





Brahmaputra Cracker and Polymer Limited

## 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.*

## ANNUAL REPORT 2021-22

## MISSION

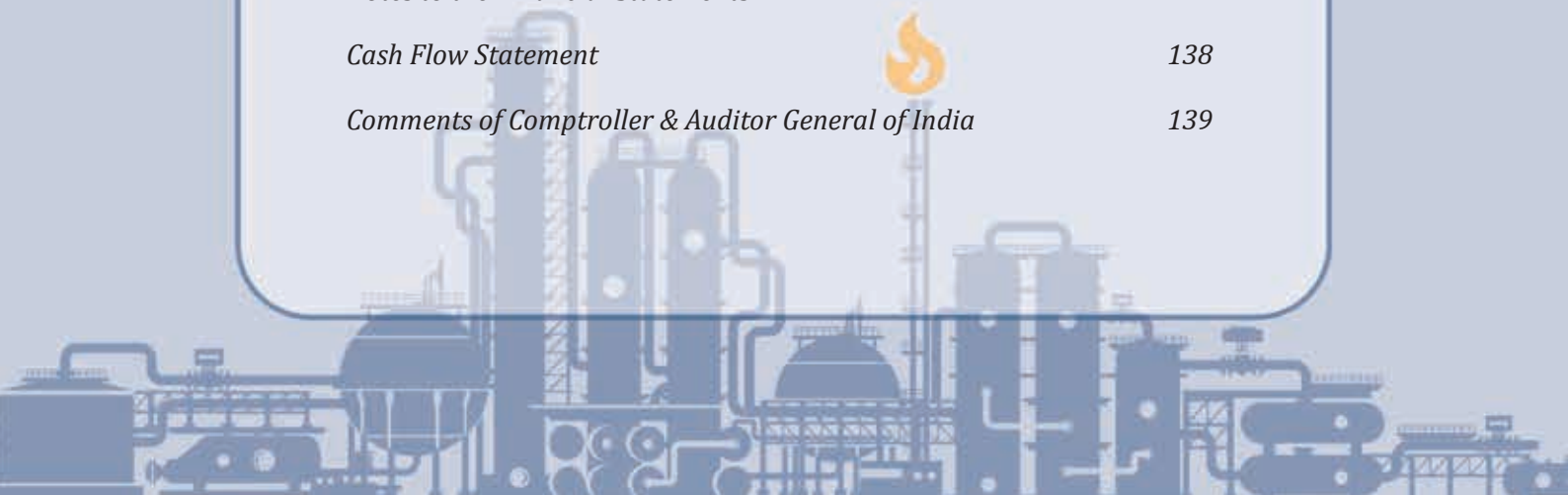
*To establish significant presence in the north-east region in petrochemical sector by way of production / sourcing and marketing of quality products, deploying efficient distribution and marketing channels to cater to the needs of target customers.*





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# BOARD OF DIRECTORS



**Shri Manoj Jain**  
*Chairman*



**Shri Reep Hazarika**  
*Managing Director*



**Shri Pruthiviraj Dash**  
*Director (Finance)*



**Shri Jishnu Barua, IAS**  
*Director*



**Shri R K Dutta**  
*Director*  
*(up to 18.05.2021)*



**Dr. K K Dwivedi, IAS**  
*Director*  
*(up to 20.05.2022)*



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



**Shri Kapil Verma**  
*Director*



**Shri S K Barua**  
*Director*  
*(up to 31.01.2022)*



**Shri Bhaskar Jyoti Phukan**  
*Director*  
*(w.e.f. 01.02.2022)*



**Shri Harish Madhav**  
*Director*



**Shri M V Ravi Someswarudu**  
*Director*



**Ms. Sandepa Trakroo**  
*Director*  
*(w.e.f. 04.03.2022)*



**Shri Saumitra Sarkar**  
*Independent Director*



**Prof. Raman Kumar Trivedi**  
*Independent Director*  
*(w.e.f. 23.11.2021)*



### Corporate Identity No. (CIN)

U11101AS2007GOI008290

### Bankers

#### State Bank of India

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

#### Axis Bank Limited

4<sup>th</sup> 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, 5<sup>th</sup> Floor, Parmeshwari, Chatribari Road  
Guwahati - 781001

### Internal Auditors

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

Deloitte Touche Tohmatsu India LLP  
7th Floor, Building 10 Tower B  
DLF City Phase II  
Gurugram, Haryana

### Secretarial Auditors

CS Ujwal Kumar Kalita  
H No 15, Chandra Chowdhury Path  
1<sup>st</sup> 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, Barbaruah  
Dibrugarh, Assam-786007



## NOTICE

Notice is hereby given that the Fifteenth Annual General Meeting of the Company will be held on Friday, the 23<sup>rd</sup> day of September, 2022 at 3.00 p.m. at Numaligarh Refinery Limited, 122A, G.S. Road, Christianbasti, Guwahati-781005 with arrangements for video conference (VC)/other audio visual means (OAVM) to transact the following business-

### As Ordinary Business

1. To receive, consider and adopt the audited Balance Sheet as at 31<sup>st</sup> March, 2022, the Profit and Loss Account for the year ended on that date, the Board's Report, the Statutory Auditors' Report and the comments of the Comptroller & Auditor General of India thereon and to pass the following resolution as an Ordinary Resolution:

***"RESOLVED THAT** the audited Financial Statements for the financial year ended 31.03.2022, 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% per share on the paid-up equity share capital of the Company for the financial year ended 31<sup>st</sup> March, 2022 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% per share on the paid-up equity share capital of the Company for the financial year ended 31<sup>st</sup> March, 2022 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. 23.09.2022."*

3. To appoint a Director in place of Shri Kapil Verma (DIN 9056466) 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 Kapil Verma (DIN 9056466) 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 2022-23 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 2022-23.”***

#### **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), Prof. Raman Kumar Trivedi (DIN 09406597), who was appointed as an Additional Director w.e.f. 23.11.2021 be and is hereby appointed as Independent Director of the Company, not liable to retire by rotation.”***

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

***“RESOLVED THAT in accordance with the provisions of Section 160 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri Bhaskar Jyoti Phukan (DIN 07721895), who was appointed as an Additional Director w.e.f. 01.02.2022 be and is hereby appointed as a Director of the Company, liable to retire by rotation.”***

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

***“RESOLVED THAT in accordance with the provisions of Section 160 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Ms Sandepa Trakroo (DIN 09526916), who was appointed as an Additional Director w.e.f. 04.03.2022 be and is hereby appointed as a Director of the Company, liable to retire by rotation.”***

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

***“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) remuneration amounting to ₹65000/- (Rupees Sixty five thousand only) plus GST & re-imburement of travelling and out-of-pocket expenses at actual payable to M/s Musib & Co., Cost Accountants (Registration No. 000217), appointed by the Board of Directors for conduct of cost audit of the cost records of the Company for the financial year 2022-23, 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 : 26<sup>th</sup> August, 2022

Place : Guwahati

By Order of the Board

Sd/-  
(Ruli Das Sen)  
Company Secretary



## Notes

1. Due to relaxation given by MCA vide General Circular 2/2022 dated 05.05.2022 read with No. 20/2020 dated 05.05.2020, members can attend and participate in the AGM through VC/OAVM.
2. Attendance of members through VC or OAVM shall be counted for quorum u/s 103 of the Act and the link for the meeting will be shared separately.
3. If physical attendance is rendered totally unfeasible due to the Covid situation/SoPs prevailing at the time of the meeting, the meeting shall be held entirely through VC/OAVM.
4. In line with the aforesaid MCA Circulars, the Notice of AGM along with Annual Report 2021-22 is being sent through electronic mode to the registered Email addresses of Members.
5. In line with the aforesaid MCA Circulars, the facility of appointment of proxies by members u/s 105 of the Act is not available for the meeting held through VC/OAVM.
6. Representative of the members u/s 112 & 113 of the Act may be appointed for the purpose of participation (physical or virtual) in the meeting and necessary authorisation for such representation may be forwarded to the Company.
7. The explanatory statement as required under Section 102(1) of the Companies Act, 2013, is annexed and members who wish to inspect the relevant documents referred to therein can send an email to [cs.department@bcplindia.co.in](mailto:cs.department@bcplindia.co.in) up to the date of the meeting.



### 15<sup>th</sup> Annual General Meeting Venue Map

Address : Numaligarh Refinery Limited

122A, G. S. Road, Christian Basti, Guwahati, Assam 781005



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

### ***Agenda No. 7***

Professor Raman Kumar Trivedi, was appointed vide MoP&NG letter No. 31033/2/2021-PNG (39069) dated 08.11.2021 as Independent Director on the Board of Directors of the Company for a period of three years from the date of notification or until further orders. Professor Raman Kumar Trivedi (DIN 09406597) aged 59 years was inducted as an Additional Director w.e.f. 23.11.2021, being the date of allotment of DIN by MCA till the conclusion of this Annual General Meeting.

Prof. Trivedi is a B.F. Sc. and M.F. Sc. from the University of Agricultural Sciences, Bangalore and Ph.D. from Rajasthan Agriculture University, Udaipur with undergraduate and postgraduate teaching experience of 30 years. His major area of research interest is Limnology, Aquatic Environment Management and climate change adaptation strategies. Presently he is serving as Professor, Fishery Sciences in the University of Animal & Fishery Sciences, Kolkata. Earlier he was Head of Department of Aquatic Environment Management at the same University for over 10 years. He also served on deputation at Bihar Animal Science University, Patna for four years up to 12.07.2022, where he has been closely involved with student management programmes as in-charge Academic cell and as Director Students Welfare. He has more than 50 research papers published in reputed national and international journals to his credit and presented a number of papers at various national and international conferences/symposia. Dr Trivedi has carried EIA related consultancies for many industries and public sector companies and has been identified by MOEF as expert for consultation for making plastic free coastal zones.

He does not hold any shares in the Company nor is he 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 Prof Raman Kumar Trivedi as a Director of the Company.

Your Directors recommend the resolution for his appointment as Independent Director not liable to retire by rotation, for approval of the shareholders. None of the Directors, key managerial personnel or their relatives, except Prof Raman Kumar Trivedi is interested in this resolution.

### ***Agenda No. 8***

Shri Bhaskar Jyoti Phukan, Managing Director, Numalgarh Refinery Limited was nominated vide NRL letter No. 4276/NRL dated 01.02.2022 as Director on the Board of Directors of the Company in place of Shri Saumandra Kumar Barua who superannuated on 31.01.2022. Shri Bhaskar Jyoti Phukan (DIN 07721895) aged 54 years was inducted as an Additional Director w.e.f. 01.02.2022 till the conclusion of this Annual General Meeting.

Shri Bhaskar Jyoti Phukan is a Mechanical Engineer from Assam Engineering College, Guwahati with more than 30 years of experience in the oil industry including logistics, marketing, technical services and operation. Shri Phukan started his career in Indian Oil Corporation Ltd. (Assam Oil Division) in the year 1990 and thereafter joined NRL in the year 1999. He was Director (Technical) NRL w. e. f. 01.02.2017 and prior to that he was holding the position of General Manager (Operation) in NRL. He assumed the charge of Managing Director, NRL, w.e.f. 19.07.2022.

He does not hold any shares in the Company and nor is he 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 Bhaskar Jyoti Phukan 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 Bhaskar Jyoti Phukan is interested in this resolution.

### **Agenda No. 9**

Ms Sandepa Trakroo, Zonal Chief General Manager (Marketing), GAIL (India) Limited was nominated vide GAIL letter No. ND/GAIL SECTT/2022 dated 24.02.2022 as Director on the Board of Directors of the Company. Ms Sandepa Trakroo (DIN 09526916) aged 49 years was inducted as an Additional Director w.e.f. 04.03.2022 till the conclusion of this Annual General Meeting.

Ms Sandepa Trakroo is a Chemical Engineer from BITS Pilani with Post Graduate Diploma in Business Administration. She has more than 25 years of well-rounded experience in Oil & Gas Industry and has worked on big initiatives / projects in GAIL. Earlier while working as General Manager (Business Development), she was responsible for diversification and globalization initiatives and steering participation of GAIL in several mergers and acquisitions across energy domain. Prior to this, Ms. Trakroo worked in Corporate Strategy & Planning and was responsible for drawing up GAIL's long-term strategic plan. She has extensive experience in developing natural gas and petrochemical projects. She was the first woman employee in GAIL to be posted at a challenging petrochemical project site of GAIL in the late 1990s where she was a part of the construction and commissioning team. She is also the recipient of various awards, including "Woman Executive of the Year in Oil & Gas Industry" in India in 2013.

She does not hold any shares in the Company nor is she 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 Ms Sandepa Trakroo as a Director of the Company.

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

### **Agenda No. 10**

Pursuant to section 148 and other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 and as recommended by the Audit Committee of the Board, the Board of Directors of the Company has approved the appointment of M/s Musib & Co., Cost Accountants (Registration No. 000217), as Cost Auditors to conduct audit of the cost records of the Company for the financial year 2022-23 for a professional fee of ₹65000/- (excluding GST). Travelling and out of pocket expenses will be reimbursed at actuals. Accommodation at guest house and local travelling will be provided by BCPL.

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

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

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



## CHAIRMAN'S MESSAGE

Dear Shareholders,

It is a matter of pride that your Company has maintained the trend of full capacity operation over the last four years with capacity utilisation of 100.46% and healthy EBITDA margin of 35% during the FY 2021-22, demonstrating remarkable resilience despite repeated waves of COVID-19 infection, supply chain disruptions and high price of naphtha. Your Company received feedstock subsidy of ₹1042.92 crore (including previous year's claim) and budgetary support under GST of ₹75.33 crore during the year under review and earned total revenue from operation amounting to ₹3243.36 crore. Financial closure for the new projects viz. Butene-1 and HPG (2nd stage) plants was achieved with OIBD sanctioning loans to fund the entire debt component. Deleveraging of the balance sheet resulted in substantial reduction in interest cost, which is reflected in profitability. Polymer prices maintained an upward trajectory for most of the year; however, gas price increased by 62% from the second half of the financial year and naphtha price also remained high during the year in tandem with the international crude prices. Although your Company evidenced increase in total income during the financial year, operating financial performance could not improve as compared to the previous year due to increase in total expenses. Nevertheless, in a commendable development the entire long-term loan from SBI and most of the outstanding of the loan from OIBD could be prepaid during the year.

A major milestone achieved during the fiscal was

implementation of the long pending revision of pay & other benefits for Board and below Board level executives w.e.f 01.04.2019 in terms of a Presidential directive received in February 2022. This will undoubtedly facilitate considerable improvement in quality recruitment and retention of experienced manpower besides being a source of employee motivation.

With a constant endeavour to prioritise sales in the north-east, the market share of your Company in the region has been gradually increasing. 36,762 MT Polymer was sold in the north-east region and the consignment stockist from the north-eastern region ranked first with respect to sales volume.

Maintaining its responsibility to increase stakeholder value, your Company earned a net profit of ₹690.53 crore from Revenue from Operation of ₹3243.36 crore and the Board of Directors has recommended a dividend of 15% on the paid-up equity share capital. It is heartening to note that the net worth has increased to ₹3,280.79 crore from ₹2,811.26 crore in the previous year. With the receipt of feedstock subsidy of ₹1042.92 crore in the 1st quarter of the financial year, there has been significant improvement in cash flow of the Company. This, along with de-leveraging of balance sheet, was noted by the lenders and credit rating agencies and consequently CRISIL has upgraded the credit rating of your Company from AA-/Positive to AA+/Stable. Another rating agency, M/s Acuite Ratings has also upgraded their rating from AA to AA+. The



Income Tax Department has felicitated BCPL as one of the top tax depositors in the north-eastern region.

After a brief lag due to COVID-19 disruptions, work on implementation of the Butene-1 and 2nd Stage Hydrogenation of Pyrolysis Gasoline plant at Dibrugarh, Assam has gained impetus. With M/s Engineers India Limited as the EPMC, licensors have been selected, environmental clearances obtained and the project is expected to be commissioned in July 2024 providing consistent supply of Butene-1 for captive consumption and adding more value-added products. For enhancement of Polymer production capacity, debottlenecking study of GDU Duliajan, C2+unit of Lawka and the Ethylene Cracker Unit is being carried out. A number of measures have been taken to augment natural gas sourcing and also to optimize energy consumption, reduce losses, emission, blow down, etc. for hydrocarbon & utilities in the different process units, utility and offsite facilities.

Your Company has been committed in its efforts to comply with the Corporate Governance standards in letter and spirit and your Board of Directors is steadfast in maintaining transparent business practices to secure continued stakeholder confidence and support. A report on Corporate Governance forms part of the Annual Report.

