilience and agility

resulting in more than 100% capacity utilization of the plant despite Covid-19 related challenges. With supportive price trend, your Company managed EBITDA margin of 39% (*without considering reimbursement of VAT on gas for prior period) in FY 2021 against 21% in FY 2020 and the same demonstrated strong upside for the petrochemical business during the year.

The significant improvement in plant operations was noted by the lenders and credit rating agencies. As a result, CRISIL has up-graded the credit rating of the company from AA-/stable to AA-/Positive. Another rating agency, M/s Acuite Ratings have also upgraded their rating from AA to AA+ for BCPL.

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

The total sanctioned manpower strength of your Company is 700 (491 executives + 209 non-executives) and the employee strength on 31st March, 2021 was 630 including 438 executives and 192 non- executives out which 02 were lien posts. 11 executives were on secondment/ deputation from GAIL (India) Limited, the major equity holder.

In the year under review, 919 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.

Women's Day celebration - Donation of wheelchair by Women employees

Foundation Day, 2021 -Felicitation of employees completing ten years of service

Communication Matrix was introduced with an objective to facilitate and provide a platform to employees, association, unions and contractual workers to raise their issues of concern before the management/senior level employees. Open forums were organized as part of this initiative.

In the year under review, the 1st Public Relations Symposium was organized for Public Relations and Corporate Communication Professionals working in various organizations based in NE.

Your Company received many awards and accolades including certification by Great Place to Work. Your Company is operating while maintaining COVID protocols and abiding by guidelines issued by various authorities.

Industrial relations remained cordial during the year.

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

Your Company has remained steadfast in its responsibility towards conservation of the environment. Pollution control and other environment protection norms are being fully complied with and there has been an endeavour to maintain high levels of safety and environmental standards along with operational efficiency.

A modern effluent treatment plant ensures proper effluent discharge within the prescribed limits and it is fully functional. Conversion of oil sludge into natural soil is being done through the bioremediation facility. A chemical treatment facility for part reuse of treated effluent water in fire water network and horticulture has been installed. Online continuous quality monitoring systems for treated water, stacks monitoring and ambient air quality monitoring installed which is 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, meteorological data monitoring etc. are also being carried out by an MoEF&CC approved third party.

Your Company celebrated World Environment Day (WED) on 5th June, 2020 with tree plantation and various other programs including inauguration of a souvenir "Envicare Vol. II" following the Govt. guidelines and protocols of pandemic COVID 19, joining the worldwide campaign for creation of awareness for protection of our precious environment. Your Company also celebrated Van Mahotsav on 1st July, 2020, National pollution control day on 2nd November, 2020 and World Water Day on 22nd March, 2021 including earth day, earth hour for creating awareness on conservation and acknowledged its commitment as a responsible corporate citizen.

With an aim to spread awareness for the protection of our environment and ecosystem, your company organizes different events during World Environment Day, including large scale tree plantation, awareness drives among its stakeholders. Your company also observed the Oil & Gas conservation drive under "Saksham-2021" to spread the awareness and importance of non-renewable energy sources. As a part of "Saksham-2021", BCPL organized an awareness cum interactive programme on 28th January, 2021 for students from nearby schools by the environmental activist and forest man of India Padma Shri Dr. Jadav Payeng. More than 600 students from nearby schools were present in the programme. The cyclothon was also organized by BCPL as part of Saksham 2021 in association with few cycling clubs of Assam so as to create awareness on Oil & Gas conservation, protection of environment and physical fitness. All the activities were carried out following the Govt. guidelines and protocols of pandemic COVID 19.

Your Company won the prestigious "FICCI Chemicals and Petrochemicals Awards 2021" in

Shri Reep Hazarika, Managing Director, Shri Pruthiviraj Dash, Director (Finance) and other officials during Van Mahotsav

the category of Most Environmentally Friendly Company & "20th Annual Greentech Environment Award 2020" in Petrochemical Sector for outstanding achievement in Environment Management.

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

Corporate Social Responsibility

Your Company believes in sustainable business practice and has been implementing various development initiatives since the beginning to promote inclusive growth. Having now entered the profit regime, a budget of ₹ 11crore 50 lacs has been approved for CSR activities for the financial year 2020-21 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. The projects are being monitored and implemented through a CSR Coordination Team. A dedicated CSR Team is being developed for the coming years. All relevant guidelines on CSR are being complied with.

Health check-up Camp at Dibrugarh

Shri Reep Hazarika, Managing Director receives the FICCI Chemicals and Petrochemicals Award 2021 in the category of Most Environment Friendly Company from Shri Mansukh L Mandaviya, then Hon'ble Minister of State (Independent Charge), Ministry of Ports, Shipping and Waterways & Minister of State, Ministry of Chemicals & Fertilizers at the India Chem 2021 conference held at New Delhi on 17th March 2021.

Data Source: *DCPC Annual Report 20-21, reports by Invest India, World Bank, 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.*

Report on Corporate Governance

Company's Philosophy

Your Company is committed to the adoption of best governance practices applying sound management systems and adhering to compliance of laws in a highly transparent and ethical manner with emphasis on integrity and accountability to foster confidence of the stakeholders and the public and to enhance long term stakeholder value.

Board of Directors

As on 31st March, 2021, the Board of Directors of your Company consisted of ten 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 Director. The Nominee Directors are appointed in accordance with the Joint Venture Agreement and the Articles of Association of the Company. Appointment of another Independent Director against vacancy has been in process with the Government.

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 #		No. of Committee* Memberships / Chairmanship in other companies#		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 Manoj Jain** (DIN 07556033) Chairman & Managing Director GAIL (India) Ltd.	Chairman	5	1	-	-	5	Yes
4	**Shri Harish Madhav** (DIN 08489650) Director(Finance), OIL India Ltd (w.e.f. 29.05.2020)	Director	-	3	-	1	4	Yes
5	**Shri R. K. Dutta** (DIN 00205669) Advisor to Government of Assam	Director	-	1	-	1	5	Yes
6	**Dr. K K Dwivedi, IAS** (DIN 07632374) Principal Secretary to Govt. of Assam, Industries & Commerce Department	Director	-	7	-	-	4	No

Sl. No.	Name of the Director	Designation	No. of Directorships / Chairmanship in other companies #		No. of Committee* Memberships / Chairmanship in other companies#		Number of Board meetings	Attendance in last AGM
			Chairman	Director	Chairman	Member	Attended	
7	**Shri S K Barua** (DIN 06503943) Managing Director Numaligarh Refinery Ltd.	Director	-	1	-	-	4	Yes
8	**Dr. Ashutosh Karnatak** (DIN 03267102) Director (Project) GAIL (India) Ltd.(up to 20.05.2020	Director	-	1	-	1	NA	NA
	Shri M V Ravi Someswarudu (DIN 07309877) Executive Director (O&M -CO) GAIL (India) Ltd.	Director	1	-	-	-	5	Yes
Government Directors								
9	**Shri Kashi Nath Jha** (DIN 08568206) Joint Secretary, Department of Chemicals and Petrochemicals, Ministry of Chemicals & Fertilizers(upto 18.01.2021)	Director	-	-	-	-	**3**	Yes
	Shri Kapil Verma (DIN 0009056466) Deputy Secretary MoP&G (w.e.f. 06.02.2021)	Additional Director	-	-	-	-	-	NA
Independent Director								
	Shri Saumitra Sarkar (DIN 08401917) Chartered Accountant M/s Saumitra Sarkar & Associates	Independent Director	-	-	-	-	**5**	Yes
(*) (#)	Committee positions refer only to Audit Committee and Stakeholders Relationship Committee. Other Company means public companies only.							

Details of Board Meetings held during the year 2020-21

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
87th	29.05.2020	10	10
88th	28.07.2020	10	8
89th	25.09.2020	10	8
90th	28.10.2020	10	10
91st	29.01.2021	9	9

Profile of Directors being appointed / reappointed

Shri Saumendra Kumar Barua, 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, Shri Saumendra Kumar Barua, has been a Director on the Board of Directors of BCPL w.e.f 01.02.2018. Shri Barua is a Cost and Management Accountant from ICWA and an LLB from Dibrugarh University by qualification. He is presently serving as Managing Director of Numaligarh Refinery Ltd. with effect from 31st January 2018 and has 37 years of rich and varied experience in the Indian Oil and Gas Industry. Prior to his appointment as Managing Director of NRL, he served as Director (Finance) in NRL. Over the last 27 years in NRL, he has garnered rich experience of setting up the grass root mega project starting from its conceptualization, implementation, commissioning and operations thereafter. He has in-depth knowledge in areas of Finance, Treasury Management & Corporate Finance, Business Development, Commercial and Legal, JVs, Corporate Communication, Administration and Liaison. Mr. Barua had been the Chairman, CII North East Council. He was awarded Best CMA-CFO 2015 by Institute of Cost Accountants of India.

Shri Harish Madhav, 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 Oil India Limited, he is a member of the Institute of Chartered Accountants of India (ICAI) Shri Harish Madhav took over as Director (Finance) on the Board of Oil India Limited on 02.08.2019 before which he served as Executive Director (Finance) at Oil India's Corporate office also functioning as the Chief Financial Officer (CFO) handling a diverse gamut of finance and accounting functions covering International Fund Raising, Treasury Management, Corporate Strategy, Risk Management, Corporate Accounts & Audit, and Budgeting. His tenure in various capacities during the last decade witnessed major events at OIL and included successful raising of foreign currency borrowing of over $4.5 Billion in the form of syndicated loans and bonds. He was also instrumental in first ever listing of foreign currency bonds by an Indian oil sector company on the International Securities Market of London Stock Exchange (LSE). Before joining OIL, he had also worked with Hindustan Petroleum Corporation Ltd. Shri Madhav has over 31 years of rich and varied experience in Oil & Gas industry in both Upstream and Downstream sectors.

Shri M V Ravi Someswarudu, 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 GAIL India Limited, he is a post-graduate in Chemical Engineering, an MBA with specialization in Marketing and a Certified Energy Auditor. Presently Shri M V Ravi Someswarudu is Executive Director (O&M - CO), GAIL (India) Ltd. He has rich and diverse experience encompassing more than 34 years in the Oil & Gas, Petrochemical Sectors covering diverse functions like Project Development, Operations and Maintenance, Technical Services, Process Design and Engineering, Technology Selection, R&D, Exploration and Production, Design of Pipelines & Gas processing plants etc. He had also served as Chief Executive Officer, GAIL Gas Ltd and was in-charge of the Petrochemical project of GAIL-Pata since May 2017. Earlier, he was responsible for Exploration & Production department and PC group at Corporate Office and also held additional charge of Project Development Department. He played a significant role in establishing the Policies and Procedures in R&D and E&P Divisions of the company and in conceptualizing and taking up LNG Terminal projects in India.

Shri Kapil Verma, was nominated vide MoP&NG letter No 31033/1/2016-CA/FTS:42979 dated 19.01.2021 as Government Director on the Board of Directors of the Company vice Shri Kashi Nath Jha, Joint Secretary, MoC&F with immediate effect for a period of three years on co-terminus basis or until further orders whichever is earlier. Shri Kapil Verma holding DIN 9056466 and aged 44 years was inducted as an Additional Director w.e.f. 06.02.2021, being the date of allotment of DIN by MCA till the conclusion of this Annual General Meeting. An Engineering Graduate (BE in Mechanical Engineering) from Indian Institute of Technology (IIT) Roorkee, he belongs to Indian Defence Service of Engineers cadre (IDSE) of

Military Engineer Services. He has served L&T for a year and ONGC for two years. He has served the Army, Navy, Air Force and DRDO, dealing with strategic projects of national importance and has been awarded by all three forces and DRDO for his exemplary contributions. Presently he is serving as Deputy Secretary, Ministry of Petroleum and Natural Gas working towards making India self-reliant in energy and exploring better possibilities in supplementing the energy requirements of India particularly Bio-Fuels.

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

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

Audit Committee

During the year under review five meetings of the Committee were held on 28.05.2020, 28.07.2020, 24.09.2020, 28.10.2020 & 29.01.2021. 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
Shri Saumitra Sarkar, Chairman	5	5
Shri R K Dutta, Member (up to 49th AC meeting)	1	1
Shri S K Barua, Member	5	5
Shri Harish Madhav, Member	5	5
Shri M V Ravi Someswarudu (w.e.f. 50th AC meeting)	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 two meetings of the Committee were held on 24.09.2020 and 29.01.2021. 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
Shri Saumitra Sarkar, Chairman	2	2
Shri R K Dutta, Member,	2	2
Shri S K Barua Member	2	2
Shri M V Ravi Someswaraudu, Member (w.e.f. 37th N&RC meeting)	2	2

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 and reviews and recommends the formulation of HR policy in the Company.