Your Company has been vigilant about health and safety of both man and machine and committed to protection of the environment to ensure a sustainable future. Certified under Integrated Management System comprising of ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 standards for Quality, Environment & Occupational Health and Safety Management Systems, safety audits are regularly conducted to ensure implementation of the HSE standards and to check emergency preparedness. Occupational health of employees is monitored through periodic medical examination at work centres and medical surveillance programs. Regular training is imparted to employees, security personnel, contract workers, tanker & truck drivers and other personnel to instil safety awareness. Recognising the importance of sustainability in ensuring success, various schemes are being implemented to ensure minimum environmental impact. With a comprehensive enterprise risk management policy, your Company has an effective risk organogram and key risks are being closely monitored.

Envisaged to further the cause of socio-economic development of the north-eastern region, as on date, your Company, has over 600 permanent employees and around 2600 additional manpower under contract and has a vibrant manpower team. Industrial relations remained conducive during the year. Employment prospects have been generated and opportunities created for not only investment in downstream industries but also for vendors, transporters, suppliers and other service providers. Continuous efforts in sync with the Government both at the Centre and the State are being made 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. Your Company is committed to fulfilling the expectations of the people of the region.

As a responsible corporate citizen, your Company earmarked a budget of ₹19.10 crore for CSR activities during the financial year and various projects under the broad heads of health and nutrition, promotion of education, skill enhancement, alternative livelihood promotion and entrepreneurship development, swachhata & sanitation, and rural development, have been undertaken. It has also remained consistent in its contribution to Swachhata and adherence to all the COVID protocols being issued by different authorities from time to time. Besides contribution of ₹5 crore to PM CARES Fund, contribution of ₹2 crore were made to the Chief Minister's Relief Fund for management of COVID- 19 and towards flood relief.

Your Company has commendably and consistently won laurels in areas of operations, safety, environment, workplace culture and other fronts. However, to keep complacency at bay, persistent focus is required towards sustaining organisational alertness to identify opportunities, evaluating new changes, shifts, and information and aligning them with new business opportunities and profit potential.

On behalf of your Company, I extend my sincere gratitude to the Government of India, Government of Assam and the promoter institutions viz. Oil India Limited, Numaligarh Refinery Limited and GAIL (India) Limited for their continued support in 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 Fifteenth Annual Report of the Company containing the audited financial statements for the year ended 31<sup>st</sup> March, 2022.

### ***Plant Operations and Status.***

Your Company has been steadfast in its efforts to maintain its success trajectory and has been able to successfully and safely operate the plant on sustained basis at 100.46% capacity utilization during the year under review. Being an ISO 14001:2015 Company, it is fully committed to operational excellence fulfilling all the compliances without deviation. After six years of successful operation, your Company is now planning for capacity expansion and growth. M/s Lummus has been engaged for de-bottlenecking study of Ethylene Cracker Unit. Apart from that, feasibility study of Lakwa unit is being carried out to improve its production capacity. To overcome continuing feedstock challenges a series of measures have been taken to meet the feed requirements. Your Company entered into an agreement with HOEC to infuse additional rich gas in Duliajan unit of BCPL. For sourcing rich gas from Golaghat, an MoU was signed with AGCL for laying a 200 km pipeline to bring rich gas from the ONGC fields in Golaghat region to

BCPL Lakwa. To accommodate rich gas from M/s Oil Max produced in Amguri field, your Company is in active discussion with the stakeholders and commercial agreements are expected to be firmed up shortly. As long term growth strategy, pre-feasibility assessment is being carried out for expansion of Polymer capacity based on additional availability of feedstock in the northeastern region. Your Company is exploring the possibility to expand its business as well as diversifying into new business segments to drive future revenue growth.

Your Company has signed an MoU with Syama Prasad Mookerjee Port, Kolkata for setting up of a logistic chain for movement of cargo from Haldia Dock Complex to Dibrugarh. The MOU will open new avenues for investment for BCPL in addition to long term sustainability.

Further, for streamlining the logistic chain movement to the Plant in Dibrugarh via the National waterway-2, another MoU was signed with Inland Waterways Authority of India (IWAI) in April, 2022. This MoU with IWAI is expected to facilitate economical and seamless transport of cargo, feed sustainability, benefit from volatility of petrochemical and petroleum market and export of finished products to ASEAN countries via waterways.



*Signing of MoU with Syama Prasad Mookerjee Port, Kolkata at Haldia*



*Shri Manoj Jain, Chairman BCPL interacting with employees during a plant visit.*



Work on the Butene-1 and HPG-2 project which was delayed due to the impact of the pandemic has accelerated again and the project is expected to be commissioned in July, 2024. Licensor selection has been made and environment clearance for both the projects has been obtained. Site enabling works are in progress for the projects. 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.

Despite various challenges your Company has been steadily and consistently improving performance and 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, 2.72 lakh MT Polymers and 55,923 MT liquid hydrocarbons were produced and the products were marketed to the downstream industries in accordance with the marketing arrangement with GAIL with Polymer sales of 2.75 lakh MT. It has been your Company's endeavour to prioritize sales in the northeastern region to ensure that there is no dearth of raw materials and to enhance market share in the region.

***The highlights of achievements during the financial year 2021-22 are as below:***

- ❖ Environment Clearance obtained for new projects, HPG#2 and Butene#1.
- ❖ Memorandum of Understanding (MoU) executed with Syama Prasad Mookerjee

Port, Kolkata for setting up of a logistic chain for movement of cargo for Petrochemical Complex of BCPL at Dibrugarh from Haldia Dock Complex.

- ❖ MoU was signed with Inland Waterways Authority of India (IWAI) in April, 2022 for streamlining the logistic chain movement to the Plant via the National waterway-2.
- ❖ Hazardous waste generated during process used for co-processing in cement industry as a part of green technology in the initiative towards waste to energy concept.
- ❖ Migration of OSHAS 18001:2007 to ISO 45001:2018 in June, 2021.
- ❖ Accreditation of the BCPL Laboratory in accordance with latest NABL standard (ISO/IEC 17025:2017 valid up to 26.03.2024)
- ❖ BIS License obtained for polymer product in March, 2022.
- ❖ Successful plant trial of new antiblock Synthetic Silica AB Dusil 5S (supplied by M/s PT Darisa) at LLDPE/HDPE unit for new vendor development.

***Awards and accolades:***

- NSCI Safety Award in Manufacturing Sector.
- Award for Best use of HR Practices as an Engagement Strategy by World HRD Congress on the theme of Employee Engagement Leadership Award in its 30<sup>th</sup> edition.
- Felicitation as one of the top tax depositors in the North East Region (NER) by the Income Tax Department.
- Golden Bird National Award 2021-22: Gold Award on Best HR Response towards Pandemic in Polymer industry.
- Certification as Great Place to Work for the second consecutive year by Great Place to Work Institute, India which reflects high-



trust and high-performance culture in the Company.

- Award for Excellence in Energy Conservation and Management in Petrochemicals (Public Sector) at India@75: Chemical and Petrochemical Industry Awards organized by Federation of Indian Chambers of Commerce and Industry (FICCI).
- Greentech Energy Conservation Award 2021 organized by Greentech Foundation for outstanding achievements in Energy Conservation.
- Gold Green Leaf Environment Award 2021 Award by Apex India for environment excellence in Petrochemical Sector.

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

Your Company considers matters relating to health, safety and environment as top priority due to their importance in protecting human lives and properties and strives to achieve the goals of no accidents, no harm to people and no damage to the environment with particular emphasis on the high risk in the petrochemical sector. Your Company is certified under Integrated Management System comprising of ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 standards for Quality, Environment & Occupational health and Safety Management Systems.



A Board level committee on Health Safety & Environment monitors compliance of safety guidelines & statutory requirements and reviews relevant issues on regular basis. The best possible HSE practices are ensured, primarily through a robust HSE Policy, displayed at various locations in the plant.

Dedicated to furthering the cause of environment protection, occupational health, safety of plants and pipelines & personnel, the employees and contract workers are encouraged to adopt safe working habits and behavior to ensure an effective implementation of the HSE Policy and are empowered to notify and stop any unsafe work/act, as may so arise. Your Company has an Emergency Response & Disaster management plan (ERDMP) certified by competent authority and a sound Safety Management System.

Recognizing the significance of training on safe practices to ensure efficient functioning and development of effective safety culture, regular and structured HSE training including Emergency Management, Fire Fighting, Environment, Health & Safety is imparted to the employees to upgrade their skills, knowledge and competence. Regular training is also imparted to security personnel, contract workers, tanker & truck drivers and other personnel to create awareness of the probable hazards in their work area and to mitigate unsafe behavior and



*Shri Reep Hazarika, Managing Director and other officials receiving the award for Excellence in Energy Conservation and Management in Petrochemicals (Public Sector) at India@75 and the Greentech Energy Conservation Award 2021*



conditions that can lead to accidents. Monthly Safety Day is observed in all units on the 10<sup>th</sup> of every month to generate awareness on HSE aspects across the organization and to develop a safety conscious mindset.

Occupational health of employees is monitored through periodic medical examination at work centers and medical surveillance programs. Safety audits by both external safety auditors and experienced in-house auditors are regularly conducted to ensure the implementation of HSE standards, guidelines and emergency preparedness and audit recommendations are being complied in a time bound manner. To check effectiveness of emergency management system, onsite and offsite emergency mock drills are being conducted periodically. Off-site emergency mock drill was conducted in association with district administration, Mutual Aid member group on 25<sup>th</sup> February 2022 and on 23<sup>rd</sup> February at Dibrugarh and Lakwa unit. During the year Quantitative Risk Assessment (QRA) of ONGC-Lakwa pipeline was conducted. Plant Safety Committee meeting is conducted once a quarter to meet the statutory requirement under the Assam Factory Rule 1950. Commendably, your Company won the prestigious National Safety Council of India Safety Award 2021 in Manufacturing Sector.

To encourage safety awareness, competition is conducted among all process units every year for adjudging the best HSE performer for an award known as MD trophy. To promote health and hygiene at workplace Best Housekeeping competition is also conducted among all process units.

### Financial Summary

During the financial year 2021-22, your Company has earned a net profit of ₹690.53 crore from Revenue from Operation of ₹3243.36 crore. The EBITDA during 2021-22 was ₹1150.46 crore which is around 35% of revenue from operation. As per the approved methodology, feedstock

subsidy claim of ₹131.00 crore was accounted for in 2021-22. The claims were duly processed and an amount of ₹1042.92 crore (including previous year's claim) was received during the year. With the receipt of feedstock subsidy during end of 2020-21 (₹1700 crore) and 2021-22 (₹1042.92 crore), your Company was able to pre-pay the entire long term loan from SBI and most of the outstanding of the OADB loan during the year. The balance sheet was massively deleveraged resulting in huge reduction in interest cost, which is reflected in the profitability. The feedstock subsidy for the current financial year has been accounted for as 'other operational income' on accrual basis based on the projection/ estimate as per the methodology and budgetary provision has been made in the union budget for 2022. With the pre-payment of OADB loans guaranteed by promoters, the corporate guarantees/ letter of comfort issued by promoters were released.

The financial performance of the Company during 2021-22 as compared to previous year is given below:

₹ in crore

	2021-22	2020-21
Revenue from Operation	3,243.36	2,902.62
Other Income	18.45	325.24
Total Income	3,261.81	3,227.87
Total Expense	2,540.02	2,429.06
EBITDA	1,150.46	1,426.81
Less: Interest Cost	66.92	235.32
Less: Depreciation	361.89	392.68
Add: Deferred revenue from Capital Subsidy	211.65	211.64
Profit Before Exceptional Item & Taxes	933.30	1,010.45
Exceptional Item	-	-
PBT	933.30	1,010.45
Tax Expense		
- Current Tax	223.57	190.64
- Deferred Tax	19.20	79.91
PAT	690.53	739.90

India witnessed a V-shaped recovery from Covid-19 related disruptions as most



consumption and industrial indicators were back in positive growth territory during the year, despite the third wave in the form of Omicron variant. The business environment for petrochemicals in domestic market remained buoyant during the year although there have been heavy fluctuations in naphtha price, which moves in tandem with global crude prices. Your Company has been able to demonstrate both resilience and agility resulting in more than 100% capacity utilization of the plant despite repeated waves of infection, supply chain disruptions and high price of naphtha. Your Company enjoyed healthy EBITDA margin of 35% during the year demonstrating strong upside in its business.

The financial position of the Company as at 31.03.2022 is given below:

₹ in crore

	2021-22	2020-21
Net Fixed Asset	6,490.79	6,873.18
Borrowings (Long Term)		
-OIDB	109.24	893.21
-SBI	-	1,418.48
Borrowings (Short Term)		
Paid Up Equity	1,417.67	1,417.67
Reserves & Surplus	1,863.12	1,393.59
Total Equity	3,280.79	2,811.26
Reserve not created out of Profit (e.g., Revaluation reserve, OCI etc.)	1.01	-1.69
Net Worth	3,279.78	2,812.95

The financial closure of the new projects viz. Butene-1 and HPG (2<sup>nd</sup> stage) plants has been achieved as OIDB has sanctioned loans to fund the entire debt component. Loan amount of ₹96.69 crore has been obtained from OIDB and the balance loans shall be drawn based on project milestones. Evacuation of polymer and debtor management remained efficient during the year and the inventory level as well trade receivable levels at the end of the year were healthy.

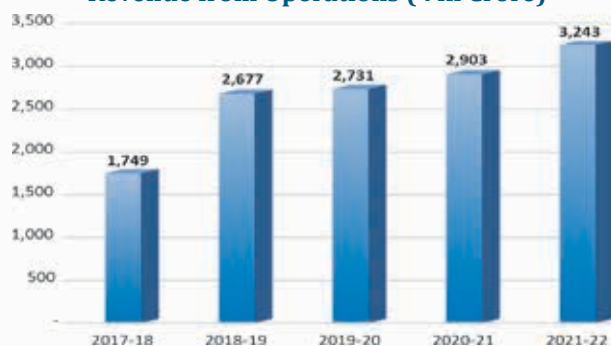
### Key Financial Highlights

The plant has operated at 100% capacity in FY

2021-22, maintaining the trend of full capacity operation for the last four years. This has been possible by using additional naphtha to compensate for short supply of natural gas. The polymer prices maintained an upward trajectory for most of the year providing an upside to the business environment. During the year under review, natural gas worth ₹430.90 crore and naphtha worth ₹952.84 crore was consumed for producing polymer and by-products which converted to sale of ₹ 3040.18 crore after stock adjustments. Feedstock subsidy of ₹131 crore and budgetary support under GST of ₹72.18 crore formed other operating income resulting in total revenue from operation amounting to ₹3243.36 crore. There has been increase in gas price by 62% from the second half of the financial year. Naphtha price also remained high during the year in tandem with the international crude prices. Your Company had participated in gas auction floated by M/s HOEC, being producer of non-APM gas and volume of 0.12 MMSCMD gas was allocated. The gas is available at a premium over APM and the same has resulted in increase in gas cost from mid of 3<sup>rd</sup> quarter of 2021-22. Your Company has capitalized the newly constructed residential units in BCPL Township and achieved total Capex of ₹52.79 crore during the year.

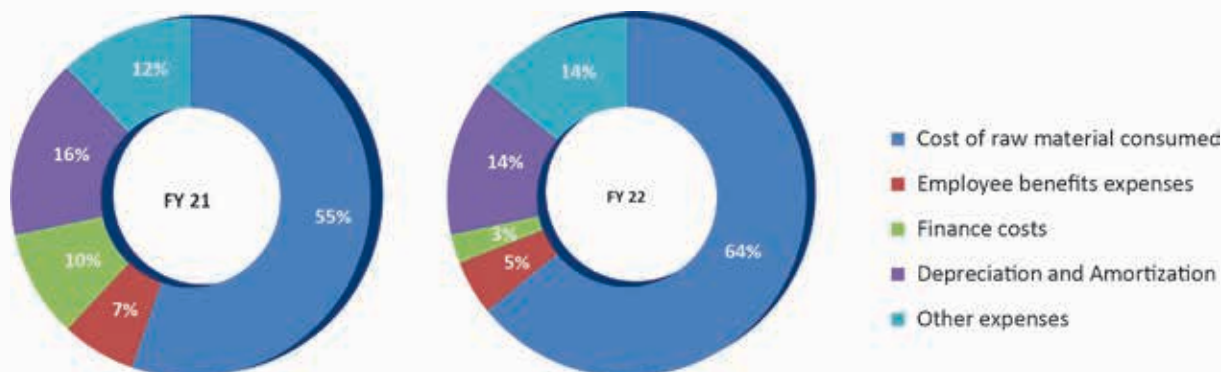
Despite increase in total income, the operating financial performance during the year could not be bettered in comparison to the previous year due to increase in total expenses. Further, the other income in the previous year was high due to receipt of VAT refund of ₹278.50 crore. The trend of key financials in last five years is highlighted below:

### Revenue from Operations (₹ in Crore)

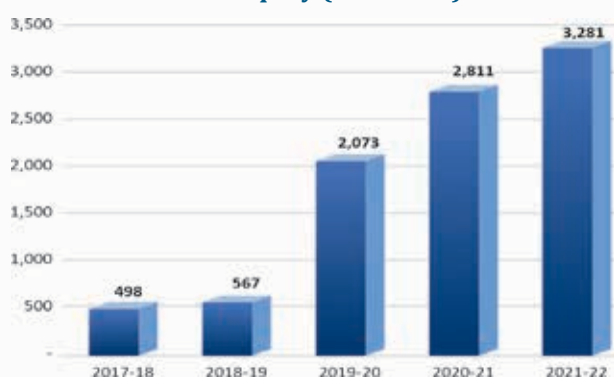




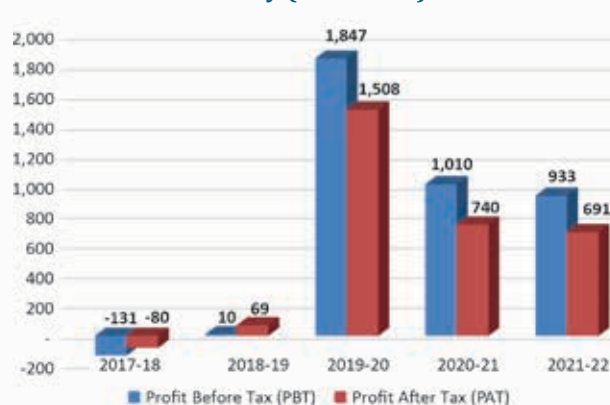
### Cost Break up



### Total Equity (₹ in Crore)



### Profitability (₹ in Crore)



Your Company has released dividend of ₹222.01 crore to promoters @15.66% for FY 2020-21 during the 3<sup>rd</sup> quarter of the current financial year. Repayment/ pre-payment of loans and dividend payment resulted in huge net cash outflow from financing activity to the tune of ₹2696.71 crore. Therefore, despite receipt of feedstock subsidy and income from operations, the closing balance of cash and cash equivalent was ₹434.32 crore (₹1340.57 crore in previous year).

Revision of pay & other benefits for Board and below Board level officers with effect from 01.04.2019 was approved by the administrative ministry during the FY 2021-22 and presidential directive towards Pay Revision was received vide Letter No.11011/3/2021-GP-II (E:36577) dated 02.02.2022. Accordingly revision of pay & other benefits for Board and below Board level executives was implemented in the month of March, 2022 and arrears were paid. The components of expenditure during the year compared to previous year are given below:

No material changes and commitments affecting the financial position of the Company have occurred since 31<sup>st</sup> March, 2021. Your Company has computed and disclosed the financial ratios mandated by amendments to Schedule III of the Companies Act, 2013 along with the variations from previous years in the notes to accounts.

### Dividend

The Board of Directors of the Company has recommended a dividend of ₹212.65 crore @15% per equity share on the paid up equity share capital of the Company, for the year ended on 31<sup>st</sup> March 2022 duly complying with the DIPAM guidelines.

### Marketing

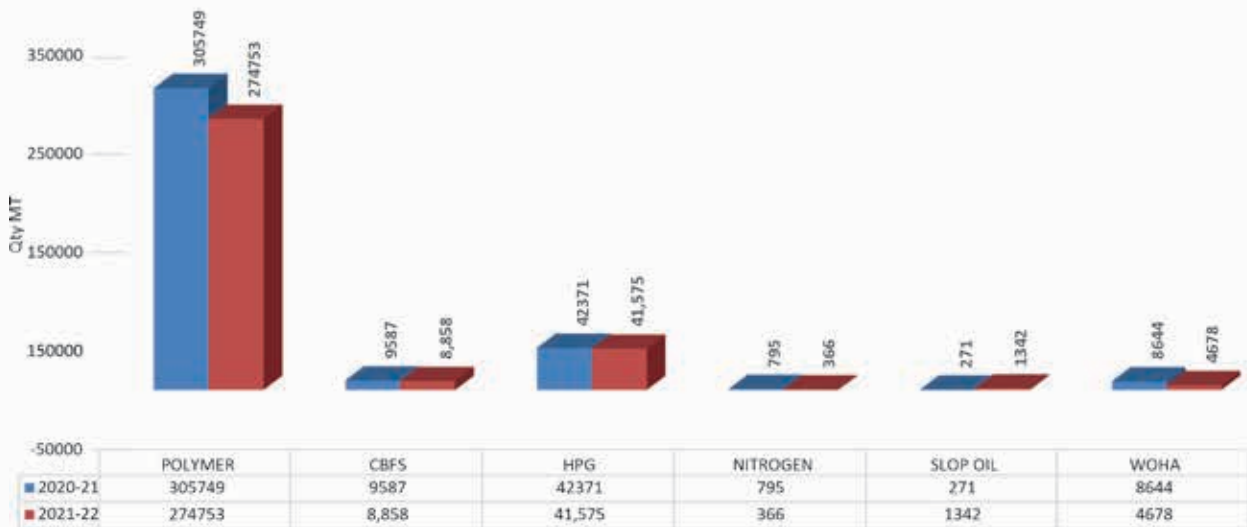
Your Company's Polymer products Brahma-Lene and Brahma-Pol and other by-products enjoy increasing credibility in the market and with GAIL India Limited, the holding Company as the sole marketer in accordance with a marketing



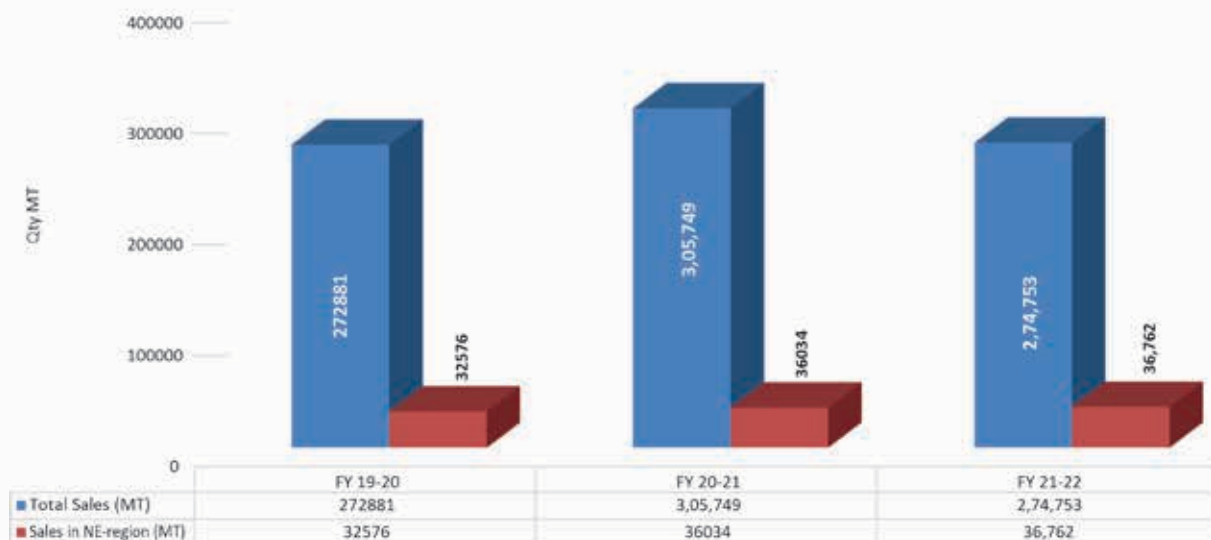
arrangement, the products & by-products are being sold in the north eastern region and beyond. Polymer sales are focused in the eastern, northern and southern regions to downstream industries with increasing market share. Efforts are on to increase the market share in the northeastern region to maximize realization. The state-wise Polymer sales indicate majority sales in the states of Delhi, Uttar Pradesh, West Bengal and Assam.

During the year under review a total quantity of 2,74,753 MT of Polymer; 41,575 MT of Hydrogenated Pyrolysis Gasoline (HPG), 8,857 MT of Carbon Black Feed stock (CBFS), 4,677 MT of Wash Oil High Aromatics (WOHA), 1341 MT of Slop Oil and 365 MT of Liquid Nitrogen was despatched to various locations in the country, generating a total gross sales turnover of ₹3715.06 crore (including GST & before discount) with a year on year increase of ₹679.31 crore.

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



### Sales of Polymer (Qty MT)

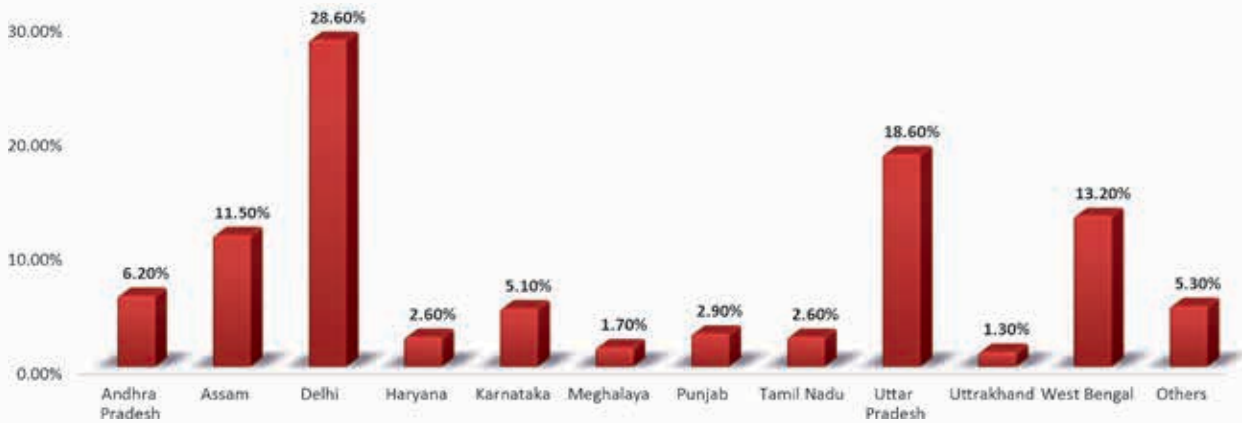




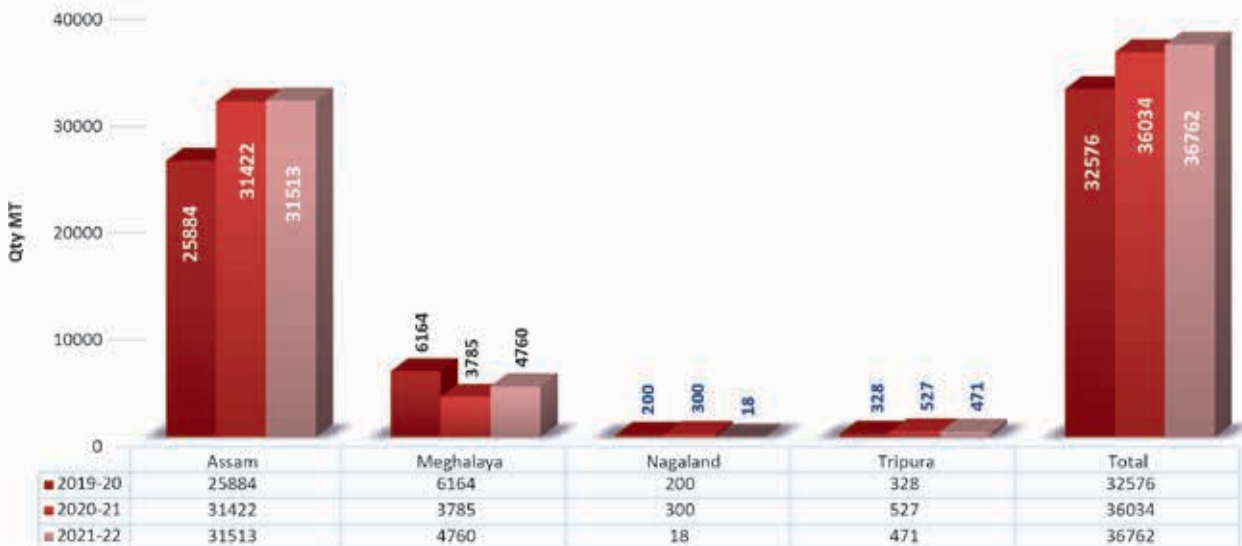
Total 36,762 MT Polymer was sold in the northeast region catering to the PE (film & roto) and PP (raffia, injection & TQ-film) consumers with year on year growth of 2.02%. PP is the major

contributor to the total sales. The consignment stockist from the northeastern region has ranked first with respect to sales volume of 34,794 MT.

### Statewise sale of Polymer



### Polymer sales in NER (Qty MT)





**Achievements against MSME & GeM 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 orders (supplies & services) of the value of 57.96% were issued to MSE vendors in FY 2021-22 against the Government of India target of 25% as per Public Procurement Policy, 2012 as amended w.e.f. 9<sup>th</sup> November, 2018. Further, out of above 25%, 4% procurement has been made from MSE owned by SC/ST entrepreneurs during the FY: 21-22 . Total 257 MSE vendors benefitted from your Company during annual procurement (including supplies & services) made through tendering mode (both manual & e-tendering). Monthly reporting of procurement from MSEs, SC/ST are uploaded in MSME “Sambandh” portal.

Your Company participated in four on-line Special

Vendor Development Programs on SC/ST owned 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. 55 Start-ups have participated in different tenders for procurement of goods and services, out of which 19 were awarded during the financial year. Additionally, entrepreneurs were taught about Udyam registration [applicable w.e.f 1<sup>st</sup> April, 2021] and ways to utilize the portals like MSME Sambandh, MSME Samadhaan, and MSME Samveg etc.

In line with Government directives GeM, BCPL has adopted a policy where procurement from GeM has been made a mandatory mode of purchase of common use goods and services which are available in GeM. Your Company has achieved procurement of ₹126.40 crore against the target of ₹46 crore (25% of ₹183.46 crore) in FY 2021-22.

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

**(A) Conservation of energy-**

<p>i. The steps taken or impact on conservation of energy</p>	<p>There is regular recording and monitoring of Flare, Fuel, Power, Steam, Nitrogen &amp; other utilities consumption along with Plant specific energy consumption with respect to own benchmark &amp; design values. Periodic in-house as well as external energy audit is also carried out. Your Company is strictly adhering the guidelines of Bureau of Energy Efficiency (BEE) for energy management under Perform, Achieve and Trade (PAT) scheme. A dedicated team of Energy Coordinators including BEE certified Energy managers and auditors is formed from various units for proper monitoring &amp; energy optimization and periodic review on the same is being done by top management. Various Energy Conservation schemes implemented during the year are:</p> <ul style="list-style-type: none"> <li>• Installation of VFD in the DM water pump of DM water plant.</li> <li>• Operation philosophy changes in the Nitrogen compressor of Polypropylene Unit.</li> <li>• Replacement of the VFD of ECU Furnace ID fan</li> <li>• Optimization of extruder operation at LLDPE and PP Unit.</li> <li>• Plant lighting transformer operation optimization.</li> </ul> <p>Various awareness drives, workshops/ training programs and competitions are conducted for the employees and associated people in the locality to generate awareness on energy conservation and energy efficiency measures.</p>
<p>ii. The steps taken by the Company for utilising alternate sources of energy</p>	
<p>iii. The capital investment on energy conservation equipment</p>	

**(B) Technology absorption-**

i.	The efforts made towards technology absorption.	
ii.	The benefits derived like product improvement, cost reduction, product development or import substitution	Plant operations are sustained, quality products are produced and average capacity utilisation of <b>100.46%</b> has been achieved during the financial year.
iii	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)	
a.	The details of technology imported	
	The Company has entered into contracts with the following Licensors for import of technology for its different units:	
	UNIT	LICENSOR
	(i) Ethylene Cracker Unit -	Lummus Technology, USA
	(ii) LLDPE / HDPE Swing Unit -	INEOS, UK
	(iii) Polypropylene Unit -	Lummus Novolen, Germany
	During the year the Company has entered into contract with M/s Axens for Supply of Know how / License for two new units i.e. HPG 2 <sup>nd</sup> Stage and Butene-1	
	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.	
	During the year the Company has entered into contract with M/s Axens for Supply of Know how / License for two new units i.e. HPG 2 <sup>nd</sup> Stage and Butene-1.	
	c. Whether the technology has been fully absorbed	
	d. If not fully absorbed, areas where absorption has not taken place, and the reasons thereof	Technologies adopted are largely absorbed as more than 100% capacity utilisation has been achieved.
iv	The expenditure incurred on Research and Development	NIL.