Other Committees

An empowered **Committee of the Board on Contracts and Procurement** for expeditious clearance of approvals, comprising of the following members as on 31st March, 2021

1. Shri S K Barua : Chairman
2. Shri Harish Madhav : Member
3. Shri Reep Hazarika : Member
4. Shri P R Dash : Member

A Committee on Sustainability & CSR comprising of the following members as on 31st March, 2021:

1. Shri S K Barua : Chairman
2. Shri Saumitar Sarkar : Member
3. Shri Reep Hazarika : Member
4. Shri P R Dash : Member

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 31st March, 2020:

1. Shri R K Dutta : Chairman
2. Shri S K Barua : Member
3. Shri M V Ravi Someswarudu : Member
4. Shri Reep Hazarika : Member

A Share Transfer Committee comprising of the following Members as on 31st March, 2020:

1. Shri Reep Hazarika : Chairman
2. Shri S K Barua : Member
3. Shri P R Dash : Member

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 2020-21 are as below:

Amount in ₹

Name	Salary & Allowances	Contribution to PF, Gratuity and other funds	Other benefits and perquisites	Performance linked Incentives	Total
Shri Reep Hazarika Managing Director	29,28,659	2,82,312	2,00,400	-	34,11,371
Shri P R Dash Director (Finance)	31,27,169	2, 54, 315.	2,08,306	-	35,89,790

The Part-time Non-official (Independent) Director is not being paid any remuneration other than

the sitting fee, which amounted to ₹2,50,000 to Shri Saumitra Sarkar. The Nominee Directors do not receive any pecuniary benefits including 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
11th	28.09.2018	3.00 pm	Hotel Vivanta by Taj G.S. Road, Khanapara, Guwahati, Assam 781022	None.
12th	20.09.2019	3.00 pm	Hotel Vivanta by Taj G.S. Road, Khanapara, Guwahati, Assam 781022	None.
13th	25.09.2020	3:00 pm	Registered Office, H No 6, Bhuban Road, Uzanbazar, Guwahati 781005- held through VC/OAVM.	Yes adoption of new set of MoA/ AOA of the Company in line with Companies Act, 2013.

14th Annual General Meeting

Date : Thursday, 16th September, 2021

Time : 3:00 PM

Venue : Radisson Blu Hotel, National Highway 37, Gotanagar, Guwahati, Assam 781033

Disclosures

i. The related party transactions are disclosed in the notes to accounts forming part of the annual report.

ii. 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. Appointment of a second Independent Director has been in process with the Government of India.

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. Annual procurement order (supplies & services) of the value of 40.12% were issued to MSE vendors in the FY 2020-21 against the Government of India target of 25% as per Public Procurement Policy, 2012 as amended w.e.f. 9th November, 2018.

Audit Qualifications

For the 14th successive year there is no audit qualification in the report of the Statutory Auditors on the accounts of the Company for the year ended 31st March 2021.

Means of Communication

The Company has a website 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 31st March, 2021, 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 2020-21, 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 explanation to the observations therein is annexed.

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 31st March, 2021.

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.

Sd/-
(Reep Hazarika)
Managing Director

Date : 19th July, 2021

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.** **(B) Oil India Ltd., Investing Company/Venturer** **(C) Numaligarh Refinery Ltd, Investing Company/Venturer**

b)	**Nature of contracts/ arrangements/ transactions**	**(A) Nature of transactions with GAIL** (1) Procurement of Polymer grade Propylene (2) Marketing Commission to GAIL (3) Secondment of employees from GAIL (4) Disaster Recovery (DR) Server charges set up in GAIL Noida Premises. (5) Provision of Consultancy services by GAIL **(B) Nature of transactions with OIL** (1) Purchase of Natural Gas (2) Infrastructure Cost payable to OIL **(C) Nature of transactions with NRL** (1) Procurement of Naphtha from NRL
c)	**Duration of the contracts / arrangements/transactions**	**(A) Duration of transactions with GAIL** 1. Procurement of Propylene with GAIL, Pata as per requirement and on best endeavour basis 2. Marketing margin @ 2.4% of net sales value of BCPL products& by-products for 10 years. 3. Arrangement with holding company for secondment of employees. 4. Disaster Recovery Data Centre set up in GAIL Noida Premises. 5. Onetime **(B) Duration of transactions with OIL** (1) BCPL procures Natural Gas from OIL based on the agreement entered for supply of natural gas towards feed stock requirement of the Company. (2) Infrastructure cost to OIL is paid as a part of the project cost. **(C) Duration of transaction with NRL** BCPL procures Naphtha from NRL based on the agreement entered with NRL towards feed stock requirement of the Company
d)	**Salient terms of the contracts or arrangements or transactions including the value, if any:**	**A. Salient terms of the arrangements or transactions with GAIL** 1. Procurement of total 355 MT Propylene from GAIL, Pata amounting to ₹ 2.94 crore 2. Marketing commission as per Marketing Agreement totaling to ₹54.27 crore. 3. Arrangement with holding company for secondment of employees amounting to ₹7.70 crore. 4. DR installation configuration and commissioning work completed. Total charges of ₹61.00 lac towards service charge for DR server set-up has been invoiced by GAIL. 5. Design and engineering for modification work 'rerouting of 24 U/G lean gas pipeline for GAIL GDT & hook up for M2 meter of ONGC' totaling to 8.00 lacs.

		B. Salient terms of the arrangements or transactions with OIL 1. 4, 37,051 TSCM of Natural Gas for ₹324.92 crore. 2. Payment of Infrastructure Cost to OIL as part of project cost ₹20.35 crore. **C. Salient terms of the arrangements or transactions with NRL** 1. Procurement of 1, 06,195MT of Naphtha for ₹270.56 crore.
e)	**Date(s) of approval by the Board, if any:**	Not applicable.
f)	**Amount paid as advances, if any:**	-

Sd/-

Dated : 11th August, 2021
Place: New Delhi

(Manoj Jain)
Chairman

Annual Report on CSR activities during FY 2020-21

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 area of Schedule VII of Companies Act (Amended).

2. **Composition of CSR Committee:**

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Shri S K Barua	Chairman	3	3
2	Shri Reep Hazarika	Managing Director	3	3
3	Shri Pruthiviraj Dash	Director (Finance)	3	3
4	Shri Saumitra Sarkar	Independent Director	3	3

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company :

   https://bcplonline.co.in/CSR/Index

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

   Not applicable as BCPL started implementing CSR from the financial year 2020-21.

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any. - **NIL as CSR is applicable from current year**.

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set off for the financial year, if any (in ₹)

6. Average net profit of the company as per section 135(5).

   The Board shall ensure that the company spends, in every financial year, at least two per cent of the average net profits of the company made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy.

   Further, for the purpose of the section 135, the “average net profit” shall be calculated in accordance with provisions of section 198. The “average net profit” in case of BCPL is primarily the Profit Before

Tax. The average profit before tax in last three years (w.r.t. FY 2020-21) is ₹575.23 crore and accordingly, two percent of the same is ₹11.50 crore.

(a)	Two percent of average net profit of the company as per section 135(5)	11.50 Crore
(b)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	-
(c)	Amount required to be set off for the financial year, if any	-
(d)	Total CSR obligation for the financial year (7a+7b- 7c).	11.50 Crore

7. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in ₹)	**Amount unspent**				
	Total Amount transferred to Unspent CSR Account as per Section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
2,14,34,345/-	**9,35,52,124/-**	**30.04.2021**	**NA**	**NA**	**NA**

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

1	2	3	4	5		6	7	8	9	10	11	
Sl No.	Name of the Project	Item from the list of activities in schedule VII	Local Area (Yes/ No).	Location of the project.		Project duration.	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹).	Amount transferred to Unspent CSR Account for the Section 135(6) (in ₹).	Mode of Implementation - Direct (Yes/ No).	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR R No.
1	Infrastructure Development of Barbaruah PHC	Health & Nutrition	Yes	Assam	Dibrugarh	3 years	3,20,00,000	64,00,000	2,56,00,000	Yes	NA	NA
2	Supply of Protective Equipments of DMB Workers	Health & Nutrition	Yes	Assam	Dibrugarh	3 years	10,00,000	2,00,000	8,00,000	Yes	NA	NA
3	Providing of safe & pure drinking water facility (RO system) at nearby schools	Health & Nutrition	Yes	Assam	Dibrugarh	2 Years	60,00,000	12,00,000	48,00,000	Yes	NA	NA
4	Upliftment of Emergency Care service of AMCH by providing infrastructural development including equipment & training facilities	Health & Nutrition	Yes	Assam	Dibrugarh	3 Years	1,50,00,000	30,00,000	1,20,00,000	Yes	NA	NA

5	Construction of Toilets at Lejai Higher Secondary School	Promotion of Education	Yes	Assam	Dibrugarh	3 years	3,00,000	60,000	2,40,000	Yes	NA	NA
6	Construction of Office Building and Girls Common room, renovation of class room, toilet of Sessa Tiniali Moidamani High /ME School, Lepetkata	Promotion of Education	Yes	Assam	Dibrugarh	3 years	15,00,000	3,00,000	12,00,000	Yes	NA	NA
7	Installation of Street lights at West Campus of Dibrugarh University	Promotion of Education	Yes	Assam	Dibrugarh	2 years	10,00,000	2,00,000	8,00,000	Yes	NA	NA
8	Providing of Desk-benches at Barbaruah Girls' High School	Promotion of Education	Yes	Assam	Dibrugarh	2 years	3,00,000	60,000	2,40,000	Yes	NA	NA
9	Transportation/ other infrastructure including providing of Faculty of for Divyang ITI	Promotion of Education	Yes	Assam	Dibrugarh	2 years	10,00,000	2,00,000	8,00,000	Yes	NA	NA
10	Construction of boundary wall of Kotoha Binapani High School	Promotion of Education	Yes	Assam	Dibrugarh	3 years	10,00,000	2,00,000	8,00,000	Yes	NA	NA
11	Construction of boundary wall of Barbaruah Jatiya Vidyalaya	Promotion of Education	Yes	Assam	Dibrugarh	3 years	5,00,000	1,00,000	4,00,000	Yes	NA	NA
12	Development of Tai Educational and Cultural Centre, Dibrugarh (Construction of Boundary Wall & Meeting Room)	Promotion of Education	Yes	Assam	Dibrugarh	2 years	15,00,000	3,00,000	12,00,000	Yes	NA	NA
13	Infrastructure development of Dibrugarh Govt. Boys HS School	Promotion of Education	Yes	Assam	Dibrugarh	2 years	15,00,000	3,00,000	12,00,000	Yes	NA	NA

14	Construction of Barbaruah Market (Initiative to create a model market complex) including provision of an Auditorium.	Swachhata & Sanitization	Yes	Assam	Dibrugarh	3 years	1,75,00,000	35,00,000	1,40,00,000	Yes	NA	NA
15	Construction of Public Toilets in Bogibeel T point on NH 37/52 junction	Swachhata & Sanitization	Yes	Assam	Dibrugarh	2 years	15,00,000	3,00,000	12,00,000	Yes	NA	NA
16	Construction of Boundary Wall with crematorium & waiting shed at Bolai Public Cremation ground	Swachhata & Sanitization	Yes	Assam	Dibrugarh	3 years	8,00,000	1,60,000	6,40,000	Yes	NA	NA
17	Construction of Waiting Shed with Fire Place at Bura Hazar Smashan under Bura Hazar Konwar Gaon	Swachhata & Sanitization	Yes	Assam	Dibrugarh	3 years	8,00,000	1,60,000	6,40,000	Yes	NA	NA
18	Upgradation of the Lepetkata Public Cremation ground including construction of boundary wall, waiting shed etc.	Swachhata & Sanitization	Yes	Assam	Dibrugarh	3 years	8,00,000	1,60,000	6,40,000	Yes	NA	NA
19	Cleaning & Maintenance of Sukafa Bhawan	Swachhata & Sanitization	Yes	Assam	Dibrugarh	2 years	5,00,000	1,00,000	4,00,000	Yes	NA	NA
20	Upgradation of drainage system near Lepetkata TE Labour line	Swachhata & Sanitization	Yes	Assam	Dibrugarh	2 years	10,00,000	2,00,000	8,00,000	Yes	NA	NA
21	Installation of Organic Compost System at Barbaruah	Swachhata & Sanitization	Yes	Assam	Dibrugarh	3 years	5,86,469	1,17,294	4,69,175	Yes	NA	NA
22	Infrastructure development of Chowkidingee Cremation Ground	Swachhata & Sanitization	Yes	Assam	Dibrugarh	2 years	15,00,000	3,00,000	12,00,000	Yes	NA	NA