**(C) Foreign exchange earnings and outgo-**

During the year, foreign exchange earned was ₹13.85 crore towards export of polymers to Bangladesh. The total value of forex outgo during the year was ₹85.81 crore and the imports used in consumption was ₹61.29 crore after stock adjustments.

**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 5<sup>th</sup> June, 2015 issued by the Ministry of Corporate affairs, Government of India. Therefore particulars of employees drawing remuneration in excess of specified limits as envisaged by section 197 of the Act read with the relevant rules are not included in the Board's Report.

**Human Resource:****Manpower**

The total sanctioned manpower is 700 (491 executives + 209 non-executives) and the employee strength as on 31<sup>st</sup> March, 2022 was 623 including 2 whole time Directors, 423 executives, 188 non-executives and 10 executives on secondment/ deputation from GAIL (India) Limited, the major equity holder. 68.35% of the employees are from the north-eastern region. The remaining manpower will be recruited based on need, and care is being taken to ensure suitable representation of female employees and minorities.

Statement showing the total number of employees and the number of Scheduled Castes, Scheduled Tribes & Other Backward class amongst them as on 31.03.2022.

Group	Total No. of employees	Sched-uled Castes	% of total employees	Sched-uled Tribes	% of total employees	OBC	% of total employees
A	433	65	15.01	29	6.70	114	26.33

B	NIL	-	-	-	-	-	-
C	169	20	11.83	24	14.20	60	35.50
D	19	2	10.53	2	10.53	7	36.84
MD & Director (Finance)	2	-	-	-	-	-	-
<b>Total</b>	<b>623</b>	<b>87</b>	<b>13.96</b>	<b>55</b>	<b>8.83</b>	<b>181</b>	<b>29.05</b>

**Training**

Your Company offers training opportunities for employees to receive relevant professional development for a positive impact on organizational performance including a beneficial effect on customer satisfaction and revenue generation. Training is provided in technical as well as non-technical domains that allow employees to acquire new skills, sharpen existing ones, perform better, increase productivity and be better leaders. In the year under review training, both internal as well as external through webinar, covering 1117 man days was organized including on fire and safety covering 1182 participants.

**Policy**

During the year under review, your Company introduced Performance Incentive Scheme (PIS) for non-executive employees. Coverage amount towards Group Personal Accident Insurance was enhanced. Your Company also introduced Group Term Life Insurance covering all types of deaths and total permanent disablement while in service. The long pending third Pay Revision of executives was implemented by your Company w.e.f. 01.04.2019. The BCPL (Conduct Discipline and Appeal) Rules, 2013 were updated.

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 700 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 2<sup>nd</sup> phase of quarter construction has been completed where 36 A-type quarters and 36 C-Type quarters have been handed over for accommodating residents at BCPL Township, Barbaruah. Accordingly allotment of 36 A-type quarters has been processed and allotment of remaining 36 C-type quarters is in process. The layout for a recreation centre in the Township at Barbaruah has been finalised which includes an auditorium cum badminton court, gymnasium, indoor sports, common lounge etc. Designing of the building is in process.



*Inauguration on 2<sup>nd</sup> phase of quarters at BCPL Township Dibrugarh by Shri Manoj Jain, Chairman.*

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

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

Your Company continued its efforts towards greater use of Hindi in official work during

the year under review and has taken several initiatives including a National Level Hindi Essay Competition in June, 2021, an art competition in February, 2021 on the occasion of Vishwa Hindi Diwas, four Hindi workshops for employees as well as TOLIC members, and Hindi fortnight in September, 2021, with a total of 16 Hindi competitions organized for employees, TOLIC members as well as school and college students. Bilingual standard drafts, English-Hindi dictionary have been distributed amongst all employees to facilitate noting and drafting and the website of your Company is bilingual (Hindi/English). The third batch of (22) employees have performed very well in the Hindi examinations held in the month of November, 2021 under Hindi Teaching Scheme, Ministry of Home Affairs, Government of India. The fourth Hindi seminar



*69<sup>th</sup> TOLIC meeting in progress at BCPL, Dibrugarh*

was organized for Town Official Language Implementation Committee (TOLIC) members on 17<sup>th</sup> February, 2022. Your Company is continuing the BCPL Rajbhasha Shield to promote Hindi language amongst the TOLIC member offices situated in Dibrugarh and published the third issue of its TOLIC Hindi Magazine Rajbhasha Darpan on 18<sup>th</sup> December, 2021.

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 on 18<sup>th</sup> December, 2021 during the joint official language conference for North and North-East region.

## ***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 aimed at improving quality of life and overall well-being, creating social solidarity and cohesion and promoting an environment of social inclusion.

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

Your Company has complied with the provisions relating to the constitution of Internal Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and a Policy with regard to prevention, prohibition and redressal of sexual harassment of women at work place is in place. No complaint was received/pending during the financial year 2021-22.

## ***Industrial Relations***

It has been your Company's endeavor to maintain cordial industrial relations and adopt a consultative approach to maintain a harmonious

relationship and industrial peace thereby leading to higher productivity. Regular meetings are held with the representatives of the various Associations/ Unions to sort out the local issues as well as policy related matters.

Industrial relations remained conducive during the year. In a significant development, a long wage settlement with the non-executive employees was successfully concluded by your Company. Further a Memorandum of Settlement (MoS) has been arrived at for a period of five and half years between contract workers unions and major contractors of BCPL through BCPL Contractor's Association. These measures helped suitably to address various demands of non-executive employees and contract workers.

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

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

- i. Late Shri R K Dutta, Promoter Director from Government of Assam ceased to be a Director w.e.f. 19.05.2021.
- ii. Shri Jishnu Barua, IAS, Chief Secretary Assam was appointed as Nominee Director from Government of Assam w.e.f. 25.06.2021.



*Cultural programme Shradhdhanjali, a tribute to Dr. Bhupen Hazarika*



*Annual Flower Show in the township at Dibrugarh*



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



*Dr Himanta Biswa Sarma Hon'ble Chief Minister of Assam during a visit to BCPL, Dibrugarh.*

- iii. Prof Raman Kumar Trivedi was appointed as Independent Director w.e.f 23.11.2021.
- iv. Shri Saumendra Kumar Barua, erstwhile Managing Director, Numaligarh Refinery Ltd. ceased to be a Director w.e.f. 01.02.2022 vide resignation letter date 31.01.2022.
- v. Shri Bhaskar Jyoti Phukan, Managing Director, Numaligarh Refinery Ltd. was appointed as Director w.e.f. 01.02.2022.
- vi. Ms. Sandepa Trakroo, Zonal Chief General Manager (Marketing), GAIL was appointed as Director w.e.f. 04.03.2022

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

### **Corporate Social Responsibility**

Your Company has been steadfast in its commitment towards inclusive development of the local communities and the society at large. With a budget of ₹ 19.10 crore for CSR activities for the financial year 2021-22 various projects under the broad heads of health and nutrition, promotion of education, skill enhancement, alternative livelihood promotion and entrepreneurship development, swachhata

and sanitation, and rural development have been undertaken. Besides, a contribution of ₹1 crore was also made to the Chief Minister's Relief Fund for flood relief.

*Flagship projects undertaken during the year are :*

- Upgradation of infrastructure & addition of facilities including equipment and introduction of specialist medical treatment at Chabua & Lakwa Public Health Centre,
- Upgradation of infrastructure and service development at AMCH.
- Supplying oxygen cylinders to AMCH and Manipur during the pandemic
- Skill enhancement & entrepreneur development program at Rohmoriam and Phukanarkhat for egg production etc.
- Contribution of ₹5 crore to the PM Cares Fund.

The projects are being executed through the above mentioned government organisations/agencies and the district administration and will be monitored through a CSR Coordination Team of BCPL. A dedicated CSR Team is being developed for coming years. Further, all relevant rules and guidelines on CSR issued by the government in the recent past have been complied with.



## ***Initiatives under the aegis of Swachh Bharat Abhiyan***

Your Company is keen to maintain a healthy and hygienic workplace and Township premises. BCPL observed Swachhta Pakhwada from 1st July to 15th July 2021 to promote awareness on swachhta activities under the aegis of Swachh Bharat Abhiyan. The event commenced with a tree plantation drive at the plant by Shri Reep Hazarika, Managing Director and other senior officials. On the occasion, various competitions like essay, slogan writing, quiz and art competition amongst the employees & contract workers of BCPL and college students of Dibrugarh district were conducted in collaboration with the College Environment Cell of DSHK Science & Arts College.

As a responsible corporate citizen your Company had also aired a message on Swachhta in All India Radio and telecasted a one act play performed by the students of DSHK college in a local channel and social media platform to create awareness amongst the masses.

## ***Azadi Ka Amrit Mahotsav***

To partake in the nationwide campaign celebrating the country's culture, heritage and 75 years of India's independence under the aegis of Azadi Ka Amrit Mahotsav, your Company has organised various events. To celebrate the Mahotsav, your Company has been associated in various activities highlighting the importance of living in harmony with nature by holding

cleanliness drive, plantation drive, encouraging sports by organising various tournaments, marathon etc. , creating awareness programmes on fuel and energy conservation and protection of environment, undertaking several sustainable initiatives like developing digitalized classrooms at various schools etc.



*Contribution to the Chief Minister's Relief Fund for management of COVID- 19 handed over to Dr Himanta Biswa Sarma, Hon'ble Chief Minister, Assam in the presence of Shri Chandra Mohan Patowary, Hon'ble Minister, Industries & Commerce, Assam & Dr K K Dwivedi, then Principal Secretary, Industries & Commerce, GoA by Shri Reep Hazarika, Managing Director and other officials.*

## ***COVID Management***

Your Company is adhering to all the COVID protocols being issued by different authorities from time to time while operating the plant. 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 is geared to provide assistance for testing of persons with symptoms and facilitating quarantine in the township guesthouse and distributes masks and



*Distribution of face masks to tea garden workers under Swachh Bharat Abhiyan*



sanitizers to the employees every now and then. Due care is being taken to avoid unnecessary gatherings at workplace and minimize risk of infection of the virus. A contribution of ₹1 crore was made to the Chief Minister's Relief Fund for management of COVID- 19.

### ***Sustainable Development***

Your Company understands that sustainability is integral to survival and strives to ensure that its activities and operations support long-term ecological balance. 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.

Aware of the need for genuine commitment to social progress, environmental balance and economic growth, your Company has taken appreciable steps in all respects, whether it is air, water, noise or soil pollution or waste management. Fully compliant on pollution control and other environment protection norms, there has been a constant endeavour to maintain high levels of precaution and environmental standards in achieving 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 to preserve aquatic flora and fauna. With an aim to reduce fresh water intake, a chemical treatment facility for reuse of treated effluent water partly in fire water network and horticulture has been installed. Air, stack and water online analysers are available to monitor the value on 24x7 basis which is linked with CPCB server and being displayed at BCPL Main Gate. Further the monitoring is also being done by MOEF&CC approved third party. With the aim of reducing carbon footprint there has been an appreciable amount of greenbelt development at 33.1% of total area.

Your Company acknowledges that waste reduction and reuse is crucial to environment protection and solid waste management and as a responsible corporate entity, it follows a holistic approach for reducing generation of waste and managing its waste in the best possible way. Segregation of different wastes, their storage, treatment and disposal as per the latest environment practices are given due care. Co-processing of high calorific value wastes as fuel in cement industries is being carried out successfully with the help of the central and the state pollution control boards. E-waste, battery waste have also been dispatched to authorized recyclers. Bio-medical waste is being managed by sending it to the authorized medical centre. Liquid hazardous wastes like used, waste oil etc.



*Walking Rally promoting green and clean energy led by Shri P R Dash, Director (Finance), Shri R K Singh, Chief Operating Officer and other officials.*



*Awareness programme at Sarvajanan High School.*

### **SAKSHAM 2022**



are being sent for recycling through M/s. MSTC. Oily sludge is being treated and converted into soil through Bio-remediation facility at ETP. Solid waste has been disposed to authorized recyclers for re-use. Further, there is a bio-compost facility at the BCPL Township to treat the domestic organic waste and convert it to bio-fertilizer and manure for use in horticulture.

Being an ISO 45001:2018 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. Efforts are made to share best practices by interacting with other leading companies and in the process, develop a framework for sustainable development of the organization.

In order to propagate environmental awareness and inculcate eagerness for conservation, training programs on environment and sustainable development both on online and offline modes are arranged for employees. Keen to promote conservation and reduce carbon footprint, various awareness programmes and activities including World Environment Day, Water Day, Saksham, Earth day and Earth hour and plantation drives in and around the plant areas are carried out on regular basis and there has been an appreciable amount of greenbelt development at 33.1% of total area. Initiative is being taken for development of a proper forest conservation plan.

### ***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 53 RTI queries were received during the financial year 2021-22. 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 ; pending audit paras:***

The Comptroller & Auditor General of India has undertaken supplementary audit on the accounts of the Company for the year ended 31st March, 2022 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 annexed hereto.

A Report on pending audit paras as required by the Committee on papers laid on the table (COPLLOT), Rajya Sabha is also annexed.

### ***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***

Shri Ujwal Kumar Kalita, Practising Company Secretary was appointed as the Secretarial Auditor of your Company for the year under review and his report with no qualification 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 Practicing Company Secretary confirming compliance of Corporate Governance norms as stipulated in the DPE Guidelines on Corporate Governance for CPSEs is included in the Annual Report.

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

Your Company has maintained adequate financial control system, commensurate with the size, scale and complexity of its operations and ensures compliance with various policies, practices and statutes in keeping with the organization's pace of growth and increasing complexity of operations. Due attention has been given since the beginning to ensure sufficient internal controls for safeguarding the assets of your Company and there has been reliable financial reporting, timely feedback on the achievement of targets and compliance with applicable laws and regulations. Your Company has been gradually introducing its own systems, policies and procedures and in areas in which this is yet not achieved, those of its holding Company are being followed. Comprehensive enterprise risk management policy governs the risk actions within the risk organogram of the Company. Quarterly internal audit has been conducted by M/s Batliboi & Purohit (Q-1 and Q-2) and M/s Deloitte India LLP (Q-3 and Q-4) on co-sharing basis with the in-house Internal Audit team. The progress and activities of your Company is being continuously monitored and reviewed at all levels including the holding Company, GAIL, the Central and State Government authorities. M/s Batliboi & Purohit, Chartered Accountants, Mumbai has

also evaluated the efficacy of the Internal Finance Control and found the systems in place to their satisfaction. The Internal Management Audit Committee (IMAC) has been carrying out micro level reviews of the systems and processes in the Company, addressing internal audit observations and flagging major points to the Audit Committee.

### ***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 Directors duly affirmed meeting the criteria of independence specified under Section 149(6) of the Companies Act, 2013, for the year 2021-22.

### ***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 [www.bcplonline.co.in/Footer/download](http://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.

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

A comprehensive enterprise risk management policy is in place with five components of enterprise risk management framework viz. governance, strategy, performance, review and communication which are supported by a set of principles. These principles cover

everything from governance to monitoring. A risk management organogram is activated that renders the support necessary for achieving the risk objectives.

As a part of risk mitigation/reduction during operational stage, a Comprehensive Mega Operational insurance scheme has been taken covering – (i) Property damage with machinery breakdown (ii) Business interruption cover, loss due to fire & machinery breakdown and (iii) Terrorism risk for material damage with business interruption. Further, review of internal controls by Internal Audit has been a support for the management in the risk management process.

Your Company has a risk organogram and unit level risk owners are reporting to the Chief Risk Officer. For monitoring the enterprise risk management, an in-house application has been developed and hosted in your Company's intranet. The key risks are closely monitored by the Risk Management Committee.

### ***Acknowledgement***

Your Directors extend gratitude for the support and guidance from the Ministry of Petroleum and Natural Gas and the Ministry of Environment and Forests. Your Directors gratefully acknowledge the continued assistance and support from the promoters, GAIL, OIL, NRL and Government of Assam and to the lenders, Oil Industry Development Board and State Bank of India. 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. And last but not the least, your Directors recognize the contribution of Team BCPL in driving this organization towards success, overcoming various challenges.