23	Proposal for conducting skill cum entrepreneur development programme	Skill enhancement/ Alternate livelihood promotion/ sustainable development	Yes	Assam	Dibrugarh	2 years	46,00,000	9,20,000	36,80,000	Yes	NA	NA
24	Cluster development for alternative livelihood promotion (1 cluster)	Skill enhancement/ Alternate livelihood promotion/ sustainable development	Yes	Assam	Dibrugarh	2 years	15,00,000	3,00,000	12,00,000	Yes	NA	NA
25	Commercial Broiler Farming (Rehabilitation program of affected people)	Skill enhancement/ Alternate livelihood promotion/ sustainable development	Yes	Assam	Dibrugarh	2 years	6,00,000	1,20,000	4,80,000	Yes	NA	NA
26	Project on Commercial Diary and Piggery Farming	Skill enhancement/ Alternate livelihood promotion/ sustainable development	Yes	Assam	Dibrugarh	2 years	10,00,000	2,00,000	8,00,000	Yes	NA	NA
27	Project on Commercial Mushroom Cultivation for Livelihood and Nutrition	Skill enhancement/ Alternate livelihood promotion/ sustainable development	Yes	Assam	Dibrugarh	2 years	15,00,000	3,00,000	12,00,000	Yes	NA	NA
28	Construction of Building of Piggery Farm	Skill enhancement/ Alternate livelihood promotion/ sustainable development	Yes	Assam	Dibrugarh	3 years	10,00,000	2,00,000	8,00,000	Yes	NA	NA
29	Proposal for setting-up of weaving centre	Skill enhancement/ Alternate livelihood promotion/ sustainable development	Yes	Assam	Dibrugarh	3 years	10,00,000	2,00,000	8,00,000	Yes	NA	NA
30	Repairing of road of Borpathar Kakati Gaon main road.	Rural Development Projects	Yes	Assam	Dibrugarh	3 years	30,00,000	6,00,000	24,00,000	Yes	NA	NA
31	Lighting Arrangements in the NH-37 and connecting sub-ways to NH-37 in the nearest areas of BCPL Plant, Lepetkata	Rural Development Projects	Yes	Assam	Dibrugarh	2 years	10,00,000	2,00,000	8,00,000	Yes	NA	NA

32	Construction of Pavilion and other infrastructure development of Lepetkata Anchalik Sports Association	Rural Development Projects	Yes	Assam	Dibrugarh	3 years	15,00,000	3,00,000	12,00,000	Yes	NA	NA
33	Construction of Cultural Centre at Lepetkata	Rural Development Projects	Yes	Assam	Dibrugarh	2 years	10,00,000	2,00,000	8,00,000	Yes	NA	NA
34	Conservation of Historical Monuments near Barbaruah/ Lepetkata area		Yes	Assam	Dibrugarh	3 years	15,00,000	3,00,000	12,00,000	Yes	NA	NA
35	Organising Periodical health camps and Distribution of medicines among flood affected person at nearby villages.	Health & Nutrition	Yes	Assam	Dibrugarh	3 Years	50,00,000	77,051	49,22,949	Yes	NA	NA
Total							11,17,86,469	2,14,34,345	9,03,52,124		NA	NA

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

01	02	03	04	05		06	07	08	
Sl No.	Name of the Project	Item from the list of activities in schedule VII	Local area (Yes/No).	Location of the project. Project duration.		Amount spent for the project (in ₹).	Mode of implementation on - Direct (Yes/No).	Mode of Implementation - Direct (Yes/No). Mode of Implementation - Through Implementing Agency	
			Yes	State	District	NIL		Name	CSR Registration Number

(d) Amount spent in Administrative Overheads: NIL (20 Lakhs approved)

(e) Amount spent on Impact Assessment, if applicable:NIL (12 Lakhs Projected & approved)

(f) Total amount spent for the Financial Year = 2,14,34,345/-

(8b+8c+8d+8e)

(g) Excess amount for set off, if any :- **None.**

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

8. (a) Details of Unspent CSR amount for the preceding three financial years: **NA**

01	02	03	04	05			06
Sl. No.	Preceding financial year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years. (in ₹)

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Financial Year in which the project was Commenced.	Project Duration.	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any	Amount remaining to be spent in succeeding financial years. (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the project - Completed /Ongoing

9. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details):

(a) Date of creation or acquisition of the capital asset(s).

(b) Amount of CSR spent for creation or acquisition of capital

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

The detail of asset created cannot be provided at this stage as the projects are ongoing.

Once completed, the schedule of assets will be provided.

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

Company has not failed in spending 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/-
(S K Barua)
Chairman of the Committee of the Board on Sustainability & CSR

FORM NO. MR-3

Secretarial Audit Report

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2021

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

To,
The Members,
Brahmaputra Cracker and Polymer Limited
1st Floor, House No. 6, Bhuban Road,
Uzanbazar, Guwahati, Assam, PIN-781001

I 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") having CIN U11101AS2007GOI008290. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my 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, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on **31st March, 2021** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the observations made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2021 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Memorandum & Articles of the Association

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Compliances/processes/systems under other specific applicable laws (as applicable to the industry), as listed below, to the Company are being verified on the basis of periodic certificate/internal compliance system submitted to the Board of the Company;

(v) The Laws identified by the management and confirmed as specifically applicable to the Company :

1. The Petroleum Act 1934;
2. Petroleum and Minerals Pipelines(Acquisition of Rights of User Inland) Act 1962;
3. The Oil Industry (Development) Act 1974;
4. Explosives Act 1884;
5. The Oil Fields (Regulation & Development) Act 1948;
6. Petroleum and Natural Gas Regulatory Board Act 2006;

(vi) I 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 subject to the following observations:

a) *The company has only one independent Director as against the requirement of two of its Board Members. Further, the company does not have woman Director on the Board.*

b) *The company could not hold separate meeting of independent Directors as there is only one independent Director in the Company.*

c) *The composition of the Audit Committee did not have majority of its members as independent Directors.*

I further report that:

The Board of Directors of the Company is not duly constituted as there is only one independent Director on the Board. The company represented that as the company is a Central PSE, the appointment of independent Directors is made by the Central Government and the appointment of second independent Director is awaited. 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.

Being a Public Sector Enterprise, the DPE Guidelines on Corporate Governance for Central Public Sector Enterprises, 2010 issued by Department of Public Enterprises, Govt. of India is also applicable to the company. It is observed that the number of nominee Directors in the Board of Company is not as per the DPE guidelines. The Company represented that the Board of Directors has requested the Government for a special dispensation to retain the present constitution of the Board in the interest of the company.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, except in case of emergent Board meetings which are held with the approval of requisite Directors as per Articles of Association and also in accordance with the provisions of the Companies Act, 2013 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.

The decisions at the Board meetings as represented by the management were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors and committee of the Board as the case may be.

I 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.

Sd/-

Date: 02.06.2021
Place: Guwahati

(CS UJWAL KUMAR KALITA)
Company Secretary in Practice
[ACS NO: 23610, C.P.NO: 20607]

UDIN: A023610C000409479

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

Annexure A

(TO SECRETARIAL AUDIT REPORT OF BRAHMAPUTRA CRACKER AND POLYMER LIMITED FOR THE FINANCIAL YEAR 2020-21)

To,
The Members
Brahmaputra Cracker and Polymer Limited
1st Floor, House No. 6, Bhuban Road,
Uzanbazar, Guwahati, Assam - 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 processes 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 processes 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.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. 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 procedures on test basis.
6. 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.

Date: 02.06.2021
Place: Guwahati

Sd/-
(CS Ujwal Kumar Kalita)
Company Secretary in Practice
[ACS NO: 23610, C.P.NO: 20607]

UDIN: A023610C000409435

Explanation of the Board to the observations in the Secretarial Audit Report 2020-21

Observation of the Secretarial Auditor	Explanation of the Board
(i) The company has only one independent Director as against the requirement of two of its Board Members. Further, the company does not have woman Director on the Board.	During the year, there was only one Independent Director on the Board of Directors. Appointment of a second Independent (Woman) Director has been requested and remains pending with the Government of India and hence the position of Independent Director & Woman Director was vacant.
(ii) The company could not hold separate meeting of independent Directors as there is only one independent Director in the Company.	There was only one Independent Director in the Company during the year, as appointment of second Independent Director has been in process with the Government and therefore the company could not validly hold a separate meeting of the Independent Directors.
(iii) The composition of the Audit Committee did not hove majority of its members as independent Directors.	There was only one Independent Director in the Company during the year and appointment of second Independent Director by the Government of India was awaited.

Corporate Governance Compliance Certificate

To,

The Members,

Brahmaputra Cracker and Polymer Limited

1st 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 **31st March 2021**, 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.*

b) *The number of nominee directors in the Board of Company is not as per the DPE guidelines issued by Department of Public Enterprises, Government of India.*

c) *The composition of the Audit Committee does not have two-third of its members as independent Directors.*

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.

Sd/-

(CS UJWAL KUMAR KALITA)

Company Secretary in Practice

[ACS NO: 23610, C.P.NO: 20607]

Date: 02.06.2021

Place: Guwahati

UDIN: A023610C000409479

Independent Auditor's Report

To
The Members of
Brahmaputra Cracker and Polymer Limited
1st Floor, House No. 6, Bhuban Road,
Uzanbazar,
Guwahati – 781001, Assam

Report on the Audit of the Standalone 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 31st March, 2021, the Statement of Profit and Loss Account (including Statement of Other Comprehensive Income), Statement of Change in Equity, the Cash Flow Statement for the year then ended, and notes to the Financial Statements including a summary of Significant Accounting Policies and other explanatory information.

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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its profit including other comprehensive income, change 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 (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sl. No.	Key Audit Matter	Audit Response on Key Audit Matter
1.	Pursuant to implementation of 3rd Pay Revision Committee's recommendation regarding affordability of Pay revision, the Company has evaluated impact of increase in pay & other benefits for Board and below Board level officers. The Company has evaluated that on account of recognition of feedstock subsidy	Our audit procedures include the following: 1. We have obtained the copy of the DPE guideline. 2. We have obtained the copy of application submitted Ministry of Petroleum & Natural Gas (MoPnG) by the Management.

	from FY 2015-16, profitability of the Company has improved and the Company is making profit for 3rd consecutive year and hence, vide DPE guideline, BCPL's position in respect of affordability clause has improved further. Considering this, the Company has further approached to the Ministry of Petroleum & Natural Gas (MoPnG) vide letter dated 14.08.2020 with revised proposal for implementation of 3rd Pay Revision in the Company, and accordingly the Company has made provision of ₹23.10 Crore relating to the F.Y 2020-21 for pay revision. {Refer Note 26(i)}	3. We have examined the process of evaluation of affordability by the Management as recommended by the 3rd Pay Revision Committee. 4. We performed testing of the arithmetical accuracy of the required calculation of all benefits on test check basis and also validated the appropriateness of disclosure in this regard.
2.	Further, the Company has made provision on the basis of estimation amounting to ₹4.67 Cr towards Performance Related Pay (PRP) payable to the executives and non-executives on revised scale based on 3rd PRC. {Refer Note 26(i)}	Our audit procedures include the following: 1. We have obtained the copy of Circular relating to Methodology for Calculation of Performance Related Pay (PRP). 2. We have examined the process of evaluation by the Management as recommended by the 3rd Pay Revision Committee. 3. We performed testing of the arithmetical accuracy of the required calculation of all benefits on test check basis and also validated the appropriateness of disclosure in this regard.

4. 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 Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

5. Auditor's Responsibility:

A. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance,

but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. Our responsibility is to express an opinion on these financial statements based on our audit.

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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

C. Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 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.

6. Emphasis of Matter:

We draw attention to the following matters relating to the financial statements:

1. We invite attention to the fact that our opinion expressed in the present report is based on the limited information, facts, reports and inputs made available to us by the management through digital/electronic medium. We wish to highlight that due to COVID-19 pandemic and consequential partial lockdown and other restrictions imposed by the Government and local administration which have induced restriction on physical movement and strict timelines, the audit team could not visit the Company for undertaking the required audit and hence, the audit processes were carried out based on the remote access to the extent available / feasible.
2. Due to the COVID-19 related lock-down, we were not able to participate in the physical verification of inventory that was carried out by the management as at the end of 3rd quarter. Consequently, we have performed alternate procedures to audit the existence of inventory as per the guidance provided in SA 501 "Audit Evidence - Specific Considerations for Selected Items" and have obtained sufficient appropriate audit evidence to issue our unmodified opinion on these Standalone Financial Statements.
3. We invite attention to *Note No. 23B(iii)* to the standalone financial statement regarding subsidies claimed under various scheme of North East Industrial & Investment Promotion Policy (NEIIPP), the Company has written off Interest Subsidy amounting to ₹14.35 Crore based on the communication from Industries Department. As per the communication received by the Company, on account of changes incorporated in the NEIIPP scheme during November' 2016, the claims towards Interest Subsidy, made by BCPL stands in-eligible. Further, considering the same, a liability of ₹4.71 Crore has been created for refunding interest subsidy previously allowed to BCPL for the FY 2016-17.
4. We invite attention to *Note No. 25* to the standalone financial statement regarding trade payable in Ind AS financial statement, on account of shortfall gas value as per Gas Supply and Purchase Agreement (GSPA) between M/s OIL and BCPL, the Company (BCPL) has considered ₹ 35.44 Crore as 'other income' out of the total retention amount based on settlement of dispute by a joint committee of both M/s OIL and BCPL.

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

7. Other Matter

The figures of the Standalone Financial Statement for the corresponding quarter ended 31st March, 2021 are the balancing figures between the annual audited figures for the year then ended and the year-to-date figures for the nine (9) months period ended 31st December, 2020. We have not issued a separate limited review report for the last quarter ended 31st March, 2021.