Sd/-

**(Manoj Jain)**  
**Chairman**

Dated : 26<sup>th</sup> August, 2022

Place: New Delhi



## Management Discussion and Analysis Report

### ***Industry Structure and Developments***

Occupying a crucial position in the Indian economy, the chemical industry encompassing bulk chemicals, specialty chemicals, Agrochemicals, Petrochemicals and Polymers provides employment to over two million people and plays a pivotal role in the industrial and agricultural development in the country. A knowledge intensive as well as capital intensive industry, it 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.

Petrochemicals, a major constituent of the Chemical industry are derived from various chemical compounds, mainly from hydrocarbons which in turn come from crude oil. Natural gas, petroleum gases, naphtha, kerosene and gas oil which are fractions produced by distillation of crude oil are the main feedstock for the petrochemical industry. Ethane, propane and liquid hydrocarbons obtained from natural gas constitute other feedstock used in the petrochemical industry. Playing a vital role in economic growth and development of manufacturing sector, the value addition in the petrochemical industry is higher than most of the sectors of Indian industry. Having entered the country's industrial scene in the 1970s, this industry witnessed rapid growth in the 1980s and 1990s. Today there is a wide range of Petrochemical products covering almost every area of life including clothing, housing, construction, furniture, automobiles, household items, agriculture, horticulture, irrigation, packaging, medical appliances, healthcare, electronics and telecommunications to name a few. The industry mainly comprises of synthetic fibre/ yarn, polymers, synthetic rubber

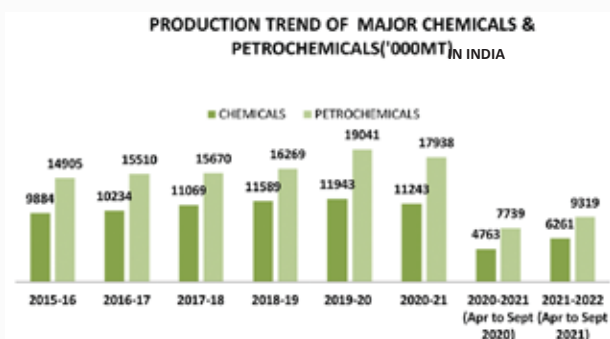
(elastomers), synthetic detergent intermediates, performance plastics and plastic processing industry. Demand for Plastics, the most used Petrochemical, has overtaken other bulk materials like steel, aluminium and cement. The major challenge has however been indigenous feedstock supply and feedstock cost is the single largest cost component in the production of Petrochemicals, estimated at 40-60% of total cost. It is for this reason that a major proportion of India's petrochemicals capacity continues to be by way of refinery integration, a key source of cost competitiveness over the past decade. It is however projected that over the next decade, a majority of new capacity in the sector will be in Asia (around 65 percent of new global capacity), which will help the region reduce its current levels of import dependence.

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 rich natural gas supplies and this has led to a significant contribution from stand-alone petrochemicals assets.

India ranks 6<sup>th</sup> in sales of chemicals globally and contributes 3% to the global chemical industry. The combined export of major Chemicals and major Petrochemicals in the year 2021-22 (up to October, 2021) has increased to ₹81.95/- thousand crores from ₹57.21/- thousand crores and imports have increased to ₹94.53/- thousand crores from ₹50.09/- thousand crores over the corresponding period of last year. While the quantum of production of major Chemicals increased to ₹73.04 lakh tonnes during 2021-22 (up to October-2021) as compared to ₹59.08 lakh tonnes during the corresponding period of the previous year, recording an increase of



23.62%, the quantum of production of major Petrochemicals also increased to ₹257.44 lakh tonnes during 2021-22 (up to October-2021) as compared to ₹230.15 lakh tonnes during the corresponding period of the previous year, recording an increase of 11.85%.



Source : Annual Report 2021-22, DCPC

India is the third largest consumer of polymers in the world and the petrochemicals segment is expected to see a domestic demand growth of 8% CAGR over the next decade with polymer demand growing at 8%. Petrochemical capacity is projected to grow by more than 40% over the next five to seven years. 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 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 64% of the total production of basic major petrochemicals for the year 2021-22 (up to September 2021). The production of basic major petrochemicals in 2021-22 (up to September 2021) was 9319 thousand MT and that of polymers was 5971 thousand MT in the same period. The CAGR in production of basic major petrochemicals during the period 2016- 17 to

2020-21 was 3.70 % while that of Polymers was 7.29%.

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.

Major growth drivers include rising disposable income, median age of the Indian population, growing urbanisation and increased permeation and demand from rural markets, shift in production and consumption towards Asian and Southeast Asian countries in all sectors leading to increasing demand for chemicals and petrochemicals and change in consumer preferences towards a healthier lifestyle and eco-friendly products. A more recent impetus to the industry was provided by demand for FMCG and pharmaceutical packaging and rising E Commerce sales since the onset of the Covid-19 pandemic, sustaining the demand for chemical and petrochemical products through tough times. A high consumption of packaging products specially for healthcare and hygiene products like vials, atomizers, syringes and cartridges along with increasing government investments in manufacturing PPE kits has given the Indian Polypropylene market a tremendous boost. With an estimated per capita consumption of only 11kg for Polymers as compared to the world average of 28 kg and given its durability and versatility, the potential for Polymers is immense.

### **Strengths and Weaknesses**

With six years of operation, your Company has acquired an admirable reputation as a major player in the petrochemical sector in the country. With increasing acceptability as quality Polymers the products have established an excellent brand



image over a remarkably short period. Your Company witnessed a Polymer sales figure of 2,74,753 MT during the financial year under review.

The plant operated on sustained basis with average capacity of 100.5% during the year employing over 600 permanent employees and around 2600 additional manpower under contract. To your Company's advantage it has a vibrant manpower team much of which comprises of young, tech savvy and eager employees with fresh perspectives and the capacity for easily adapting to change. The plant has generated employment prospects and created opportunities for not only investment in downstream industries but also for vendors, transporters, suppliers and other service providers. Your Company is making continuous efforts 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 contribution of the promoters with impressive track records in the industry, be it in the form of equity, supplementing expertise and trained manpower or sharing their wisdom of experience, cannot be emphasised enough. Additionally, 100% evacuation of the products and by-products for ten years is being ensured through an agreement with the holding company, GAIL (India) Ltd. which has an established marketing network.

Feedstock, the biggest contributor to cost of production continues to be the major constraint for sustained operations and diversification plans. Constant efforts are 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. The release of feedstock subsidy by the Government of India has provided considerable relief in this regard.

Disadvantages of location of the plant in the far northeast and added to it inadequate connectivity and infrastructure, seasonal floods are deterrents for marketing of products and recruitment and retention of manpower. Till the full potential of the market in the region can be tapped, realization from sales in distant markets will continue to be comparatively lower due to added cost of freight. There has been a continuous effort to prioritise sales in the north-eastern region. Taking advantage of its proximity, your Company is exporting Polymer to neighbouring Bangladesh and is exploring export potential in other members of ASEAN. With several employee incentives and the recent implementation of revised pay scales for executives, problems of recruitment and retention of quality manpower are expected to ease considerably.

India has a complex system of sales and marketing for petrochemicals characterised by factors like fragmented customer base with more than 30,000 plastic processing companies mostly SMEs, Credit-intensive market with the customers traditionally dependent on informal systems of credit extension and short-term lending for their routine business operations, a unique channel setup for example with del-credere agents, traders and dealers and direct-to-customer models and lastly, tight control over pricing by producers primarily intended to limit pricing distortions. Nevertheless, considering its cost and durability, Plastics as a product are difficult to replace and its use can be seen in a plethora 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 is an encouraging development for conservation of the fast depleting forest reserves of the north-eastern region.



## ***Opportunities and Threats***

The state of Assam shares its border with all the north-eastern states in India and internationally with Bangladesh and Bhutan. Connecting the state with major cities of the country and with nearby international cities, it has six airports, two inland waterways and an inland container depot.

Seven additional entry/exit points for trade between India and Bhutan has been formalised in 2021 with huge significance for Assam. Sharing the longest stretch of the India-Bhutan border Assam is expected to witness increased activities of cross-border trade not just between India and Bhutan but also between Bhutan and Bangladesh through its land and river routes.

Currently the state has 31 industrial units engaged in the manufacture of Plastic products with an annual installed capacity of 3,20,000 MT. The state has access to trained manpower through 20 engineering related institutes including CIPET, IIT and Plastic Waste Management Centre. The plastic park at Tinsukia presently offers an allocable area of 480000 sqm providing a specific zone for plastic manufacturing units and your Company along with the Government is doing its best to make the park attractive to entrepreneurs.

The Government has taken steps to make Dibrugarh a major river port which will go a long way to promote trade and commerce not only in Dibrugarh but also in the entire Northeast. Development of the port will also leverage connectivity to neighbouring Bangladesh through National Waterways 2 besides providing an opportunity to reach markets in different parts the world. The use of waterways will provide economical, environment friendly and seamless transport of cargo and heavy machineries for upcoming projects in the region.

The shift of administrative control of your Company to the Ministry of Petroleum and Natural Gas (MoP&NG) has resulted in better synergy with the promoter organisations- viz.

GAIL, OIL and NRL, all of which are under the umbrella of the MoP&NG and addressing issues involving the promoters has become simpler.

India is the world's third largest Polymer consumer and Polymers in India account for approximately 68% of total production of basic major petrochemicals. With per capita consumption of only 11 kg, there is huge potential for growth in the country. Environmental concerns on the use of Plastic notwithstanding, the dependence on the material in terms of durability and cost for an ever growing range of products is growing and both refineries with integrated petrochemical complexes as well as other domestic petrochemical players are expanding their petrochemical capacities. Recent revisions in the basic custom duties of naphtha and petrochemicals are expected to further drive investments in the coming years.

The Covid-19 pandemic that brought in its wake severe disruptions to enterprise and industry has conversely also provided a significant boost to the Polymer industry with rising demand for packaging material for healthcare products and E-Commerce, especially for FMGC goods. Perceptions and laws on the use of Plastic changed globally and some existing laws were suspended. Increased demand has been sustained due to use of vials, syringes, atomisers and other medical/sanitation products along with importance of Plastic in the manufacture of hospital devices, respirators, Covid tests and personal protective equipment (PPE). On the downside however, this increased use also led to indiscriminate disposal posing a threat of pollution, the danger is greater as the discarded waste carry traces of the pathogen. There is therefore an urgent need for Governments globally to address the issue of waste management on priority.

In line with the announcement made by the Hon'ble Prime Minister to phase out single use plastic by 2022 due to the adverse impacts of plastic litter on both terrestrial and aquatic ecosystems, the Ministry of Environment,



Forest and Climate Change, Government of India notified the Plastic Waste Management Amendment Rules, 2021 in August, 2021, prohibiting identified single use plastic items which have low utility and high littering potential by 2022. The new provision has been viewed as a setback for the Polymer industry. With increasing concerns over sustainable development, 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.

The Plastic processing industry faces many other challenges including lack of advanced technology, limited infrastructure, particularly electricity, & volatile feedstock and polymer prices. Absence of adequate infrastructure, particularly electricity, is one of the major deterrents to investment in the sector. Launched to cover the fiscal years between 2019 and 2025, the National Infrastructure Pipeline (NIP) is a novel initiative of the government covering both, economic and social infrastructure projects expected to provide world-class infrastructure to citizens, improving their quality of life. Initiated with 6,835 projects NIP has now been expanded to 7,400 projects and around 217 projects worth ₹1.10 lakh crores, under some key infrastructure ministries, have been completed. The Ministry of Road Transport and Highways has been paying special attention to the development of national highways in the north-eastern region for which 10% of the total budget allocation has been earmarked. Such initiatives of the government aimed at *atmanirbharta* are expected to usher in long pending improvement. 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 released by the Ministry of Petroleum & Natural Gas in 2016 for economic development in the northeast region by leveraging the region's hydrocarbon potential,

enhancing access to clean fuel and accelerating growth of the region. The natural gas grid in the northeast region is envisioned to connect with the upcoming, Barauni-Guwahati natural gas pipeline as a part of Urja-Ganga scheme, also connecting to sustainable and viable gas sources in the northeast. It is expected that this gas grid will make additional gas available to your Company which has faced feedstock constraints since beginning. Taking into account the gas availability in future, your Company is working for expansion/capacity enhancement of the Plant. Due to 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.

With the objective of overcoming difficulties in sourcing of co-monomer Butene-1 your Company is implementing a project for setting up of a Butene-1 plant. Engineering and Project Management Consultancy was awarded to M/s EIL on 31.01.2020. Contract for supply of knowhow / License, BEDP and other related services has been awarded to M/s Axens on 29.01.2022. Environment clearance has been received for setting up the projects. Construction work delayed due to the impact of the pandemic has accelerated again and the project is expected to commission in July, 2024.

The Department of Chemicals and Petrochemicals has been implementing schemes for setting up of Plastic Parks, Centres of Excellence and National Petrochemicals awards. A total of nine plastic parks have been approved including one in Tinsukia, which are in various stages of implementation. In a bid to improve existing petrochemical technology and research in the country and promote the development of new applications of polymers and plastics, the number of Centre(s) of Excellence (COE) being set up in existing educational and research institutions working in the field of polymers has been steadily increasing. So far, thirteen COEs



have been set up within the premises of reputed educational and research institutions including several IITs, addressing an array of pertinent subjects including sustainable green materials, speciality polymers and manufacturing of next generation bio-medical devices. Awards are being given for meritorious inventions and innovations in various fields of petrochemical and downstream industries. 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 in 37 locations all over the country including three in the north eastern region in Assam and Imphal. The Government has also set up Petroleum, Chemicals and Petrochemical 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. Various schemes e.g., Industrial & Investment Policy of Assam, 2019, Prime Minister's Employment Generation Programme, Chief Minister's Start-up fund "Sarothe", Swami Vivekananda Assam Youth Empowerment (SVAYEM) Yojana have been introduced by the Government to encourage local entrepreneurs in Assam to take up self-employment ventures, projects and micro enterprises, offering opportunities for downstream industries.

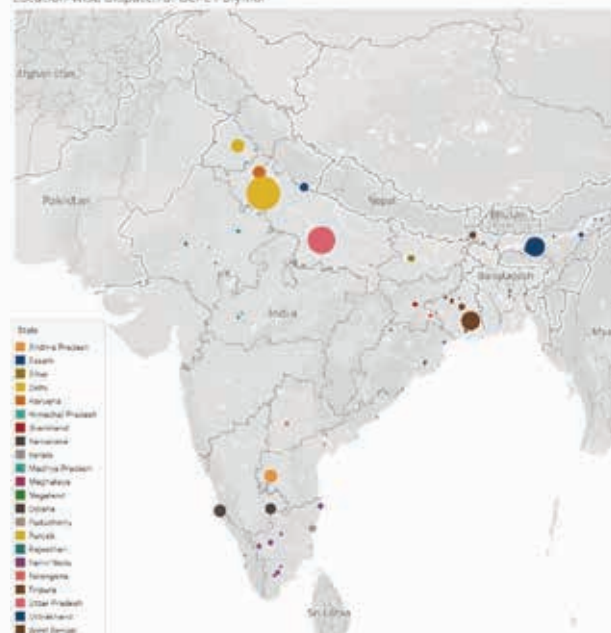
Despite adverse perceptions, Polymers, providing critical inputs to all major sectors in the economy, are matchless and your Company is in an advantageous position to tap the available potential in the north-eastern region having the lowest per capita consumption (4 kg) in Polymers in the country besides exporting to neighbouring countries.

## Segment wise or Product wise Performance

During the year, ₹2.72 lakh MT of Polymers and 55923 MT liquid hydrocarbons were produced. A total quantity of 2,74,753 MT of Polymer, 41,574 MT of Hydrogenated Pyrolysis Gasoline (HPG), 8,857 MT of Carbon Black Feed stock (CBFS), 4,677 MT of Wash Oil High Aromatics (WOHA), 1341 MT of Slop Oil and 365 MT of Liquid Nitrogen were sold to various locations in the country, generating a total sales turnover of ₹3778.66 crore. Polymer sales is focussed in Eastern, Northern and Southern region only and state wise polymer sales percentage indicates majority of sales in the states of Delhi, UP, WB and Assam.

LLDPE sale is the major contributor to total sales. Operating in the petrochemical segment, your Company plays a dominant role in the north eastern region besides enjoying geographical proximity to emerging markets such as Bangladesh. During the year 1370 MT Polymer was exported to Bangladesh to keep the channel open. Your Company is waiting for export prices to become lucrative to cash in on the opportunity and increase exports.