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

8. Report on Other Legal and Regulatory Requirements

1. Section 149(4) of the Companies Act, 2013 requires the Company to have at least two independent Directors, however, the Company has only one independent director. Further, the Company does not have woman Director on the Board as required by second proviso to section 149(1) of the Companies Act, hence, the Company has defaulted in complying with the provisions of Companies Act.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of The Companies Act 2013, we give in the **"Annexure-A"**, 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 –B"** attached

4. As required by section 143(3) of the Act, we report that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   b. In our opinion proper books of account as required by law have been kept by the Company so far as 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 Cash Flow Statement dealt with by this Report are in agreement with the books of account;

   d. In our opinion the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2016 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 – C" to this report;

   g. Pursuant to the Notification No. GSR 463(E) dated 5th June 2015 issued by the Ministry of Corporate Affairs, Government of India, provisions of Section 197 of the Companies Act, 2013, are not applicable to the Company, being a Government Company; and

   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, 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 & 30(b) to the financial statements;

      ii. The Company had not entered into any long-term contracts including derivative contracts for which there would have been any material foreseeable losses;

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **RKP ASSOCIATES**
Chartered Accountants

Sd/-
(CA. RAVI KR. PATWA)
PARTNER
MRN. 056409
FRN. 322473E
UDIN – 21056409AAAAAT4320

Dated at Silchar
The 25th day of May, 2021

ANNEXURE - A TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 1 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 31st March, 2021

I. a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

b) As explained to us, there is a regular programme of physical verification of Fixed Assets 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.

c) According to the information and explanations given by the management, title deeds of immovable properties are held in the name of the Company except for the cases as detailed below:

Description of Asset	Area (in Bigha)	Gross Block as on 31.03.2021 (₹ In Crore)	Net Block as on 31.03.2021 (₹ In Crore)
Freehold Land	190	3.87	3.87
Leasehold Land	520	5.54	4.61

II) a) As explained to us, the inventory has been physically verified by the management at reasonable intervals during the year.

b) In our opinion, the procedures of physical verification of inventories followed by the management are reasonable and adequate having regard to the size and the nature of its business.

III) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnership or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.

IV) In our opinion and according to the information and explanations given to us, the Company has complied with the provision of section 185 and 186 of the Companies Act, 2013 in respect of loans/ investment/guarantee/security granted during the year.

V) In our opinion and according to the information and explanation given to us, the Company has not accepted any deposits from public. Therefore, the provisions of Para. 3(v) of the CARO 2016 are not applicable to the Company.

VI) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013 and are of the opinion that prima facie the prescribed cost accounts & records have been made and maintained. However, we have not made a detailed examination of the same, as we understand that the said examination will be carried out during the course of Cost Audit.

VII) a) On the basis of test check carried out during the course of audit, we are of the opinion that, the Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Goods & Services Tax, Cess and other statutory dues applicable to it.

According to information and explanations given to us, no undisputed amount payable in respect of Provident Fund, Income Tax, Service Tax, Goods & Service tax, Custom Duty, Cess and other statutory dues were in arrears as at 31st March, 2021 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 31st March, 2021, hence provision of this para is not applicable to the Company.

Name of 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) According to information and explanations given to us, the Company is regular in repayment of loans or borrowings from any financial institutions, banks, government or debentures holders during the year.

IX) According to information and explanations given by the management, the Company has not raised any moneys by way of initial public offer or further public offer including debt instruments; however, the term loan taken by the Company were applied for the purpose for which it was taken during the year.

X) Based upon the audit procedure performed for the purpose of reporting the true and fair view of the standalone financial statements and according to the information and explanations given by the management, we report that no fraud by the Company and no material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.

XI) As per notification no. GSR 463(E) dated 5 June 2015 issued by the Ministry of Corporate Affairs, Government of India, Section 197 is not applicable to the Government Companies. Accordingly, provisions of clause 3 (xi) of the Order are not applicable to the Company.

XII) In our opinion and according to information & explanations given to us, the Company is not a Nidhi Company. Therefore, the provisions of Para.3(xii) of the Order are not applicable to the Company.

XIII) According to information & explanations given by the management, and on the basis of audit procedure performed for the purpose, we are of the opinion that, transactions with the related parties are in compliance with section 177 and section 188 of Companies Act, 2013, wherever applicable, and the details have been disclosed in the notes to the Standalone Financial Statements, as required by the applicable Accounting Standards.

XIV) According to information & explanations given to us and on an overall examination of the records, we are of the view that, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under Para. 3(xiv) is not applicable to the Company.

XV) According to information & explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with them.

XVI) In our opinion, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of Para. 3(xvi) of the Order are not applicable to the Company.

For **RKP ASSOCIATES**
Chartered Accountants

Sd/-
(CA. RAVI KR. PATWA)
PARTNER
MRN. 056409
FRN. 322473E
UDIN – 21056409AAAAAT4320

Dated at Silchar
The 25th day of May, 2021

ANNEXURE–B 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 Point No. 2 of Para 8, "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 Ind AS financial statements for the year ended 31st Match 2021, 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 maintain its Books of Account on IT System, SAP, which is an ERP system for processing accounting transactions. All accounting transactions are processed in accounts maintained on SAP. We did not notice any transaction which was processed outside the IT System.	**NIL**
2.	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts /loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case, lender is a Government company, then this direction is also applicable for statutory auditor of lender company).	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 received/receivable for specific schemes from central/ state agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.	The Company has received various grants as Capital Subsidy, Feedstock Subsidy, Insurance/ Freight subsidy from NEIIPP. According to the information and explanations given to us and as represented by the Management and based on our examination of the books and records of the Company, these have been used for the purpose of which these were given. We have not come across any deviation.	**NIL**

For **RKP ASSOCIATES**
Chartered Accountants

Sd/-
(CA. RAVI KR. PATWA)
PARTNER
MRN. 056409
FRN. 322473E
UDIN – 21056409AAAAAT4320

Dated at Silchar
The 25th day of May, 2021

ANNEXURE–C TO THE INDEPENDENT AUDITOR'S REPORT

Report on the Internal Financial Controls under Clause(i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls over financial reporting of **BRAHMAPUTRA CRACKER AND POLYMER LIMITED** ('the Company') as of 31st March' 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on the date.

Management's Responsibility for Internal Financial Controls:

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility:

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the 'Guidance Note') and the Standards on Auditing, as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial control systems over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting:

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transaction and

dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of the Management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting:

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

Opinion

In our opinion, the Company has, in all material respects, an adequate Internal Financial Controls system over Financial Reporting and such Internal Financial Controls over Financial Reporting were operating effectively as at 31st March' 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. Our above opinion on Internal Financial Control of the Company is subject to our comment on impact of COVID-19 pandemic as detailed in Point No. 1 of Para 6 (Emphasis of Matter) of 'Independent Auditor's Report'.

For **RKP ASSOCIATES**
Chartered Accountants

Sd/-
(CA. RAVI KR. PATWA)
PARTNER
MRN. 056409
FRN. 322473E
UDIN – 21056409AAAAAT4320

Dated at Silchar
The 25th day of May, 2021

Balance Sheet

as at 31st March, 2021

₹ in crore

Particulars	Note No.	As at 31 March 2021 (Audited)	As at 31 March 2020 (Audited)
ASSETS			
Non Current Assets			
Property, Plant and Equipment	2	6,873.18	7,221.00
Capital work-in-progress	2	26.27	11.47
Intangible assets	3(a)	9.10	10.54
Right-of-use assets	3(b)	223.68	234.44
Financial Assets			
- Others	4(e)	391.80	670.66
Other Non Current Assets (Non Financial)	5	0.45	0.03
Subtotal (A)		**7,524.48**	**8,148.14**
Current Assets			
Inventories	6	357.39	489.24
Financial Assets			
- Trade receivables	4(b)	67.72	2.87
- Cash and Cash Equivalents	4(d)	1,340.57	42.92
- Others	4(e)	1,131.29	1,852.62
Other Current Assets (Non Financial)	5	291.68	85.00
Subtotal (B)		**3,188.65**	**2,472.65**
Total Assets (A+B)		**10,713.13**	**10,620.79**
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	7	1,417.67	1,417.67
Other Equity	8	1,393.59	655.38
Subtotal (C)		**2,811.26**	**2,073.05**
LIABILITIES			
Non Current Liabilities			
Financial Liabilities			
- Borrowings	*9*	1,935.81	2,351.12
- Other Financial Liabilities	*11*	0.28	1.60
- Provisions	*12*	10.70	8.43
- Other Non Current Liabilities	*13*	3,968.24	4,179.61
Deferred Tax Liabilities (Net)	*14*	246.98	167.64
Subtotal (D)		**6,162.01**	**6,708.40**

₹ in crore

Particulars	Note No.	As at 31 March 2021 (Audited)	As at 31 March 2020 (Audited)
Current Liabilities			
Financial Liabilities			
- Borrowings	*9*	210.23	423.12
- Trade payables			
- Due to MSME Vendors	*10(a)*	10.48	2.13
- Due to Others	*10(b)*	111.07	147.97
- Other Financial Liabilities	*11*	749.01	783.23
- Provisions	*12*	442.59	263.56
- Other Current Liabilities	*13*	216.48	219.34
Subtotal (E)		**1,739.86**	**1,839.34**
Total Equity and Liabilities (C+D+E)		**10,713.13**	**10,620.79**
Accounting Policy	1		

Note No. 1 to 44 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 No. 322473E

Sd/-
(Ravi Kumar Patwa)
Partner
Membership No. 056409

Place : Dibrugarh / Guwahati / Silchar
Date : 25th May, 2021

Statement of Profit and Loss

for the year ended 31st March, 2021

₹ in crore

Sr. No.	Particulars	Note No.	For the Year Ended 31-Mar-21 (Audited)	For the Year Ended 31-Mar-20 (Audited)
I.	**Revenue from Operations**	15	2,902.62	2,731.38
II.	**Other Income**	16	536.89	216.27
III	**Total Revenue (I + II)**		**3,439.51**	**2,947.65**
IV	**EXPENSES**			
	Cost of raw material consumed	17	1,217.71	1,746.22
	Change in Inventory of Finished Goods & WIP		126.10	(102.50)
	Employee benefits expenses	18	161.89	171.03
	Finance costs	20	235.32	252.43
	Depreciation and Amortization expense	19	392.68	390.85
	Other expenses	21	295.36	347.58
	Total expenses (IV)		**2,429.06**	**2,805.61**
V	**Profit/(loss) before Exceptional Item & Tax (III-IV)**		1,010.45	142.04
VI	**Exceptional Items**		-	1,705.35
VII	**Profit/(loss) before Tax (V+VI)**		**1,010.45**	**1,847.39**
VIII	**Tax expense:**			
	Current Tax		190.64	-
	Deferred Tax		79.91	339.79
IX	**Profit/(Loss) for the period (VII- VIII)**		**739.90**	**1,507.60**
	Other Comprehensive income		-	-
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		(2.26)	(1.99)
	Income tax relating to these items		0.57	0.50
	Other comprehensive income net of tax (X)		**(1.69)**	**(1.49)**
XI	**Total comprehensive income (IX + X)**		**738.21**	**1,506.11**
XII	**Earnings per equity share:(in ₹)**			
	Basic		5.22	10.63
	Diluted		5.22	10.63

Note No. 1 to 44 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 No. 322473E

Sd/-
(Ravi Kumar Patwa)
Partner
Membership No. 056409

Place : Dibrugarh / Guwahati / Silchar
Date : 25th May, 2021

Statement of Changes in Equity
for the period ended 31st March 2021

(a) Equity Share Capital	Number (in crore)	Amount ₹ in crore
Equity Shares of ₹ 10 each issued, subscribed and fully paid		
As at 31st March 2020	**141.77**	**1,417.67**
Issue of Share Capital	-	-
Issued, subscribed and fully paid up at Closing	**141.77**	**1,417.67**

For the year ended 31st March 2021:

₹ in crore

Attributable To The Equity Shareholders			
Particulars	**Retained Earnings**	**Other Comprehensive Income**	**Total**
As at 31st March 2020	**656.87**	**(1.49)**	**655.38**
Opening Retained Earning	655.38		
Profit For The Period	739.90	(1.69)	738.21
As at 31st March 2021	**1,395.28**	**(1.69)**	**1,393.59**

Number (in lakh)

Particulars	As at 31-Mar-21	As at 31-Mar-20
Shares Held by Holding/ Parent Company		
GAIL(India) Limited	9,923.69	9,923.69
Oil India Limited	1,417.67	1,417.67
Numaligarh Refinery Limited	1,417.67	1,417.67
Government of Assam	1,417.67	1,417.67
Total No. Of Equity Shares of ₹10 Each	**14,176.70**	**14,176.70**

Particulars	As at 31-Mar-21	As at 31-Mar-20
Shareholders holding more than 5% of Equity Shares		
GAIL(India) Limited	70.00%	70.00%
Oil India Limited	10.00%	10.00%
Numaligarh Refinery Limited	10.00%	10.00%
Government of Assam	10.00%	10.00%
Total	**100.00%**	**100.00%**

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

Corporate information

Brahmaputra Cracker and Polymer Limited ("BCPL") was incorporated on 8th 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).

The financial statements of the company for the year ended 31st March 2021 were authorized for issue in accordance with a resolution of the directors on 25th May, 2021.

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 Companies (Indian Accounting Standards) Amendment Rules, 2016.

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 31st 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.

The financial statements are presented in Indian Rupees ('INR') and the values are presented in 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) 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 prorata 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.

B. Intangible Assets

i. 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.

ii. 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.

iii. 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.

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

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

The Carrying amount of cash generating unit are reviewed at each reporting date. In case there is any indication of impairment based on Internal/External factors, impairment loss is recognized wherever the carrying amount of asset exceeds 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. It is measured at fair value of

consideration received or receivable, net of returns, allowances, trade discounts and volume rebates. 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.

(c) Claims on Customers (including interest on delayed realization from customers) are accounted for when there is significant certainty that the claims are realizable.

(d) Other Interest income (e.g. on deposits with bank etc.) is recognized on a time proportion basis.

(e) The company is eligible to receive various subsidies under North-East Industrial 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.

(f) 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.

(g) 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

(h) 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. Remeasurements 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. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

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.

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

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.

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

- 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:

- **Fnancial 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.

Sd/-	*Sd/-*	*Sd/-*
(Reep Hazarika)	(Pruthiviraj Dash)	(Ruli Das Sen)
Managing Director	**Director (Finance) & CFO**	**Company Secretary**
DIN: 08667195	DIN: 08253888	M. No. F4012

As per our separate report on Even Date
For **RKP Associates**
Chartered Accountants,
FRN No. 322473E

Sd/-
(Ravi Kumar Patwa)
Partner
Membership No. 056409

Place : Dibrugarh / Guwahati / Silchar
Date : 25th May, 2021

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

Note 2: Property, plant and equipment

Components of Property, plant and equipment (including assets held under finance leases) are as follows:

₹ in Crore

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	Capital work-in-progress	Total
At 1st April 2020	-	3.87	218.40	284.67	282.96	0.50	7,784.77	101.34	102.68	12.09	4.36	11.47	8,795.64
Additions	-	-	-	-	0.14	0.04	29.29	7.85	24.21	1.81	0.00	24.25	63.35
Transferred on Business purchase	-	-	-	-	-	-	-	-	-	-	-	-	-
Exchange differences	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	27.06	-	4.06	-	-	9.45	31.12
At 31st March 2021	-	3.87	218.40	284.67	283.10	0.54	7,787.00	109.19	122.83	13.90	4.37	26.27	8,827.87
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	Capital work-in-progress	Total
At 1st April 2020	-	-	18.11	55.71	129.90	0.12	1,214.32	95.91	50.37	6.92	3.28	-	1,574.64
Depreciation expense			1.77	14.59	20.24	0.16	310.77	8.54	21.59	1.84	0.56		380.06
Impairment			-	-	-	-	-	-	-	-	-		-
Disposal			-	-	-	-	-	-	-	-	-		-
Exchange differences			-	-	-	-	-	-	-	-	-		-
Other			-	-	-	-	-	-	-	-	-		-
At 31st March 2021	-	-	19.88	70.30	150.14	0.28	1,525.09	104.45	71.96	8.76	3.84	-	1,954.70
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	Capital work-in-progress	Total
At 31 March 2020	-	3.87	200.29	228.96	153.06	0.38	6,570.45	5.43	52.31	5.17	1.08	11.47	7,221.00
At 31 March 2021	-	3.87	198.53	214.37	132.97	0.26	6,261.92	4.74	50.87	5.14	0.52	26.27	6,873.18

Foot Note:

Refer to Note 9 with respect to PPE pledged as security

Note 3(a): Intangible Assets

(₹ in crore)

Cost	Software / Licenses	Right of Use (Perpetual)	Right of Use (Limited useful life)	Total
At 1st April 2020	**9.60**	**8.77**	**0.04**	**18.41**
Additions	0.44	-	-	**0.44**
Capitalised internal development costs	-	-	-	-
Acquisitions through business combinations	-	-	-	-
Transfer to held for sale	-	-	-	-
Disposals	-	-	-	-
Exchange adjustments	-	-	-	-
Others	-	-	-	-
At 31st March 2021	**10.04**	**8.77**	**0.04**	**18.85**

(₹ in crore)

Accumulated amortisation and impairment	Software / Licenses	Right of Use (Perpetual)	Right of Use (Limited useful life)	Total
At 1st April 2020	**7.74**	**0.09**	**0.04**	**7.88**
Additions	1.88	-	-	1.88
Capitalised internal development costs				
Acquisitions through business combinations				
Transfer to held for sale				
Disposals				
Exchange adjustments				
Others				
At 31st March 2021	**9.62**	**0.09**	**0.04**	**9.75**

Net book value	Software / Licenses	Right of Use (Perpetual)	Right of Use (Limited useful life)	Total
At 31 March 2020	**1.86**	**8.68**	**0.00**	**10.54**
At 31 March 2021	**0.42**	**8.68**	**0.00**	**9.10**

Note 3(b): ROU Lease Asset

(₹ in crore)

Cost	Leased land	Leased Offices	Leased Vehicles	Total
At 1st April 2020	**240.17**	**0.37**	**4.50**	**245.04**
Additions				-
Capitalised internal development costs	-	-	-	-
Acquisitions through business combinations	-	-	-	-
Transfer to held for sale	-	-	-	-
Disposals	-	-	-	-
Exchange adjustments	-	-	-	-
Others	-	-	-	-
At 31st March 2021	**240.17**	**0.37**	**4.50**	**245.04**

(₹ in crore)

Accumulated amortization and impairment	Leased land	Leased Offices	Leased Vehicles	Total
At 1st April 2020	8.98	0.12	1.50	**10.61**
Additions	8.98	0.16	1.62	10.75
Capitalised internal development costs				
Acquisitions through business combinations				
Transfer to held for sale				
Disposals				
Exchange adjustments				
Others				
At 31st March 2021	**17.96**	**0.28**	**3.12**	**21.36**

Net book value	Leased land	Leased Offices	Leased Vehicles	Total
At 31 March 2020	**231.19**	**0.24**	**3.00**	**234.44**
At 31 March 2021	**222.21**	**0.09**	**1.38**	**223.68**

Note 4: Financial assets

(₹ in crore)

Particulars	As at 31-03-2021	As at 31-03-2020
(a) Investments	-	-
(b) Trade receivables	**67.72**	**2.87**
Considered good - Secured	48.86	-
Considered good - Unsecured	18.86	2.87
Which have significant increase in Credit Risk	17.17	17.17
Credit impaired	-	-
Less: Provision for Doubtful Debts	(17.17)	(17.17)
(c) Loan	**-**	**-**
(d) Cash and Cash Equivalents	**1,340.57**	**42.92**
Balances with banks:		
— On current accounts	34.88	0.41
— Deposits with original maturity of less than three months	1,305.69	42.51
(e) Others	**1,523.09**	**2,523.28**
Interest accrued but not due	-	0.99
Recievable Against Subsidy/ Other Claims	1,523.07	2,497.42
- Current	1,131.29	1,851.63
- Non Current	391.78	645.79
Security Deposit Paid	0.02	24.87
- Current	-	-
- Non Current	0.02	24.87
Total	**2,931.38**	**2,569.07**
Current	2,539.58	1,898.41
Non current	391.80	670.66
Total	**2,931.38**	**2,569.07**

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

Note 5: Other non financial assets

(₹ in crore)

Particulars	As at 31-03-2021	As at 31-03-2020
Unsecured (Considered good):		
Advance income tax	179.78	0.03
Income Tax Paid on Demand	-	1.38
Balance with Government Authorities		
GST Credit Receivable	36.95	9.58
- Current	36.95	9.58
- Non Current	-	-
TDS	1.98	2.20
Loans		
Loans and advances to employees	0.27	0.41
Other advances	0.08	0.08
Capital Advances to suppliers/contractors:	6.43	6.92
Advances to suppliers/contractors:	18.14	20.38
Statutory Claims under Dispute	38.00	38.00
Prepayments		
Pre-paid expenses	10.50	6.05
- Current	10.05	6.02
- Non Current	0.45	0.03
Total	**292.13**	**85.03**
Current	291.68	85.00
Non Current	0.45	0.03
Total	**292.13**	**85.03**

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

Note 6: Inventories

(₹ in crore)

Particulars	As at 31-03-2021	As at 31-03-2020
(a) Raw materials , Stores , Spares and others		
Raw Materials & other Consumables	50.62	32.46
Consumable Chemicals	65.64	73.58
Stores & Spares	207.31	223.27
Less: Provision for Obsolesence	(21.66)	(21.66)
(b) Semi Finished Goods/By products		
Semi Process Stock	13.58	15.73
By Products	3.32	4.41
(c) Finished Goods		
LLDPE	33.71	119.23
HDPE	0.06	3.48
PP	4.81	38.73
Total	**357.39**	**489.24**

Note 7: Equity share capital

(₹ in crore)

Particulars	As at 31-03-2021	As at 31-03-2020
Share capital		
Authorised		
2,00,00,00,000 Equity Shares of ₹10 each	2,000.00	2,000.00
(Previous year 2,00,00,00,000 Equity shares of ₹10 each)		
	2,000.00	**2,000.00**
Issued, subscribed and fully paid up	**1,417.67**	**1,417.67**

Note 8: Other equity

(₹ in crore)

Particulars	As at 31-03-2021	As at 31-03-2020
Other equity:		
Retained earnings	655.38	(850.73)
Add: Total comprehensive Income	738.21	1,506.11
Transferred to Share Capital	-	-
Total	**1,393.59**	**655.38**

Note 9: Borrowings

(₹ in crore)

Particulars	Effective Interest Rate	Maturity	As at 31-03-2021	As at 31-03-2020
Secured				
Term loans:				
- Loan from State Bank of India	SBI 6M MCLR plus 0.20%	30-08-2025	1,226.86	1,404.60
Short Term loans:				
- Cash Credit from State Bank of India	SBI 6M MCLR plus 0.15%	Revolving	-	18.12
- ICICI WCL			-	105.00
- AXIS WCL	6.50%	02-04-2021	10.00	100.00
- SBI CAG Branch WCL-1	5.95%	06-04-2021	137.04	200.00
- SBI CAG Branch WCL-2	6.25%	13-06-2021	63.18	
Inter Corporate Loan				
- GAIL (I) Ltd	SBI 1yr MCLR plus 0.20%		-	150.00
From Other Parties :				
- Oil Industry Development Board	6.97%	31-03-2031	708.95	796.52
Total			**2,146.04**	**2,774.24**
Less Current Borrowings			**210.23**	**423.12**
Total Non Current Borrowings			**1,935.81**	**2,351.12**

Schedule of Current Borrowings

Particulars	Effective Interest Rate	Maturity	As at 31-03-2021	As at 31-03-2020
From Other Party			-	-
Loan From Related Party				
Gail India Ltd			-	-
Deposits			-	-
Other Loans			210.23	423.12
			210.23	**423.12**

- Loan from State Bank of India

(The long term loans are secured by first ranking charge by way of hypothecation and/or mortgage on the fixed assets, movable and immoveable, present and future including tangible and intangible assets, including but not limited to the 'BCPL Petrochemical Complex at Lepetkata, Dibrugarh, Assam' (on which working capital lenders have a second charge) and excluding the assets specifically charged to Oil Industry Development Board. Provided that the mortgage of the land incidental to the 'BCPL Petrochemical Complex at Lepetkata, Dibrugarh, Assam' has been done only to the extent of the title deeds available in respect of the private land of 2870 (two thousand eight hundred seventy) bighas (approx.) out of the total land of 2991 (two thousand nine hundred ninety one) bighas, taken in possession for the plant exempting government land of 121 (one hundred and twenty one) bighas, in view of the difficulties in obtaining title deeds for the same, however, the same shall be mortgaged upon obtaining the title deeds.)

Terms of Repayment: *Repayment of loan is in 96 monthly structured installments commencing from June 2017.*
****Rate of interest : SBI 6M MCLR rate plus a spread of 0.20 % i.e 7.15 % as on 31st March'21.***

Note: An amount of ₹186.88 Crore payable within next 12 months, has been transferred to "Other Financial liabilities" at Note no.11

(The working capital loan is secured by 1st charge on current assets and 2nd Charge on the fixed assets, movable and immoveable, 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 mortgage and 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 moratarium. The repayment shall be in 8 yearly equal installments. The first installment shall become due at the end of 3rd year from the date of drawal. Rate of interest on loan will depend on the month in which loan installment is drawn by BCPL.

****Rate of interest:*** the weighted average rate of interest is around 6.97 % p.a. payable quarterly.

Note: An amount of ₹184.26 Crore payable within next 12 months, has been transferred to "Other Financial liabilities" at Note no.11.