Location-wise Dispatch of BCP Polymer





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. Centre for High Technology (CHT), a nodal organisation under the Ministry of Petroleum & Natural Gas, Government of India, has been entrusted the responsibility for undertaking Performance Benchmarking of the major Petrochemical units. Your Company has participated in the proposed petrochemical benchmarking as well as petrochemical performance improvement programme for major petrochemical units of PSUs to be carried out under the aegis of CHT. The objective of the study is to assess performance and identify gaps in performance as part of the global benchmarking study including global/regional and Indian players.

Your Company is committed to enhancing 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. BCPL has been granted Licence by BIS for Polyethylene materials as per IS 7328:2020.

## **Outlook**

There has been a surge in petrochemical capacities from domestic refiners. Slowing growth (CAGR) and diminishing margins in the core oil and gas business has resulted in petrochemicals as a logical extension for these players. Presently RIL, IOCL, HPL and GAIL are the major players in the domestic petrochemical industry. In the not too distant future HPCL Rajasthan Refinery Limited (HRRL) and Bharat Petroleum Corporation Limited (BPCL) will join the list with their refinery-integrated petrochemical assets. International players have also announced partnerships to enter the Indian market and global firms have announced plans to invest in Indian petrochemical manufacturing, which could have a considerable impact on the Indian petrochemical landscape.

In the domestic polymer industry, non-integrated players including GAIL, PATA, OPAL, HPL and your Company are present in production of LLDPE, HDPE & PP. The rest are refinery integrated plants, public sector oil refining companies which sell their petroleum feedstock to other companies, which have been adding value, and converting the same to useful petrochemical products. Given India's net surplus and limited gas production, Naphtha has been the dominant feedstock for Indian producers, but increasing global availability of alternate feedstock is likely to impact production. Greenfield petrochemical units are increasingly adopting mixed feed technology in the country and up-coming technologies like crude-to-chemicals are opening new avenues both globally and potentially in India as well. From the perspective of your Company, the upcoming natural gas grid in the north-eastern region promises to ease the feedstock constraints in the years to come.

The Indian government has introduced several types of duties—such as import duties, anti-dumping duties, and other additional taxes—on imports of petrochemicals to protect the interests of domestic producers. These duty structures are



changed continuously in response to prevailing domestic and global market scenarios and tend to impact the competitive dynamics between domestic and imported products. Mergers and acquisitions and partnership opportunities are the emerging phenomena for both domestic and global companies. The global sustainability trend, changing consumer preferences and NGO activism coupled with regulatory initiatives are driving petrochemical producers to focus on adopting sustainable practices. Presently regulation in the country is mainly focused on single-use plastics and the evolving regulatory environment on sustainability will continue to be a significant driver of market dynamics in the domestic petrochemical industry. Indian producers have already started adopting a series of sustainability measures and the approach is essential to avoid disruptions in the business, such as from a sudden decline in demand because of a plastic ban, and to develop strong equity with external stakeholders and end users.

In these times of growing domestic and global capacity coupled with significant trade and regulatory uncertainty, operational excellence and cost effectiveness are likely to emerge as significant drivers of success for Indian petrochemical players. The very same reasons could cause disruptions altering the petrochemical landscape. However, the strong momentum witnessed in the Indian petrochemical market over the past few years is expected to continue. The players in the field will need to carefully assess their options and build a unique Made for India strategy to take advantage of the attractive opportunities and to overcome the challenges posed by the Indian market.

The Union Budget tabled in February, 2022 predicts India's economic growth to be the highest among all large economies, at 9.2%. The Budget encourages growth with the following priorities: PM Gati Shakti, Inclusive Development, Productivity Enhancement and Investments, Sunrise opportunities, Energy Transition, Climate Action. Financing of investments in Roads,

Railways, Airports, Ports, Mass Transportation, Waterways, and Logistics Infrastructure are the seven engines that propel PM Gati Shakti.

According to the latest annual review by IMF staff, India's wide range of fiscal, monetary and health response to the COVID crisis and economic reforms are helping in mitigating a longer-lasting adverse impact of the crisis. Following the Pandemic induced impact on the corporate sector in India, with contact-intensive services, and micro, small, and medium enterprises (MSMEs) being the most affected, a wide range of policy measures have been introduced to alleviate shocks to the sector. The Polymer 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 made this possible. Long term outlook of the petrochemical 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 kits, equipment and in packaging materials for food, medicine, personal care, and medical products specially in E commerce. Demand has also been gradually growing from sustained substitution of metal pipes with plastic pipes, and glass and metal containers with plastic containers.

Plant operations in your Company are steady and sustained with capacity utilization of 100.5% 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 about 13% of its products were sold in FY 2021-22.

The number of plastic processing units in NER



is increasing gradually and there has been a constant endeavour to prioritize sales in the region to maximize realisation. Entrepreneur sensitization programs are being regularly conducted across the region to create awareness regarding plastic downstream industries. After six years of successful and sustained operations, your Company is planning for debottlenecking and capacity expansion. Study on capacity enhancement of major units of BCPL is going on and the results are expected soon.

### ***Risks and Concerns***

Cost of feedstock is the 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 your Company, fluctuations in feedstock prices is a major concern. A major challenge has been the constraints in both quantity and quality of natural gas and supply of naphtha. More use of naphtha to compensate for the shortfall of natural gas to sustain production levels has meant higher cost. Approval and release of feedstock subsidy by the Government of India has mitigated the effects to some extent. However, debottlenecking and expansion plans for future growth will hinge largely on feedstock availability. Your Company has taken a series of measures to meet feed requirements. Rich gas has been recently explored by private companies in several blocks of Assam basin including Charaideo and Golaghat regions which is relatively near to the BCPL Lakwa unit. For additional gas sourcing from Golaghat an MoU was signed with AGCL for laying a 200 km pipeline to bring rich gas from the ONGC fields in Golaghat region to BCPL Lakwa. Required infrastructure is being developed to accommodate an additional rich gas from M/S Oil Max produced in ONGC's Amguri field. Recently, an MoU was signed with Syama Prasad Mookerjee Port, Kolkata (SMPK) for streamlining logistic chain for movement of feedstock like Naphtha via railway or via NW-2 by setting up of tankage facility at Haldia Dock

Complex. These will provide BCPL additional cushion in addition to domestic market to imported feed from the international market as and when required. Another MoU was signed with Inland Waterways Authority of India to facilitate feed sustainability amongst others.

The challenges in sourcing Butene-1, a comonomer required for the production of polyethylene continues in the absence of a captive generation facility for the raw material. However, the concern is expected to be addressed in the near future with your Company's captive Butene-1 plant geared for completion in 2024.

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 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. The plant viability is dependent on continuation of these benefits and the risk of non-viability in the advent of withdrawal of such support in the future due to changing government policy cannot be discounted.

Since the beginning of the COVID-19 pandemic there has always been a concern over incidence of another wave leading to re-imposition of virus management measures which in turn curb economic activity and dampen market and consumer sentiment. The growing demand for Plastics in medical, health, hygiene and packaging



products is however expected to sustain the Polymer industry during these times.

Unfortunately for the Plastic industry, there is a negative perception about the impact of plastics on health and environment, despite being an essential commodity finding use in all spheres of our daily lives and plastic pollution has become one of the most pressing environmental issues. Regulation coupled with sensitization on the use, disposal and waste management of plastic is therefore important to address the polluting effects and overcome the concerns over the use of this versatile product. There is wide scope for industries based on re-cycling of plastic wastes 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 over the years experienced various unique challenges pertaining to infrastructure, connectivity, logistics, economic opportunities, amenities, private investment, business environment and finance. Government initiatives, programmes and economic reforms including the Act East Policy are however gradually bringing in a change and better investments are expected for this region which can outperform any other part of India in terms of availability of natural resources and international border. The remoteness of location in terms of the nation is combatted to an extent by its ideal location with respect to Myanmar, Bangladesh and other ASEAN countries with promising markets. Although comparatively less profitable now, your Company is marketing its products in Bangladesh to keep a channel open to take advantage when exports become more lucrative.

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

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

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

Quarterly internal audit is being conducted by the Internal 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 100% capacity in FY 2021-22 maintaining the trend of above full capacity operation for last four years since FY 2018-19. Your Company 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 last financial year and the same has sustained since then. During the year, natural gas of ₹424.15 crore and naphtha of ₹938.09 crore were consumed for producing polymer which converted to sale of ₹3040.18 crore after stock adjustments. Feedstock subsidy of ₹131 crore and GST budgetary support of ₹72.18 crore formed 'other operating incomes' bringing in revenue from operation amounting to ₹ 3243.36 crore during the year.

India witnessed a V-shaped recovery from the Covid-19 related disruptions as most consumption and industrial indicators were back in positive growth territory during the year, despite the third wave in the form of Omicron variant. The business environment for petrochemicals in domestic market remained buoyant during the year although there have been heavy fluctuations in naphtha price, which moves in tandem with global crude prices. Your Company has been able to demonstrate both resilience and agility resulting in more than 100% capacity utilization of the plant despite repeated waves of infection, supply chain disruptions and high price of naphtha. Your company enjoyed healthy EBITDA margin of 34% during the year demonstrating strong up-side in the business.

There has been significant improvement in cash flow of the company with the receipt of feedstock subsidy of ₹1042.92 crore in the 1st quarter of the financial year. Almost entire portion of the long term loans (both from SBI and OIIB) have been repaid/prepaid and the same has resulted in drastic reduction in finance cost in form of interest. The significant improvement in cash position and de-leveraging of balance sheet was noted by the lenders and credit rating agencies. As a result, CRISIL has upgraded the credit rating of the company from AA-/Positive to AA+/Stable. Another rating agency, M/s Acuite Ratings has 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, 2022 was 613 including 426 executives and 187 non- executives. 10 executives were on secondment/deputation from GAIL (India) Limited, the major equity holder.

In the year under review, 1117 man days of training were conducted in your company promoting employees to acquire new skills, sharpen existing ones to perform better and increase their productivity.

Your Company received many awards and accolades including certification by Great Place to Work for the 2<sup>nd</sup> consecutive year.

Industrial relations remained cordial during the year.

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

Your Company has been mindful about reducing environmental impacts and risks in its corporate activities with the aim of developing a sustainable society and conserving the global 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 excellence. A modern effluent treatment plant ensures proper effluent discharge within the prescribed limits. Your Company uses clean natural gas as feed and fuel which is sulphur free. In keeping with its objective of sustainable development and conservation of environment, your Company has taken stringent measures towards protection of the environment by ensuring the plant operations in sync with the



environmental requirements. BCPL is aware of the burgeoning climate issues and accompanying socio-economic imbalances, and will continue to try to address them in order to be ready for future success by focusing on sustainable growth. Some of the steps taken by your Company towards conservation and protection of environment are highlighted below:

- 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.
- Low NOX burners are installed in all furnaces and utility boilers as a part of clean technology.
- In combine cycle co-generation power plant, heat recovery steam generation units (HRSGs) are installed where waste heat is recovered to use steam generation.
- Flare system at a safe height to atmospheric location is installed to burn the unwanted hydrocarbon release during process upset.
- Floating roof tank is installed for high volatile raw material to reduce the emission of

volatile organic compounds (VOCs) into the atmosphere.

- High calorific hazardous wastes are being sent to the cement industries for co-processing.
- Battery operated electric vehicle is used for movement of materials inside the plant area.

Greenbelt covering 33.1 % of total area has been developed. Apart from the above, continuous online quality monitoring systems for treated water, stacks monitoring and ambient air quality monitoring are in place and connected to the Central Pollution Control Board (CPCB) server on a 24x7 basis. Moreover, the ambient air quality monitoring, work zone area air and noise monitoring, stack emission monitoring, treated water quality monitoring, storm water monitoring and meteorological data monitoring etc. are also carried out by an MoEF&CC approved third party.

For treating and converting domestic wet waste into bio manure, your Company has implemented a bio compost facility at Barbaruah Township.

Your Company celebrated World Environment Day (WED) on 5<sup>th</sup> June 2021 following the COVID protocols. Plantation drive along with



*Awareness programme on the occasion of World Water Day, 2022*



awareness programmes were carried out at different units of BCPL and townships, joining the worldwide campaign for creation of awareness for protection of our precious environment. "Van Mahotsav 2021" was also celebrated amidst the pandemic following all the COVID protocols. During the year under review, initiative on afforestation has been undertaken and a plantation drive was carried out at BCPL, Dibrugarh on 6<sup>th</sup> July 2021 in association with District Forest Division, Dibrugarh. Your Company also celebrated National Pollution Control Day on 2<sup>nd</sup> November, 2021, World Water Day on 22<sup>nd</sup> March, 2022 besides observing Earth Day and Earth Hour for creating awareness on conservation and acknowledging its commitment as a responsible corporate citizen. Your Company won the prestigious "Gold Green Leaf Award 2021" by Apex India Foundation for Environment Excellence in Petrochemical Sector.

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

### **Corporate Social Responsibility**

Your Company continues its endeavours to contribute to the well-being of communities and society through various environmental and social measures to promote inclusive growth. A budget of ₹19.10 crore has been approved for CSR activities for the financial year 2021-22 with various projects under the broad heads of health and nutrition, promotion of education, skill enhancement, alternative livelihood promotion and entrepreneurship development, swachhata and sanitation, and rural development. The projects are being executed through the



*Plantation at the ETP Eco pond during a visit of Hon'ble Minister of State, Petroleum & Natural Gas and Labour & Employment, Shri Rameswar Teli*

district administration and are monitored and implemented through a CSR Coordination Team. All relevant guidelines and rules on CSR are being complied with. Your Company has taken several initiatives to address the humanitarian crisis and medical emergencies during the Covid-19 pandemic under CSR. The focus area of BCPL at present is Health & Nutrition while the company is also substantiating Government efforts towards combatting COVID challenges. Your Company also contributed to PM CARES fund to fight against the Covid-19.

**Data Source:** DCPC Annual Report 21-22, reports by Invest India, GoI websites.

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



## Report on Corporate Governance

### Company's Philosophy

Your Company is committed to the adoption of best governance practices to maximise stakeholder value on a sustainable basis and to act ethically and in a transparent manner with emphasis on integrity and accountability in the conduct of business so as to enjoy enduring confidence of the stakeholders.

### Board of Directors

As on 31<sup>st</sup> March, 2022, the Board of Directors of your Company consisted of twelve 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 two Independent Directors. The Nominee Directors are appointed in accordance with the Joint Venture Agreement and the Articles of Association of the Company.

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

Sl. No.	Name of the Director	Designation	No. of Directorships / Chairmanship in other companies #		No. of Committee* Memberships / Chairmanship in other companies#		Number of Board meetings	Attendance in last AGM
			Chairman	Director	Chairman	Member	Attended	
Functional Directors								
1	<b>Shri Reep Hazarika</b> (DIN 08667195)	Managing Director	-	-	-	-	7	Yes
2	<b>Shri Pruthviraj Dash</b> (DIN 08253888)	Director (Finance)	-	-	-	-	7	Yes
Promoter Directors								
3	<b>Shri Manoj Jain</b> (DIN 07556033) Chairman & Managing Director GAIL (India) Ltd.	Chairman	5	1	-	-	7	Yes
4	<b>Shri Harish Madhav</b> (DIN 08489650) Director (Finance), OIL India Ltd (w.e.f. 29.05.2020)	Director	-	3	-	1	5	Yes
5	<b>Shri R. K. Dutta</b> (DIN 00205669) Advisor to Government of Assam (up to 18.05.2021)	Director	-	1	-	1	1	NA
	<b>Shri Jishnu Barua, IAS</b> (DIN 03569714) Chief Secretary Government of Assam (w.e.f. 25.06.2021)	Director	2	-	-	-	2	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	
6	<b>Dr. K K Dwivedi, IAS</b> (DIN 07632374) Principal Secretary to Govt. of Assam, Industries & Commerce Department (up to 20.05.2022)	Director	-	7	-	-	4	No
7	<b>Shri S K Barua</b> (DIN 06503943) Managing Director Numaligarh Refinery Ltd. (Up to 31.01.2022)	Director	-	-	-	-	5	Yes
	<b>Shri Bhaskar Jyoti Phukan</b> (DIN 07721895) Managing Director Numaligarh Refinery Ltd (w.e.f. 01.02.2022)	Director	-	1	-	-	1	NA
8	<b>Shri M V Ravi Someswarudu</b> (DIN 07309877) Executive Director (O&M -CO) GAIL (India) Ltd.	Director	-	-	-	-	7	Yes
9	<b>Ms Sandepa Trakroo</b> (DIN 09526916) Zonal Chief General Manager (Marketing) GAIL (w.e.f. 04.03.2022)	Director	-	-	-	-	1	NA
<b>Government Directors</b>								
10	<b>Shri Kapil Verma</b> (DIN 09056466) Director MoP&NG, GoI	Director	-	-	-	-	7	Yes
<b>Independent Director</b>								
11	<b>Shri Saumitra Sarkar</b> (DIN 08401917)	Independent Director	-	-	-	-	7	Yes
12	<b>Prof. Raman Kumar Trivedi</b> (DIN 09406597) w.e.f. 23.11.2021	Independent Director	-	-	-	-	2	NA
(*)	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 2021-22**

Seven 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
92 <sup>nd</sup>	08.04.2021	10	9
93 <sup>rd</sup>	25.05.2021	9	9
94 <sup>th</sup>	30.07.2021	10	10
95 <sup>th</sup>	16.09.2021	10	8



96 <sup>th</sup>	01.11.2021	10	8
97 <sup>th</sup>	27.01.2022	11	10
98 <sup>th</sup>	23.03.2022	12	9

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

**Shri Kapil Verma**, 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. He has been Director on the Board w.e.f. 19.01.2021 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 Director, 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.