Note 10 - Trade Payables

(₹ in crore)

Particulars	As at 31-03-2021	As at 31-03-2020
Trade payables		
Due to MSME Vendors	10.48	2.13
Due to others	36.90	38.59
Due to Related Party	74.18	109.38
Total	**121.56**	**150.10**
Current	121.56	150.10
Non current	-	-
Total	**121.56**	**150.10**

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

Note 11: Other Financial Liabilities

(₹ in crore)

Particulars	As at 31-03-2021	As at 31-03-2020
Current maturities of long term debt:		
- Oil Industry Development Board	184.26	213.84
- State Bank of India	186.88	138.17
- GAIL	-	50.00
Interest Accrued On Borrowings	-	0.68
Others :		
Deposits/Retention Money from Contractors and others	240.68	264.66
Price reduction schedule	64.31	66.32
Security Deposit	12.66	14.86
Earnest money deposit	0.34	0.38
Payable to Employees	0.15	0.05
Payable for Capital Expenditure	1.88	25.78
Statutory Liability Payables	56.52	6.70
Lease Hold Obligations (ROU)	1.60	3.39
- Current	1.32	1.79
- Non Current	0.28	1.60
Total	**749.28**	**784.83**
Current	749.01	783.23
Non current	0.28	1.60
Total	**749.28**	**784.83**

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

Note 12: Provisions

(₹ in crore)

Particulars	As at 31-03-2021	As at 31-03-2020
Provisions		
Provision for employee benefits	132.75	78.14
- Current	122.05	70.43
- Non Current	10.70	7.71
Provision for gratuity	4.36	0.72
- Current	4.36	-
- Non Current	-	0.72
Provision for Income Tax	190.64	2.72
Pro. for Employees Benefits -Superannua	5.25	0.76
Provision for Liability (Contractors)	71.55	117.96
Others	48.74	71.69
Total	**453.29**	**271.99**
Current	442.59	263.56
Non current	10.70	8.43
Total	**453.29**	**271.99**

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

Note 13: Non Financial Liabilities

(₹ in crore)

Particulars	As at 31-03-2021	As at 31-03-2020
Other non financial liabilities		
Government Grants	4,179.89	4,391.24
- Current	211.65	211.63
- Non Current	3,968.24	4,179.61
Others	2.77	2.84
Advance from customers	2.06	4.87
Total	**4,184.72**	**4,398.94**
Current	216.48	219.34
Non current	3,968.24	4,179.61
Total	**4,184.72**	**4,398.94**

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

Note 14: Deferred taxation

(₹ in crore)

Particulars	As at 31-03-2021	As at 31-03-2020
Deferred tax asset/ liability	(246.98)	(167.64)
Deferred tax assets/(liabilities)-net	**(246.98)**	**(167.64)**

Note 15: Revenue from operations

(₹ in crore)

Particulars	Year Ended 31-Mar-21	Year Ended 31-Mar-20
Sale of products (including GST)		
(a) Sale of HDPE/LLDPE	2,203.26	1,862.07
(b) Sale of Polypropelene	595.27	527.10
(c) Sale of HPG ,CBFS,Slop Oil,etc.	237.22	246.76
Total sale of products	**3,035.75**	**2,635.93**
Sale/ rendering of services	-	-
Less: GST on Sales	470.82	408.53
Less: Discount on Sales	115.27	141.81
Total	**2,449.66**	**2,085.59**
Add: Other Operating Income	**391.78**	**645.79**
Add: Budgetary Support Under GST	**61.18**	**-**
Total	**2,902.62**	**2,731.38**

Note 16: Other Income

(₹ in crore)

Particulars	Year Ended 31-Mar-21	Year Ended 31-Mar-20
Other non-operating Income:		
Interest on FDR's	1.23	1.49
Other Interest	3.69	2.61
Government grants	211.64	205.95
Recoveries from Employees	0.73	0.73
Excess Provision Written Back	2.36	-
Reimbursement of VAT on NG	278.50	-
Misc. Receipts	38.74	5.49
Total	**536.89**	**216.27**

Note 17: Cost of raw material consumed

(₹ in crore)

Particulars	Year Ended 31-Mar-21	Year Ended 31-Mar-20
Raw materials consumed	1,146.26	1,672.87
Chemical & Catalyst	71.45	73.36
Total	**1,217.71**	**1,746.22**

Note 18: Employee Benefit Expenses

(₹ in crore)

Particulars	Year Ended 31-Mar-21	Year Ended 31-Mar-20
Salary, Wages and Allowances	126.52	139.66
Contribution to Provident and other Funds	17.60	11.40
Welfare Expenses	10.07	10.41
Secondment charges	7.70	9.56
Total	**161.89**	**171.03**

Note 19: Depreciation and amortization expense

(₹ in crore)

Particulars	Year Ended 31-Mar-21	Year Ended 31-Mar-20
Depreciation and Amortization Expenses	392.68	390.85
Total	**392.68**	**390.85**

Note 20: Finance cost

(₹ in crore)

Particulars	Year Ended 31-Mar-21	Year Ended 31-Mar-20
Interest on Term Loans from Banks	116.90	136.20
Interest on Short Term Loans from Banks	31.87	17.07
Interest on Loans from Other Institutions	70.36	85.78
Interest on Loans from Promoters	14.54	17.37
Interest on other Securities	-	0.15
Interest on Lease Obligations (ROU)	0.22	0.31
Other Borrowing Costs(Commitment and other Finance Charges)	1.43	1.64
Less: NEIIP Interest Subsidy	-	(6.09)
Total	**235.32**	**252.43**

Note 21: Other Expenses

(₹ in crore)

Particulars	Year Ended 31-Mar-21	Year Ended 31-Mar-20
Stores & Spares Consumed	41.32	42.32
Power, Fuel and Water Charges:		
Power and Water charges	9.68	16.51
Repairs and Maintenance:		-
Plant and Machinery	23.32	31.37
Building	5.79	4.52
Others	2.42	1.99
Provision for obsolence of Stores & Spares	-	21.66
Insurance	4.53	3.32
Communication expenses	0.28	0.15
Printing and Stationery	0.13	0.14
Travelling Expenses	0.32	2.13
Books and Periodicals	0.04	0.05
Advertisenement and Publicity	0.27	0.37
Payment to Auditors:		
Audit Fees	0.07	0.06
Tax audit fees	-	0.01
Management services	0.02	0.03
Entertainment Exp	0.12	0.30
Recruitment and Trainning Expenses	0.12	0.31
Vehicle Hire and running Expenses	2.81	3.17
Rent Rates & Taxes	1.47	6.24
Consultancy Charges	0.47	0.36
Legal and Professional Charges	1.07	1.14
Directors sitting fees	0.03	0.01
Selling and Distribution Expenses	7.10	45.24
Bad Debts /Claims Written off	19.06	-
Provision for Doubtful Debts	-	17.17
Commission on Sales	66.82	64.57
Security Expenses	35.05	33.62
CSR expenses	11.50	-
Net loss on Foreign currency Transaction and Translation	(0.90)	1.61
Other Expenses	62.45	49.21
Total	**295.36**	**347.58**

22. Contingent Liabilities and Commitments:

₹ *in crore*

(a) Contingent Liabilities:

	31-Mar-21	31-Mar-20
Claims against the Company not as debts:		
Service Tax matters *	7.90	7.90
Court cases:		
Land Acquisition cases for Higher Compensation	20.70	33.70
Others	7.71	7.71
Claim by contractors Arbitration cases/other extra claims on capital account	544.85	499.65

* Details at note 30(b).

₹ *in crore*

(b) Capital Commitments:

	31-Mar-21	31-Mar-20
Estimated amount of contracts remaining to be executed on capital account and not provided for	59.74	11.64

₹ *in crore*

(c) Guarantees & other Commitment:

	31-Mar-21	31-Mar-20
DSRA Bank Guarantees	30.00	33.50
Letter of Credits issued	24.10	30.68
Counter Guarantee to GAIL for OIDB Loan	100.00	250.00

(d) Registration charges towards transfer of GAIL's Lakwa unit: ₹10.00 Cr. (Previous year ₹10.00 Cr.).

Note :

a. The Company does not expect any reimbursement in respect of the above contingent liabilities.

b. 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.

c. The Company currently does not have any Contingent Assets. The counter claims under arbitrations have, however, been suitably adjusted with the claim against the company.

d. The contingent liability reported under Arbitration includes an amount of ₹2.34 crore relating to M/s BIL for which provision has not been made although the arbitral award has been passed in favour of the contractor as BCPL is in the process of filling the matter with High Court based on a legal opinion strongly suggesting the move.

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 ₹5221.03 Cr. till 31.03.2021. An amount of ₹0.30 Cr. has been received

as interest during the FY 2020-21(Previous FY ₹1.06 Cr) on such capital subsidy out of fund deposited on short term basis and such interest portion has been adjusted with capital subsidy receivables in line of approved sanctions The total capital subsidy received including interest stands at ₹0.30 Cr for FY 2020-21 as compared to ₹211.64 Cr for FY 2019-20. The balance amount of capitals subsidy receivable stands at ₹18.12 Cr and release of the same shall be requested in RE 2021-22 from Govt. of India. 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 ₹ 211.64 Cr. has been transferred (Previous year ₹ 205.95 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:

As per approved methodology for computation of feed stock subsidy, for 15 Years of plant operation, BCPL had submitted a claim of ₹1705.35 Cr to MoPNG for the period FY 2015-16 to FY 2018-19 against which an amount of ₹1700.00 Cr was released on 31.03.2021. The actual claim of ₹645.79 crore for FY 2019-20 has also been submitted and is under consideration by the administrative ministry. Further, the company has considered an amount of ₹391.78 Cr (previous year ₹645.79 Cr.)as claim towards feedstock subsidy for FY 2020-21 under 'Other Operating Income' on accrual basis based on the projection/ estimate as per the methodology.

ii. Exemption from Sales Tax / Vat on Feedstock / Raw Material:

In accordance with JV agreement signed among the promoters of the Company, Government of Assam (GoA) vide Notification No.FT.22/2018/61 Dated 19.6.2020 has extended an exemption to Brahmaputra Cracker and Polymer Limited (BCPL) from payment of tax under the Assam Value Added Tax Act, 2003 in respect of purchase of Natural Gas for a period of fifteen years from the date of commencement of commercial production, i.e., from 02.01.2016 to 01.01.2031. As per the said notification, the amount of tax already paid by BCPL amounting to ₹278.50 Cr on purchase of Natural Gas from registered dealers for the period from 02.01.2016 to 31.03.2020 has been claimed from the authority. Considering the reasonable certainty of refundable amount from the Government in view of the specific notification the same has been accounted as 'Other Income'.

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

The Company is registered under NEIIPP (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	Ineligible to be Refunded	Written off During the Year	Closing Claim Receivable
Freight Subsidy	75.37	19.18	-	-	-	94.55
Insurance Subsidy	54.57	21.57	(27.95)	-	(0.17)	48.02

Interest Subsidy	14.35	-	-	(4.71)	(14.35)	(4.71)
Grand Total	144.30	40.74	(27.95)	(4.71)	(14.52)	137.87

The current financial year claim towards subsidy amounting to ₹40.74 Cr. has been adjusted with respective expenditure (Previous FY 49.05 Cr). Further out of the above total claim receivable an amount to ₹38.46 Cr is pending for submission.

Further, interest subsidy claims pertaining to the period from 01.04.2017 to 31.03.2020 amounting ₹14.35 Cr has been written off based on the communication from Industries Department. As per the communication, on account of changes incorporated in the scheme during November'2016, the claims towards Interest Subsidy, made by BCPL stands ineligible under revised scheme in vouge. Considering the same, a liability of ₹4.71 has been created for refunding interest subsidy previously allowed to BCPL for the FY 2016-17.

iv. 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 05th October, 2017 read with Circular No. 1060/9/2017-CX dated 27th 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 ₹61.18 Cr. (Previous FY Nil) towards GST 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. and ₹ 3.87 Cr. (Previous Year: ₹ 94.65 Cr. and ₹ 3.87 Cr.) respectively. Out of which, title deeds for freehold (190 bigha) and leasehold (520 bigha) land amounting to ₹ 3.87 Cr. and ₹ 15.38 Cr. (Previous Year: ₹ 3.87 Cr. and ₹ 15.38 Cr.) respectively are pending execution for transfer in the name of the Company. Although the Company enjoys complete 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, but 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.

25. Trade payables: Trade payable pertaining to related party stands at ₹74.18 Cr. out of which the payable to 'OIL' as on 31.03.2021 is ₹42.98 Cr (Previous FY 66.76 Cr) after adjustment of ₹9.48 Cr towards NG shortfall for current financial year (Previous FY 30.52Cr). Further an amount of ₹140.68 Cr (Previous FY 176.13 Cr) is shown as retention under note no. 11 "Financial Liability' towards NG of previous period. During the current FY an amount of ₹35.44 Cr has been considered as 'other income' out of the total retention amount based on settlement of dispute by a joint committee of both M/s OIL and BCPL. The joint Committee of both M/s OIL and BCPL was constituted to work out the shortfall gas value as per Gas Supply and Purchase Agreement (GSPA). The balance amount of retention amounting to ₹140.68 Cr. will be settled subsequently in line with the dispute resolution plan.

26. Disclosure as per requirements of Ind-AS 19 – "Employees benefit".

i. **Revision of pay & other benefits:** The proposal for revision of pay & other benefits for Board and below Board level officer duly recommended by Board was submitted to the Government, but the same was pending for approval by the Government due to non-fulfilment of the affordability clause and other conditions stipulated in the guideline notified by Department of Public Enterprise, Government of India, with reference to 3rd Pay Revision Committee's recommendation. With the accounting of feedstock subsidy from FY 2015-16, the profitability of the company was improved in the FY 2019-20 and BCPL's position in respect of affordability clause also improved. With improved financials, BCPL has submitted a revised proposal to the administrative ministry for approval of implementation of 3rd Pay Revision in the company with effect from 01.01.2017 vide Letter Dated 14.08.2020. Accordingly, necessary provision towards pay revision amounting to ₹63.20 Cr was made in the books of accounts for officers during FY 2019-20.

In similar line, the wage negotiation/ revision of unionised staffs and non-executives is also due and various negotiations in this regards were to take place. Accordingly, a provision pertaining to wage revision of non-executives has been provided amounting to ₹15.39 Cr for period ended up to FY 2019-20. Besides the above, provision for current year FY 2020-21 for both executives and non-executives amounting to ₹23.10 Cr has been accounted. Also, the provision towards Performance Related Pay (PRP) payable to the executives and non-executives on revised scale based on 3rd PRC has been provided for on estimated basis amounting to ₹4.67 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 encash the accumulated Earned Leave during the service period and on resignation. Further, the accumulated Earned leave and Half Pay Leave can be encashed 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 06, 2018). Accordingly, a Superannuation Trust was formed in the current financial year 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 06.02.2018 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 06.02.2018 towards PRMS. Further, the company has submitted for enhancement of contribution towards superannuation benefit scheme from present approved percentage of 6 % to 13.19 % (making it total to 30 % as per the 2nd PRC). The matter is being actively considered by administrative ministry based on the affordability criteria and is expected to be approved. Accordingly, a provision of ₹5.25 Cr has been provided during the current FY pertaining to the above increase.

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, 2021 & 31st March, 2020.

₹ in Cr.

Particulars	Gratuity		Leave encashment	
	2020-21	2019-20	2020-21	2019-20
Current Service Cost	2.11	1.75	1.23	1.09
Past Service Cost	-	-	-	-
Net Interest Cost	0.09	(0.06)	0.46	0.25
Actuarial Gain/loss	-	-	3.75	3.66
Total expenses included in employee benefit expense	2.20	1.69	5.44	5.00

b. Amount recognized in Other Comprehensive Income for the year ended 31st March, 2021

₹ in Cr.

Particulars	Gratuity	
	2020-21	2019-20
Actuarial (gain)/ loss on obligations	(0.63)	1.88
Return on plan assets (excluding amounts included in net interest expense)	0.84	0.00
Experience adjustments	2.05	0.10
Recognized in other comprehensive income	2.26	1.99

c. Changes in the present value of the defined benefit obligation for the year ended 31st March, 2021 and 31st March, 2020 are as follows:

₹ in Cr.

Particulars	Gratuity		Leave encashment	
	2020-21	2019-20	2020-21	2019-20
Current service cost	2.11	1.75	1.23	1.09
Interest cost	0.73	0.46	0.46	0.25
Transfer In	0.00	0.00	0.00	0.00
Benefits paid	0.18	0.73	2.11	2.09
Actuarial (gain)/ loss on obligations	1.42	1.98	3.76	3.66
Defined benefit obligation	**14.79**	**10.71**	**11.05**	**7.71**

d. Changes in the fair value of plan assets for the year ended 31st March, 2021 and 31st March, 2020 are as follows:

₹ in Cr.

Particulars	Gratuity		Leave encashment	
	2020-21	2019-20	2020-21	2019-20
Interest income	0.65	0.52	0.00	0.00
Return on plan assets (excluding amounts included in net interest expense) – OCI	(0.84)	0.00	0.00	0.00
Contribution by Employer	1.39	1.84	0.00	0.00
Benefits paid	0.18	0.73	0.00	0.00
Service cost (Transfer in)	0.00	0.00	0.00	0.00
Closing fair value of plan assets	**10.40**	**9.38**	**0.00**	**0.00**

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

₹ in Cr.

Particulars	Gratuity		Leave encashment	
	2020-21	2019-20	2020-21	2019-20
LIC Fund	10.40	9.38	0.00	0.00
Insurer managed funds	0.00	0.00	0.00	0.00

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

₹ in Cr.

Particulars	Gratuity		Leave encashment	
	2020-21	2019-20	2020-21	2019-20
Discount rate (in %)	6.91	6.69	6.91	6.69
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 2006-2008 ULTIMATE	IALM 2006-2008 ULTIMATE	IALM 2006-2008 ULTIMATE	IALM 2006-2008 ULTIMATE

g. A quantitative sensitivity analysis for significant assumption as at 31st March 2021 is as shown below:

₹ in Cr.

Gratuity Plan	31-Mar-21		31-Mar-21	
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)	13.47	16.26	15.91	13.68

₹ in Cr.

Gratuity Plan	31-Mar-20		31-Mar-20	
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)	9.73	11.80	11.57	9.86

₹ in Cr.

Leave encashment	31-Mar-21		31-Mar-21	
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)	10.14	12.24	12.24	10.14

₹ in Cr.

Leave encashment	31-Mar-20		31-Mar-20	
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)	7.10	8.58	8.58	7.09

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

₹ in Cr.

Particulars	Gratuity		Leave encashment	
	2020-21	2019-20	2020-21	2019-20
Within the next 12 months (next annual reporting period)	0.12	0.10	0.09	0.07
Between 2 and 5 years	0.84	0.61	0.76	0.53
Between 5 and 10 years	2.06	1.70	1.73	1.41
Beyond 10 years	61.73	43.49	45.87	30.63
Total expected payments	64.75	45.90	48.45	32.64

i. The average duration of the defined benefit plan obligation at the end of the reporting period is 24 years (31 March 2020: 25 years).

j. History of experience adjustment is as follows:

₹ in Cr.

Particulars	Gratuity				
	31-Mar-21	31-Mar-20	31-Mar-19	31-Mar-18	31-Mar-17
Present value of obligation	14.79	10.71	7.24	5.08	3.47
Plan assets	10.40	9.38	7.75	4.94	2.62
Experience adjustments	2.05	0.10	0.54	0.16	(0.08)

₹ in Cr.

Particulars	Leave encashment				
	31-Mar-21	31-Mar-20	31-Mar-19	31-Mar-18	31-Mar-17
Present value of obligation	11.05	7.71	4.80	3.17	4.20
Plan assets	0.00	0.00	0.00	0.00	0.00
Experience adjustments	4.22	2.32	2.21	3.48	0.74

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 01.04.2020	2.53	2.53
Claim for the financial year 2020-21	0.07	0.00
Total Claim:	2.60	2.53
Less: Received during the year	0.00	0.00
(Add) / Less: Claim adjusted/reversed	0.00	0.00
Receivable as at 31.03.2021	2.60	2.53

28. Taxability of interest income from short term deposit (STDRs) during Project period

During construction period (from inception to 02.1.2016), interest income earned from parking of fund in short term deposits arising out of parking of fund from Capital subsidy, Loan & Equity which is linked to the project cost was treated as taxable income by Tax Authority . BCPL had preferred an appeal with ITAT, Guwahati. Subsequently, appeal effect order was passed on 14.06.2017 by the ITAT upholding that the aforesaid income will not be taxable for the Assessment Year (AY) 2009-10 and 2010-11 and against this order a refund amount of ₹ 7.77 Cr. was passed in the FY 2017-18. Further, on request for rectification order, for an amount of ₹ 0.03 Cr. and ₹ 0.35 Cr. was allowed by tax authority for AY 2009-10 & AY 2010-11 during the FY 2018-19 towards short interest refunded. This refund amount along with interest was received in the FY 2019-20.

Subsequent to the ITAT order for AY 2009-10 and AY 2010-11, submission was made to CIT (Appeal) to consider the matter pertaining to subsequent AY 2011-12 to 2015-16 in line with the ITAT judgment since matter for subsequent years was similar in nature. However, the final judgment was passed by the CIT (Appeal) on 12.03.2018 for AY up to 2014-15 and on 18.01.2019 for AY 2015-16 by holding interest income received against investments out of borrowed funds as taxable. Against this order a sum of ₹ 14.30 Cr. was received during the FY 2018-19 (for AY up to 2014-15) and ₹ 0.83 Cr. was received in the FY 2019-20 (for AY 2015-16) after adjustment of Income Tax on interest income generated out of investment of borrowed fund. Considering the decision of the CIT (Appeal) as unjust and a deviation with the ITAT decision for preceding AY's, BCPL again preferred an appeal before the ITAT for the AY 2011-12 to 2015-16.

The ITAT, Guwahati finally disposed of all the pending appeals for the AY 2011-12 to 2015-16 in favour of BCPL and passed orders on 26.10.2020 granting full relief to BCPL upholding that all the interest received from investment in short term deposit of fund arising from Capital Subsidy, Equity capital and Borrowed fund as capital receipt and hence not taxable. Based on the order of the ITAT, Guwahati, refund orders were passed by the AO, Circle-1, Dibrugarh on 19.01.2021 and the amount of refund finally received in the company account on 22.01.2021 as detailed below:

₹ in Cr.

Assessment Year	Debt Income Considered as Capital Receipt	Tax Refund received on Debt Income with interest thereon	Date of Refund
2011-12	3.83	2.02	22.01.2021
2012-13	0.54	0.26	22.01.2021
2013-14	1.84	0.85	28.01.2021
2014-15	16.79	8.54	22.01.2021
2015-16	1.90	0.39	22.01.2021
Total		12.06	

29. 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 towards the current financial year has been kept at ₹190.64 crore (Previous FY Nil) after adjustment of brought forward un-absorbed depreciation amounting to ₹193.50 crore. The Company has already deposited advance tax amounting to ₹ 180.17 including TDS during the current financial year.

Balance of 'Unabsorbed Depreciation' as per Income Tax Return for the AY 2020-21 stands at ₹193.50 crore which has been considered for determining the Income Tax provision for the current FY 2020-21 (i.e for AY 2021-22). Accordingly, the balance of 'Unabsorbed Depreciation' will be fully utilised and the balance carry forward will be 'Nil' as follows:

₹ in Cr.

Nature	Period AY	Balance B/F	Adjusted For Current FY	Balance C/F
Unabsorbed Depreciation	2018-2019	3.42	3.42	0.00
	2019-2020	190.08	190.08	0.00

30. GST Credit and Utilisation:

a) Following are the details of GST credit and utilisation for the period 2020-21:

₹ in Cr.

Sl. No.	Location	Assam			Uttar Pradesh		
	Particulars	IGST	CGST	SGST	IGST	CGST	SGST
A	Opening Balance of ITC	0	4.7	4.35	0.41	0.06	0.06
B	Input Tax credit availed	142.95	36.61	36.61	0	0.02	0.02
C	Taxes paid through ITC	142.95	41.31	40.96	0.21	0	0
D	Taxes paid through ITC (IGST liability adjusted with CGST/SGST Credit)	35.43	-17.89	-17.54	0	0	0
E	Taxes Paid in Cash	224.09	1.5	1.5	0	0	0
F	Total Taxes Paid during the year (C+D+E)	402.47	24.92	24.92	0.21	0	0
G	Closing Balance of ITC	0	0	0	0.20	0.08	0.08

*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 has challenged the CESTAT order before the honourable Guwahati High Court in the current financial year. The honourable Guwahati High Court has passed a stay order on dated 07.12.2020 for any coercive action against the company relating to the matter in issue.

b) Service tax /Goods & Service Tax on Liquidated Damages /Price Retention Schedule(PRS)

Commissioner, GST had passed an order during the FY 18-19 for recovery of certain amount against Service Tax on Liquidated Damages /Price Retention Schedule (PRS) for the period from 01.07.2012 to 30.06.2016. The aforesaid order was passed with reference to provisions of the Finance Act 1994 in service tax regime read with Section 174 of Central Goods & Service Tax (CGST) Act 2017.

BCPL had deposited ₹ 7.90 Cr. to exchequer account towards service tax demand & preferred an appeal before CESTAT which is yet to be disposed. The above amount has been shown under Contingent Liability under note no 22 above.

31. 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 of fixed and variable rate loans and borrowings. The Company's objective is to maximize low interest rate borrowings.

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
31 March 2021		
SBI Loan	+100	+13.41
	-100	-13.41
31 March 2020		
SBI Loan	+100	+15.93
	-100	-15.93

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 Butene 1, 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
For the year ended March 31, 2021		
US Dollar	3%	-0.68
	-3%	0. 68
EURO	6%	-
	-6%	-
Japanese yen	7%	-0.10
	-7%	0.10
For the year ended March 31, 2020		
US Dollar	3%	-0.37
	-3%	0. 37
EURO	6%	-0.47
	-6%	0.47
Japanese yen	7%	-0.73
	-7%	0.73

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 2021	On Demand	Less than 3 Months	3 to 12 Months	1 to 5 Years	> 5 Years	Total
Interest-bearing loans and borrowings	200.23	60.77	320.37	1756.69	183.86	2521.92
Interest Payable	0.88	41.23	117.17	281.41	14.82	455.51
Trade and other payables	121.56	-	-	-	-	121.56
Other financial liabilities	255.57	57.01	65.30	0.28	-	378.14
Other – specify	-	-	-	-	-	-

₹ in Cr.