**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) Limited. He has rich and diverse experience encompassing more than 36 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. In his present position, he is Executive Director (O&M-CO) since June 2021, before which he was Chief Executive Officer, GAIL Gas Ltd. between 2020-21 and held the position of Officer-in-charge of the Petrochemical Project of GAIL-Pata between May 2017 and June 2020. He played a significant role in establishing the Policies and Procedures in R&D and E&P Divisions of the company and played key role in conceptualizing and taking up LNG Terminal projects in India.

**Professor Raman Kumar Trivedi**, was appointed vide MoP&NG letter No 31033/2/2021-PNG (39069) dated 08.11.2021 as Independent Director on the Board of Directors of the Company for a period of three years from the date of notification or until further orders. Professor Raman Kumar Trivedi holding DIN 09406597 and aged 59 years was inducted as an Additional Director w.e.f. 23.11.2021, being the date of allotment of DIN by MCA till the conclusion of this Annual General Meeting. Prof Trivedi is a B.F. Sc. and M.F. Sc. from the University of Agricultural Sciences, Bangalore and Ph.D. from Rajasthan Agriculture University, Udaipur with undergraduate and postgraduate teaching experience of 30 years. His major area of research interest is Limnology, Aquatic Environment Management and climate change adaptation strategies. Earlier he was Professor and Head of Department of Aquatic Environment Management at West Bengal University of Animal & Fishery Sciences, Kolkata for over 10 years. He served on deputation at



Bihar Animal Science University for four years up to 12.07.2022. Presently is faculty of Fishery Science at West Bengal University of Animal and Fishery Sciences, Kolkata. He has been closely involved with student management programmes as in-charge Academic cell and as Director Students Welfare. He has more than 50 research papers published in reputed national and international journals to his credit and presented a number of papers at various national and international conferences/symposia. Dr Trivedi has carried EIA related consultancies for many industries and public sector companies and has been identified by MOEF as expert for consultation for making plastic free coastal zones.

**Shri Bhaskar Jyoti Phukan**, was nominated vide NRL letter no. 4276/NRL dated 01.02.2022 as Director on the Board of Directors of the Company in the vacancy caused by resignation of Shri Saumendra Kumar Barua, who superannuated from NRL. Shri Bhaskar Jyoti Phukan holding DIN 07721895 and aged 53 years was inducted as an Additional Director w.e.f. 01.02.2022 till the conclusion of this Annual General Meeting. Presently Managing Director, Numaligarh Refinery Limited, Shri Phukan is a mechanical engineer from Assam Engineering College, Guwahati with more than 30 years of experience in the oil industry including logistics, marketing, technical services and operation. Shri Phukan started his career in Indian Oil Corporation Ltd.(Assam Oil Division) in the year 1990 and thereafter joined NRL in the year 1999. Earlier he served as Director (Technical), NRL w. e. f. 01.02.2017 and prior to that as General Manager (Operation) in NRL. He assumed the additional charge of Managing Director, NRL w. e. f. 01.02.2022 and of Managing Director, NRL w.e.f. 19.07.2022. Besides NRL he is Chairman, Assam Bio Refinery Pvt Ltd. and Director DNP Limited. He is not related to any Director or other key managerial personnel of the Company.

**Ms Sandepa Trakroo**, was nominated vide GAIL letter no. ND/GAIL/SECTT/2022 dated 24.02.2022 as Director on the Board of Directors of the Company. Ms Sandepa Trakroo holding DIN 09526916 and aged 49 years was inducted as an Additional Director w.e.f. 04.03.2022, being the date of allotment of DIN by MCA till the conclusion of this Annual General Meeting. Presently Zonal Chief General Manager (Marketing) GAIL, Ms Trakroo is a Chemical Engineering from BITS Pilani with Post Graduate Diploma in Business Administration. She has more than 25 years of well-rounded experience in Oil & Gas Industry and has worked on big initiatives / projects in GAIL. While working as General Manager (Business Development), she was responsible for diversification and globalization initiatives and steering participation of GAIL in several mergers and acquisitions across energy domain. Prior to this, Ms. Trakroo worked in Corporate Strategy & Planning and was responsible for drawing up GAIL's long-term strategic plan. She has extensive experience in developing natural gas and petrochemical projects. Ms. Sandepa Trakroo was the first woman employee in GAIL to be posted at a challenging petrochemical project site of GAIL in the late 1990s where she was a part of the construction and commissioning team. She is also the recipient of various awards, including "Woman Executive of the Year in Oil & Gas Industry" in India in 2013. .

### **Audit Committee**

During the year under review five meetings of the Committee were held on 25.05.2021, 27.07.2021, 16.09.2021, 01.11.2021 & 27.01.2022. 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
Prof. Raman Kumar Trivedi (w.e.f. 23.11.2022)	1	1
Shri M V Ravi Someswarudu	5	5
Shri S K Barua, (Member up to 22.11.2022)	4	4
Shri Harish Madhav, (Member up to 22.11.2022)	4	3



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 five meetings of the Committee were held on 12.04.2021, 21.05.2021, 30.07.2021, 21.12.2021 and 21.03.2022. 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
Prof. Raman Kumar Trivedi, Chairman (w.e.f. 23.11.2021)	2	2
Shri Harish Madhav Member (w.e.f. 30.11.2021)	2	2
Shri B J Phukan, Member (w.e.f. 08.02.2022)	1	1
Shri Saumitra Sarkar, Member	5	5
Shri S K Barua Member (up to 31.01.2022)	4	3
Shri M V Ravi Someswarudu, Member (up to 30.11.2021)	3	3
Shri R K Dutta Member (up to 18.05.2021)	2	1

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 HR Committee for examining all HR Policy related matters requiring approval of the Board or as may be assigned by the Board from time to time, comprising of the following members as on 31<sup>st</sup> March, 2022:

1. Shri Reep Hazarika : Chairman
2. Shri Pruthiviraj Dash : Member
3. Shri B J Phukan : Member
4. Shri M V Ravi Someswarudu. : Member

An empowered Committee of the Board on Contracts and Procurement for expeditious clearance of approvals, comprising of the following members as on 31<sup>st</sup> March, 2022:

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

A Committee on Sustainability & CSR comprising of the following members as on 31<sup>st</sup> March, 2022:

1. Shri B J Phukan : Chairman



2. Shri Saumitra Sarkar : Member
3. Shri Reep Hazarika : Member
4. Shri Pruthiviraj 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 31<sup>st</sup> March, 2022:

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

A Share Transfer Committee comprising of the following Members as on 31<sup>st</sup> March, 2022:

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

An Employees Disciplinary Committee which acts as appellate/reviewing for disciplinary matters under the BCPL (Conduct Discipline & Appeal) Rules, 2013, comprising of the following Members as on 31<sup>st</sup> March, 2022:

1. Shri Harish Madhav : Chairman
2. Shri B J Phukan
3. Shri M V Ravi Someswarudu

### **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 2021-22 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	49,78,432	3,92,455	3,34,149	8,67,370	65,72,406
Shri Pruthiviraj Dash Director (Finance)	47,32,831	3,69,416	3,19,719	9,88,853	64,10,819

The Part-time Non-official (Independent) Director is not being paid any remuneration other than the sitting fee, which amounted to ₹ 290,000/- to Shri Saumitra Sarkar and ₹70,000/- to Prof Raman Kumar Trivedi. 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
12 <sup>th</sup>	20.09.2019	3.00 pm	Hotel Vivanta by Taj G.S. Road, Khanapara, Guwahati, Assam 781022	None
13 <sup>th</sup>	25.09.2020	3:00 pm	Registered Office, H No 6, Bhuban Road, Uzanbazar, Guwahati - 781001	Yes, adoption of new set of MoA/ AOA of the Company in line with Companies Act, 2013
14 <sup>th</sup>	16.09.2021	3.00 pm	Radisson Blu Hotel, National Highway 37, Gotanagar, Guwahati, Assam - 781033	None

## 15<sup>th</sup> Annual General Meeting

Date : Friday, 23<sup>rd</sup> September, 2022

Time : 3.00 P.M.



14<sup>th</sup> annual general meeting in progress



Team BCPL with shareholder representatives, Directors and Auditors during the 14<sup>th</sup> AGM

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

## Disclosures

- The related party transactions are disclosed in the notes to accounts forming part of the annual report.
- The Company has complied with the requirements of the DPE Guidelines on Corporate Governance, save and except the composition of the Board with respect to number of Nominee Directors and Independent Directors. The Board has requested for a special dispensation from the Government of India regarding reduction in the number of Nominee Directors appointed as per JV Agreement.



The Government has been requested to appoint the requisite number of Independent Directors as per the said guidelines.

- iii. The Company has a Whistle Blower Policy whereby employees can raise concerns to the competent authority in case they observe unethical and improper practices or any other wrongful conduct in the Company. The policy provides direct access to the Chairman, Audit Committee and necessary safeguards for protection of the whistle blower from reprisals or victimization.
- iv. A new and more comprehensive Risk Management Policy has been adopted for risk assessment and mitigation during the operations phase.
- v. The Public Procurement Policy for Micro and Small Enterprises is being implemented in the Company and consistently since FY 2014-15 your Company has been meeting the requisite procurement target from the Government of India MSME sector. Annual procurement order (supplies & services) of the value of 57.96 % were issued to MSE vendors in the FY 2021-22 against the Government of India target of 25% as per Public Procurement Policy, 2012 as amended w.e.f. 9th November, 2018. Out of above 25%, 4% procurement has been made from MSE owned by SC/ST entrepreneurs.
- vi. As per recommendation of the Committee on papers laid on the table, Rajya Sabha (COPLLOT), details of vigilance cases during the financial year under review :

Opening balance as on 01.04.2021	Vigilance cases received during the year	Vigilance cases disposed of	Balance
5	9	9	5

### ***Audit Qualifications***

For the 15th successive year there is no audit qualification in the report of the Statutory Auditors on the accounts of the Company for the year ended 31<sup>st</sup> March 2022.

### ***Means of Communication***

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

### ***Shareholding Pattern***

As on 31st March, 2022, 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 2021-22, 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 there is no audit qualification in the report.

## ***Code of Conduct***

The Company has a Code of Conduct for the Board members and the senior management personnel and all the members of the Board and the senior management personnel have affirmed compliance of the Code of Conduct for the financial year ended on 31<sup>st</sup> March, 2022.

## **DECLARATION**

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

Date : 22<sup>nd</sup> July, 2022

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



*Study visit of Parliamentary Committee on Public Undertakings on Corporate Governance at Guwahati in October, 2021*



*Managing Director interacting with local media persons at Dibrugarh*



## 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>b)</b>	<b>Nature of contracts/ arrangements/ transactions</b>	<b>(A) Nature of transactions with GAIL</b> <ol style="list-style-type: none"><li>1. Procurement of Polymer grade Propylene</li><li>2. Marketing Commission to GAIL</li><li>3. Secondment charge of employees from GAIL</li><li>4. Disaster Recovery (DR) Server charges set up in GAIL Noida Premises.</li></ol> <b>(B) Nature of transactions with OIL</b> <ol style="list-style-type: none"><li>1. Purchase of Natural Gas</li><li>2. Infrastructure Cost payable to OIL</li></ol> <b>(C) Nature of transactions with NRL</b> <ol style="list-style-type: none"><li>1. Procurement of Naphtha from NRL</li></ol>
<b>c)</b>	<b>Duration of the contracts / arrangements/transactions</b>	<b>(A) Duration of transactions with GAIL</b> <ol style="list-style-type: none"><li>1. Procurement of Propylene from GAIL, Pata as per requirement and on best endeavour basis</li><li>2. Marketing margin @ 2.4% of net sales value of BCPL products &amp; by-products for 10 years</li><li>3. Arrangement with holding company for secondment of employees</li><li>4. Disaster Recovery Data Centre set up in GAIL's Noida Premises</li></ol> <b>(B) Duration of transactions with OIL</b> <ol style="list-style-type: none"><li>1. BCPL procures Natural Gas from OIL based on the agreement entered for supply of natural gas towards feed stock requirement of the Company.</li><li>2. Infrastructure cost to OIL is paid as a part of the project cost</li></ol> <b>(C) Duration of transaction with NRL</b> <p>BCPL procures Naphtha from NRL based on the agreement entered with NRL towards feed stock requirement of the Company</p>
<b>d)</b>	<b>Salient terms of the contracts or arrangements or transactions including the value, if any:</b>	<b>A. Salient terms of the arrangements or transactions with GAIL</b> <ol style="list-style-type: none"><li>1. Total amount ₹8.78 Cr has been incurred in FY 2021-22 for procurement Propylene</li><li>2. Marketing commission as per Marketing Agreement totaling to ₹66.99 crore</li><li>3. Arrangement with holding company for secondment of employees amounting to ₹7.93 Crore for the Year 2021-22</li><li>4. DR installation configuration and commissioning work completed. Total charges of ₹68.00 lac towards service charge for DR server set-up has been paid to GAIL</li></ol>



		<p><b>B. Salient terms of the arrangements or transactions with OIL</b></p> <ol style="list-style-type: none"> <li>1. Natural Gas for ₹364.04 crore</li> <li>2. Payment of Infrastructure Cost to OIL as part of project cost ₹20.34 crore</li> </ol> <p><b>C. Salient terms of the arrangements or transactions with NRL</b></p> <ol style="list-style-type: none"> <li>1. Procurement of Naphtha for ₹ 591.12 crore</li> </ol>
e)	Date(s) of approval by the Board, if any:	Not applicable.
f)	Amount paid as advances, if any:	-

Dated : 26<sup>th</sup> August, 2022

Place: New Delhi

Sd/-  
(Manoj Jain)  
**Chairman**



## Annual Report on CSR activities during FY 2021-22

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

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

### 2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the tenure of the member	Number of meetings of CSR Committee attended by the member
1	Shri Bhaskar Jyoti Phukan	Chairman (w.e.f. 01.02.2022)	1	1
2	Shri S K Barua	Chairman (up to 31.01.2022)	1	1
3	Shri Reep Hazarika	Managing Director	2	2
4	Shri Pruthiviraj Dash	Director (Finance)	2	2
5	Shri Saumitra Sarkar	Independent Director	2	2

3. 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. 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 all the projects are on-going.

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

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

The average profit before tax in last three years (w.r.t. FY 2021-22) is ₹954.73 crore.