As at 31 March 2020	On Demand	Less than 3 Months	3 to 12 Months	1 to 5 Years	> 5 Years	Total
Interest-bearing loans and borrowings	18.12	369.82	437.19	1,893.19	463.51	3181.83
Interest payable	1.46	57.03	155.51	460.45	18.49	692.94
Trade and other payables	142.00	-	-	-	-	142.00
Other financial liabilities	305.69	7.87	67.66	1.60	-	382.82
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.

Particulars	Neither past due not impaired	Past due but not impaired				Total
		Less than 30 days	30 to 60 days	60 to 90 days	Above 90 days	
Trade receivables as of 31 March 2021	57.56	6.31	1.38	-	2.47	67.72
Trade receivables as of 31 March 2020	-	-	-	-	2.87	2.87

Provision for Doubtful Debts / Claims

Provisions	31 March 2021	31 March 2020
Start of the year	17.17	-
Provision for doubtful Debts / Claims	19.06	17.17
Receivables / Claims written off during the year as uncollectable	19.06	-
Unused amounts reversed	-	-
End of the year	17.17	17.17

32. 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 31st March 2021 and 31st March 2020.

However, the Company's gearing ratio, which is net debt divided by total capital plus net debt is furnished in the table below. The Company includes within net debt, interest-bearing loans and borrowings, trade and other payables, less cash and short-term deposits.

₹ in Cr.

Particulars	As at 31 March 2021	As at 31 March 2020
Interest-bearing loans and borrowings including payables	2,638.73	3,326.35
Less: Cash and Cash Equivalents	1340.57	42.92
Net debt	1298.16	3283.43
Equity	1,417.67	1,417.67
Total Capital	2,811.26	2,073.05
Capital and net debt	4,109.42	5356.48
Gearing ratio	0.32	0.61

33. 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 2021 the company held the following financial instruments carried at fair value on the statement of financial position:

₹ in Cr.

Particulars	Carrying Amount 31.03.2021	Fair Value		
		Level 1	Level 2	Level 3
Financial assets at amortised cost:				
Non-current				
Loans and receivables	0.02	-	-	-
Other Financial Assets (Feed Stock Subsidy Claim)	391.78			
Current				
Trade receivables	67.72	-	-	-
Cash and cash equivalents	1340.57	-	-	-
Other Financial Assets (It includes Feed Stock & NEIIPP Subsidy)	1131.29	-	-	-
Total	**2931.38**	**-**	**-**	**-**
Financial liabilities at amortised cost:				
Non-current				
Borrowings	1935.81	-	-	-
Other financial liabilities	0.28			
Current		-	-	-
Borrowings	210.23	-	-	-
Other financial liabilities	749.01	-	-	-
Trade payables	121.56	-	-	-
Total	**3016.89**	**-**	**-**	**-**

As at 31 March 2020 the Company held the following financial instruments carried at fair value on the statement of financial position:

₹ in Cr.

Particulars	Carrying Amount 31.03.2020	Fair Value		
		Level 1	Level 2	Level 3
Financial assets at amortised cost:				
Non-current				
Loans and receivables	24.87	-	-	-
Other Financial Assets (Feed Stock Claim)	645.79			
Current				

Particulars	Carrying Amount 31.03.2020	Fair Value		
		Level 1	Level 2	Level 3
Trade receivables	2.87	-	-	-
Cash and cash equivalents	42.92	-	-	-
Other Financial Assets (It includes Feed Stock & NEIIPP Subsidy)	1852.62	-	-	-
Total	**2569.07**	**-**	**-**	**-**
Financial liabilities at amortised cost:				
Non-current				
Borrowings	2,351.12	-	-	-
Other financial liabilities	1.60			
Current				
Borrowings	423.12	-	-	-
Other financial liabilities	783.23	-	-	-
Trade payables	150.10	-	-	-
Total	**3709.17**	**-**	**-**	**-**

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.

34. 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 1 Year SBI MCLR + 0.25% i.e. 8.70% and the right of use asset at its carrying amount.

As on 31.03.2021, ROU Asset balance stands at ₹ 223.68 crore and Lease Liability at ₹ 1.60 Cr. The difference of ₹ 222.08 Cr. is on account of reclassification of prepaid lease rent expenditure of land to ROU asset aligning with IND AS presentation requirements.

Lease Liabilities

Reconciliation of Lease Liabilities:

₹ in Cr.

Particulars	Year ended March 31, 2021
Balance at April 1, 2020	3.39
Adjustments for:	
Additions during the year	-
Deletions during the year	-
Accredition of interest	0.22
Lease Liabilities paid during the year	2.01
Balance at March 31, 2021	1.60
Current	1.32
Non-Current	0.28

Maturity analysis of Lease Liabilities

Particulars	Less than 3 months	3 to 12 months	> 1 Year	Total
Lease Liabilities (Current)	0.39	0.93	0.00	1.32
Lease Liabilities (Non Current)	0.00	0.00	0.28	0.28
Total	**0.39**	**0.93**	**0.28**	**1.60**

Amount recognized in Statement of Profit and Loss:

Particulars	Year ended March 31, 2021
Depreciation on right-of-use assets	10.75
Interest expense on lease liabilities	0.22
Total	**10.97**

35. CSR Expenditure: Having now entered the profit regime, a budget of ₹11.50 crore has been approved for CSR activities for the financial year 2020-21 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. Baseline survey for long term projects are being carried out. The projects are being executed through the district administration and will be monitored and implemented through a CSR Coordination Team. In terms of the CSR Amendment Rules 2021, within 30 days from closure of financial year, the unspent amount towards ongoing projects have been transferred to an 'Unspent CSR Bank' Account, stipulated in Sub Section 6, Section 135 of Companies Act' 2013.

36. Proposed dividend and tax :

For the FY 2020-21, an amount of ₹222.00 Cr, which is '15.66 % of paid up Equity Capital' has been proposed as dividend. The same will be disbursed after approval by the shareholders.

37. 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 20-21	FY 19-20
Gail (India) Limited		
Manpower cost	7.70	9.56
Purchase of goods (Butene-1, propylene, NG etc.)	2.94	17.17
Marketing Commission	54.27	53.67
Expenditure towards DRC	0.61	1.49
Interest on Borrowing	14.58	17.37
Borrowing from Holding Company	0.00	200.00
Balance payable at the reporting date	38.68	40.95
Numaligarh Refinery Limited		
Sale/ Purchase of goods	270.56	458.40
Balance payable at the reporting date	8.99	31.91
Oil India Limited		
Sale/ Purchase of goods	324.92	547.53
Balance payable (NG supply) at the reporting date	163.17	285.14
Outstanding (infrastructure cost) at the reporting date	20.35	20.35
Key management personnel		
Remuneration to Sh. A K Singh- Managing Director (Up to 12.02.2020) Short Term Benefits – ₹ 0.35 Cr. , Post Retirement Benefits – ₹ 0.79 Cr.	0.00	1.14
Remuneration to Sh. Reep Hazarika – Managing Director (Short Term Benefits Only)	0.34	0.04
Remuneration to Sh. Pruthiviraj Dash - Director (Finance) and CFO (Short Term Benefits Only)	0.36	0.33
Remuneration to Mrs. Ruli Das Sen- Company Secretary (Short Term Benefits Only)	0.25	0.25
Sitting Fees Paid to Independent Directors	0.03	0.01

38. 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.

39. Claims due to Micro , Small & Medium enterprise

Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act, 2006"):

Particulars	2020-21	2019-20
i. The principal amount and the interest thereon remaining unpaid to any supplier as at the end of each accounting year;	10.48	2.13
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;	0.00	0.00

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;	0.00	0.00
iv. The amount of interest accrued and remaining unpaid at the end of each accounting year; and	0.00	0.01
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.	0.00	0.00

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.

40. 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 2021.

(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 2021, three major Customers contributed around 10.28% of the revenue amounting to ₹ 243.04 Cr. (previous year ₹ 183.02 Cr.).

41. 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-21	31-Mar-20
Gain/(-Loss) attributable to equity holders of the Company:		
Continuing operations	739.90	1507.60
Discontinued operation	-	-
Gain/(-Loss) attributable to equity holders of the Company for basic earnings	739.90	1507.60
Gain/(-Loss) attributable to equity holders of the Company adjusted for the effect of dilution	739.90	1507.60
Weighted Avg. No's of Equity shares for basic EPS * (in No.)	1417670000	1417670000
Effect of dilution:	-	-

Weighted Avg. No's of Equity shares adjusted for the effect of dilution *	-	-
Earnings per equity share: in ₹		
-Basic	5.22	10.63
-Diluted	5.22	10.63

42. Impairment: The project was commissioned recently and the plant is now fully stabilized. During the current financial year & the previous financial, the plant operated at more than 100% capacity. With the accounting of feedstock subsidy, 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 Loses**.**

43. COVID-19: During the previous FY 2019-20, due to impact of Covid-19, the inventory value was reduced to NRV for finished goods and replacement cost for raw-materials was considered. The ongoing pandemic led to some revenue compression in the initial period of FY 2020-21, however, the situation improved as the normalcy in market conditions returned. Despite COVID-19 related disruptions, the Polymer market has shown consistent demand with buoyant prices and the financial year has been good for BCPL. Oddly enough, after the initial setback, the Covid -19 pandemic has given an impetus to the Polymer industry with rising demand.

44. Deferred Tax Liability: Due to timing difference of depreciation available under Income Tax Act and Companies Act, amount of ₹79.34 Cr has been considered as deferred tax expenditure for FY 2020-21. Due to the above, Deferred tax Liability (net) stands at ₹246.99 Cr as on 31.03.2021 as compared to ₹167.64 Cr as on 31.03.2020**.**

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 No. 322473E

Sd/-
(Ravi Kumar Patwa)
Partner
Membership No. 056409

Place : Dibrugarh / Guwahati / Silchar
Date : 25th May, 2021

Cash Flow Statement for the period ended 31st March 2021

(₹ in crore)

Particulars	31.03.2021	31.03.2020
Cash Flow From Operating Activity		
Net profit Before Tax & Extra Ordinary Items	1,010.45	1,847.39
Adjustement For:		
Depreciation/ Amortisation	392.68	390.85
Items Not Classified in Profit & Loss	(2.26)	(1.99)
Accounting of Revenue Grant	(391.78)	(2,351.14)
Accounting of NEIPP & Other Subsidy	(22.14)	(49.05)
Accounting of Budgetary Support	(61.18)	-
Accounting of VAT Reimbursement Claim	(278.50)	-
Deferred Income (Capital Subsidy)	(211.64)	(205.95)
Interest Paid	235.32	252.43
Provision For Doubtful Debts	-	17.17
Provision for Obsolesence of Stores/ Spares	-	21.66
Cash Flow before Working Capital Change	**670.95**	**(78.62)**
Adjustment For Working Cap Changes		
Changes in Financial Assets (Current)	41.09	142.45
Changes in Financial Assets (Non- Current)	24.43	(17.87)
Changes in Financial Liability (Current)	(45.56)	129.65
Changes in Financial Liability (Non-Current)	0.95	2.34
Cash Generated From Operating Activity	**691.86**	**177.94**
Current Tax (Advance Tax Paid)	(179.75)	-
Deferred Tax	-	-
Cash Before Extra Ordinary Items	**512.10**	**177.94**
Extra-Ordinary Items	-	-
Net Cash From Operating Activity	**512.10**	**177.94**
Cash Flow From Investing Activity		
Net Addition/ Purchase of Assets	(32.67)	(101.73)
Capital Work In Progress	(14.80)	(1.52)
Net Cash Flow From Investing Activity	**(47.47)**	**(103.25)**
Cash flow From Financing Activity		
Proceeds From Government Grant	1,728.25	201.06
Repayments of Borrowings	(660.14)	(386.81)
Borrowing From Others	0.23	405.00
Interest paid	(235.32)	(252.43)
Net Cash Flow From Financing Activity	**833.01**	**(33.18)**
Net Increase/(Decrease) In Cash & Cash Equivalent	1,297.65	41.52
Opening Cash & Cash Equivalent	42.92	1.40
Closing Cash & Cash Equivalent	**1,340.57**	**42.92**

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 No. 322473E

Sd/-
(Ravi Kumar Patwa)
Partner
Membership No. 056409

Place : Dibrugarh / Guwahati / Silchar
Date : 25th May, 2021

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 LTD. FOR THE YEAR ENDED 31 MARCH 2021.

The preparation of financial statements of Brahmaputra Cracker and Polymer Ltd. for the year ended 31 March 2021 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory 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 25 May 2021.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of Brahmaputra Cracker and Polymer Ltd. for the year ended 31 March 2021 under Section 143(6) (a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

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

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

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

Place: Kolkata
Date: 28th July, 2021

Brahmaputra Cracker and Polymer Limited
Registered Office
House No 6, Bhuban Road,
Uzanbazar, Guwahati 781001, Assam

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