7. ₹ in Crore

(a)	Two percent of average net profit of the company as per section 135(5)	19.10
(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)	19.10

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

Amount unspent (in ₹)					
Total Amount Spent for the Financial Year (in ₹)	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second provision to section 135(5)		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
14,54,82,350/-	4,55,17,650	30.04.2022	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)	State	District	Project duration	Amount allocated for the project (in ₹Cr.)	Amount spent in the current financial Year (in ₹Cr.)	Amount transferred to Unspent CSR Account for the Section 135(6) (in ₹Cr.)	Mode of Implementation - Through Direct (Yes/No)	Name	CSR R No.
1	Financial assistance to offer care to patients with incurable disease like cancer under pratishruti palliative home care project.	Health & Nutrition	Yes	As-sam	Dibru-garh	3 Years	0.20	0.10	0.10	Yes	NA	NA
2	Proposal for introduction of short term vocational training programs for unemployed youth of Assam	Health & Nutrition	Yes	As-sam	Dibru-garh	3 Years	0.67	0.67	0	Yes	NA	NA
3	Proposal for Mobile Hospital Program at Dibrugarh District (Primary healthcare at door stem through Mobile Medical Unit)	Health & Nutrition	Yes	As-sam	Dibru-garh	3 Years	0.73	0.73	0	Yes	NA	NA
4	Proposal for infra-structural and service development at Assam Medical College and Hospital (AMCH)	Health & Nutrition	Yes	As-sam	Dibru-garh	3 years	2.00	2.00	0	Yes	NA	NA
5	a) One generator set in Borhat PHC, 500000 b) 10 Nos Oxygen Bed in Lakwa Model building, 2000000, c) Ambulance 4 nos, 2000000	Health & Nutrition	Yes	As-sam	Chara-ideo	2 years	0.2335	0.2335	0	Yes	NA	NA
6	Ambulance for Panitola PHC and Chabua Model Hospital, under Chabua 121 LAC	Health & Nutrition	Yes	As-sam	Dibru-garh	2 years	0.135	0.0675	0.0675	Yes	NA	NA
7	Conducting camps for PWD (Divyuanganjan) including providing of rehab products.	Health & Nutrition	Yes	As-sam	Dibru-garh	3 Years	0.15	0.075	0.075	Yes	NA	NA
8	Hand drive cycles for disabled person	Health & Nutrition	Yes	As-sam	Dibru-garh	2 years	0.025	0.0125	0.0125	Yes	NA	NA



9	Upgradation of infrastructure at Model Hospital, Lakwa	Health & Nutrition	Yes	As-sam	Siva-sagar	3 years	0.23	0.23	0	Yes	NA	NA
10	Upgradation of infrastructure of Chabua Model Hospital / TATA Hospital at Chabua	Health & Nutrition	Yes	As-sam	Dibru-garh	3 years	0.30	0.30	0	Yes	NA	NA
11	Ambulance for Modarkhat Tea Garden	Health & Nutrition	Yes	As-sam	Dibru-garh	2 years	0.06	0.03	0.03	Yes	NA	NA
12	Ambulance for Charai-pung Village	Health & Nutrition	Yes	As-sam	Siva-sagar	2 years	0.06	0.03	0.03	Yes	NA	NA
13	One Type-B Ambulance to be provided to Assam Women University	Health & Nutrition	Yes	As-sam	Jorhat	2 years	0.17	0.085	0.085	Yes	NA	NA
14	Maintenance and upkeep of the Arogya Bhawan for Cancer Patient at Dibrugarh	Health & Nutrition	Yes	As-sam	Dibru-garh	2 years	0.18	0.09	0.09	Yes	NA	NA
15	Repairing of SB-AKHA used for boat clinic services at remote Char area (river islands)	Health & Nutrition	Yes	As-sam	Dibru-garh	2 years	0.06	0.03	0.03	Yes	NA	NA
16	Direct Initiative by BCPL (Development of infrastructure/ utilities of AMC for treatment of Covid-19 infected person, Oxygen cylinder to AMC & Govt. of Manipur; health camp, support to Barbaruah Public Health Centre for vaccination)	Health & Nutrition	Yes	As-sam	Dibru-garh	2 years	2.11	1.30	0.81	Yes	NA	NA
17	Caring Centre of Stray Dogs etc.	Swachhta & Sanitization	Yes	As-sam	Dibru-garh	2 years	0.15	0.075	0.075	Yes	NA	NA
18	Boundary Wall - People for Animal	Swachhta & Sanitization	Yes	As-sam	Kamrup	3 years	0.05	0.05	0	Yes	NA	NA
19	Fund allocated for Construction of Barbaruah Market Complex at Barbaruah. (₹1.75 cr. sanctioned from BCPL CSR under FY 20-21)	Swachhta & Sanitization	Yes	As-sam	Dibru-garh	3 Years	0.50	0.25	0.25	Yes	NA	NA



20	Providing of Digital Classroom at Govt. /Provincialised Secondary and Higher Secondary school under Barbaruah Block. (32 Schools *215000)	Promotion of Education	Yes	As-sam	Dibru-garh	3 Years	0.37	0.185	0.185	Yes	NA	NA
21	Construction of by-cycle stand at Jodhraj khemka public M. E School	Promotion of Education	Yes	As-sam	Dibru-garh	3 Years	0.06	0.03	0.03	Yes	NA	NA
22	Providing of desk-bench/roof truss at Digboi much Gaon Poly Mandal LP School and Bamun Gaon Gyanu-day ME School.	Promotion of Education	Yes	As-sam	Dibru-garh	2 years	0.02	0.01	0.01	Yes	NA	NA
23	Providing Desk & Bench in Januram Taye Oiramghat M.E & High School	Promotion of Education	Yes	As-sam	Dibru-garh	2 years	0.02	0.01	0.01	Yes	NA	NA
24	Infrastructure Development of Rastra Bhasha Deep Vidyalaya, Dibrugarh	Promotion of Education	Yes	As-sam	Dibru-garh	2 years	0.10	0.05	0.05	Yes	NA	NA
25	Infrastructural Development of Barbaruah, Jamirah Junior College, Lepatkata	Promotion of Education	Yes	As-sam	Dibru-garh	3 Years	0.10	0.05	0.05	Yes	NA	NA
26	Building a well-equipped Auditorium in Dholebagan HS School, Charaideo	Promotion of Education	Yes	As-sam	Charaideo	3 Years	0.15	0.075	0.075	Yes	NA	NA
27	Infrastructure development of Borbari LP School, Borbam No.1 village under Tengakhat Educational Block,	Promotion of Education	Yes	As-sam	Dibru-garh	3 Years	0.05	0.025	0.025	Yes	NA	NA
28	Infrastructure development of Deobil LP School, Deobil under Tengakhat Educational Block,	Promotion of Education	Yes	As-sam	Dibru-garh	3 Years	0.05	0.025	0.025	Yes	NA	NA
29	Infrastructure development of 38, Borbam LP School, Basmatia Grant under Tengakhat Educational Block	Promotion of Education	Yes	As-sam	Dibru-garh	3 Years	0.05	0.025	0.025	Yes	NA	NA
30	Financial help for Gurukul Sangeet Nritya Kala Kendra, Dibrugarh	Promotion of Education	Yes	As-sam	Dibru-garh	3 Years	0.03	0.015	0.015	Yes	NA	NA
31	Construction of Chiranjeeta Women Sports School Hostel Building at Khowang	Sports	Yes	As-sam	Dibru-garh	3 Years	0.10	0.05	0.05	Yes	NA	NA



32	Development of Garudharia Playground at Garudharia-Madhupur area	Sports	Yes	As-sam	Dibrugarh	3 Years	0.12	0.06	0.06	Yes	NA	NA
33	Beautification and site development at Children Park in Chowkidin-gee, Dibrugarh	Sports	Yes	As-sam	Dibrugarh	3 Years	0.04	0.02	0.02	Yes	NA	NA
34	Development of Sports Infrastructure in Dibrugarh	Sports	Yes	As-sam	Dibrugarh	3 Years	0.34	0.17	0.17	Yes	NA	NA
35	Development of Dr. John Berry White Medical School Heritage Complex, Dibrugarh Assam	Rural Infrastructure/Community Development	Yes	As-sam	Dibrugarh	3 Years	0.15	0.075	0.075	Yes	NA	NA
36	Construction of Boundary Wall and Toilets around the office building of Dibrugarh Zila Karmachari Parisad	Rural Infrastructure/Community Development	Yes	As-sam	Dibrugarh	3 years	0.10	0.05	0.05	Yes	NA	NA
37	Infrastructure Development near Lepetkata police Outpost.	Rural Infrastructure/Community Development	Yes	As-sam	Dibrugarh	2 years	0.10	0.05	0.05	Yes	NA	NA
38	Installation of High Mast Light (Two Nos.) near Jagannath Temple, Khanikar, Dibrugarh	Rural Infrastructure/Community Development	Yes	As-sam	Dibrugarh	2 years	0.11	0.055	0.055	Yes	NA	NA
39	Financial assistance to Indigenous Agricultural Farmers Producer Company for installation of fencing	Rural Infrastructure/Community Development	Yes	As-sam	Dibrugarh	3 Years	0.02	0.01	0.01	Yes	NA	NA
40	Development of Gabharujan Waiting Shed under Barbaruah Development Block	Rural Infrastructure/Community Development	Yes	As-sam	Dibrugarh	3 Years	0.02	0.01	0.01	Yes	NA	NA
41	Construction of Community Hall at Convoy Road, Dibrugarh	Rural Infrastructure/Community Development	Yes	As-sam	Dibrugarh	2 years	0.15	0.075	0.075	Yes	NA	NA
42	Community Centre, Dihing Than Gaon	Rural Infrastructure/Community Development	Yes	As-sam	Dibrugarh	2 years	0.10	0.05	0.05	Yes	NA	NA



43	Supply of 15 Inverter Sets to Dibrugarh Police for installation at Police Stations at Dibrugarh District	Rural Infrastructure/Community Development	Yes	As-sam	Dibru-garh	2 years	0.03	0.015	0.015	Yes	NA	NA
44	Development of Community Centre, Jivan Phukan Nagar, Dibrugarh (Renovation works like Tiles in floor, doors and windows, plastering and brick works, Roofing and ceiling, drainage and entrance path paving etc.)	Rural Infrastructure/Community Development	Yes	As-sam	Dibru-garh	2 years	0.075	0.075	0	Yes	NA	NA
45	Construction of guest house at Haladhibari Nagarthan	Rural Infrastructure/Community Development	Yes	As-sam	Dibru-garh	2 years	0.15	0.075	0.075	Yes	NA	NA
46	Earth filling & construction of Toilet Block at Purbajyoti angha, Madhupur, Paraliguri, Dibrugarh.	Rural Infrastructure/Community Development	Yes	As-sam	Dibru-garh	3 Years	0.06	0.03	0.03	Yes	NA	NA
47	To undertake developmental activities under Chabua, Municipality Board	Rural Infrastructure/Community Development	Yes	As-sam	Dibru-garh	3 Years	0.05	0.025	0.025	Yes	NA	NA
48	To undertake development activities under Namrup Municipality Board	Rural Infrastructure/Community Development	Yes	As-sam	Dibru-garh	3 Years	0.05	0.025	0.025	Yes	NA	NA
49	To undertake developmental activities under Naharkatia Municipality Board	Rural Infrastructure/Community Development	Yes	As-sam	Dibru-garh	3 Years	0.05	0.025	0.025	Yes	NA	NA
50	Fund earmarked for Duliajan	Rural Infrastructure/Community Development	Yes	As-sam	Dibru-garh	2 years	0.175	0.0875	0.0875	Yes	NA	NA
51	Fund earmarked for Lakwa/ Charaideo	Rural Infrastructure/Community Development	Yes	As-sam	Siva-sagar	2 years	0.0732	0.0366	0.0366	Yes	NA	NA



52	Bhupen Hazarika Park	Rural Infrastructure/Community Development	Yes	As-sam	Dibru-garh	3 years	0.10	0.05	0.05	Yes	NA	NA
53	Fund earmarked for Tingkhong, Moran, Lakhawal and Dibrugarh	Rural Infrastructure/Community Development	Yes	As-sam	Dibru-garh	2 years	0.20	0.10	0.10	Yes	NA	NA
54	Infrastructure development of Chowkidingee Cremation Ground (Dibrugarh-Chowkidingee) (₹15 Lakhs already considered in the year 2019-20)	Rural Infrastructure/Community Development	Yes	As-sam	Dibru-garh	2 years	0.07	0.035	0.035	Yes	NA	NA
55	Construction of Paver Block Road of Borpathar kakati Gaon Main Road (Ongoing project )	Rural Infrastructure/Community Development	Yes	As-sam	Dibru-garh	3 years	0.34	0.17	0.17	Yes	NA	NA
56	Skill development for the differently able persons & orphan, helpless children	Skill/ Livelihood & Entrepreneurship Development	Yes	As-sam	Dibru-garh	3 Years	0.04	0.02	0.02	Yes	NA	NA
57	Economic up-liftment of Weavers through Handloom Weaving	Skill/ Livelihood & Entrepreneurship Development	Yes	As-sam	Dibru-garh	3 Years	0.10	0.10	0	Yes	NA	NA
58	Development of Aquaculture through construction of new Fish Culture Pond project at Burhi Khowang Beel, Burhi Khowang	Skill/ Livelihood & Entrepreneurship Development	Yes	As-sam	Dibru-garh	3 Years	0.14	0.14	0	Yes	NA	NA
59	Proposal for Pig and Goat cluster development under CSR programs of Brahmaputra Cracker and Polymer Limited	Skill/ Livelihood & Entrepreneurship Development	Yes	As-sam	Dibru-garh	3 Years	0.05	0.025	0.025	Yes	NA	NA
60	Financial Aid and material aid under CSR for establishment of Commercial Pig Breeding-cum Fattening Unit	Skill/ Livelihood & Entrepreneurship Development	Yes	As-sam	Dibru-garh	3 Years	0.05	0.025	0.025	Yes	NA	NA



61	Project of Model Village Farming (Adarsha Gaon)	Skill/ Livelihood & Entrepreneurship Development	Yes	As-sam	Dibru-garh	3 Years	0.10	0.10	0	Yes	NA	NA
62	Project Scheme for setting up Commercial Farm (i) Broiler, (ii) Piggery & (iii) Goat Breeding unit	Skill/ Livelihood & Entrepreneurship Development	Yes	As-sam	Dibru-garh	3 Years	0.10	0.10	0	Yes	NA	NA
63	Project Scheme of Lepetkata Kachari Gaon towards Animal Husbandry Projects	Skill/ Livelihood & Entrepreneurship Development	Yes	As-sam	Dibru-garh	3 Years	0.10	0.10	0	Yes	NA	NA
64	Financial Help for Fish Farming through Biofloc Process	Skill/ Livelihood & Entrepreneurship Development	Yes	As-sam	Dibru-garh	3 Years	0.07	0.035	0.035	Yes	NA	NA
65	Pisciculture Training for two days	Skill/ Livelihood & Entrepreneurship Development	Yes	As-sam	Dibru-garh	3 Years	0.02	0.01	0.01	Yes	NA	NA
66	Raising of Systematic Eri Silk Work Food Plantation (Kesseru and Castor) for practicing Ericulture in Bezapathar Village, Dhemechi, Dibrugarh	Skill/ Livelihood & Entrepreneurship Development	Yes	As-sam	Dibru-garh	3 Years	0.04	0.02	0.02	Yes	NA	NA
67	Setting up of Micro-Silk Reeling and Spinning unit for production of quality silk yarns covering 10 nos of SHGs of Dibrugarh District	Skill/ Livelihood & Entrepreneurship Development	Yes	As-sam	Dibru-garh	3 Years	0.07	0.035	0.035	Yes	NA	NA
68	Application for assistance from CSR Scheme for creation of Fishery in Rajabheta Gaon Panchayat at Dibrugarh District	Skill/ Livelihood & Entrepreneurship Development	Yes	As-sam	Dibru-garh	2 Years	0.20	0.10	0.10	Yes	NA	NA
69	Schemes for Commercial Pig Farming (Naw hazar Kunwar Gaon)	Skill/Livelihood & Entrepreneurship Development	Yes	As-sam	Dibru-garh	3 Years	0.05	0.025	0.025	Yes	NA	NA



70	Schemes for Commercial Pig Farming (Jamirah Gohain Gaon)	Skill/Livelihood & Entrepreneurship Development	Yes	As-sam	Dibrugarh	3 Years	0.05	0.025	0.025	Yes	NA	NA
71	Financial assistance under CSR scheme for setting up of Piggery Farm	Skill/Livelihood & Entrepreneurship Development	Yes	As-sam	Charaideo	3 Years	0.05	0.025	0.025	Yes	NA	NA
72	Project for setting up piggery farm and Fishery	Skill/Livelihood & Entrepreneurship Development	Yes	As-sam	Dibrugarh	3 Years	0.05	0.025	0.025	Yes	NA	NA
73	Financial assistance under CSR Scheme for setting up of Piggery farm and Fishery	Skill/Livelihood & Entrepreneurship Development	Yes	As-sam	Charaideo	3 Years	0.05	0.025	0.025	Yes	NA	NA
74	Egg Production amongst 300 beneficiaries of Rohmoriam and Phukanarkhat	Skill/Livelihood & Entrepreneurship Development	Yes	As-sam	Dibrugarh	2 years	0.075	0.075	0	Yes	NA	NA
75	Project on Handloom and Handicraft Development Shed, Chabua	Skill/Livelihood & Entrepreneurship Development	Yes	As-sam	Dibrugarh	3 years	0.10	0.05	0.05	Yes	NA	NA
76	Bio Floc Proposal	Skill/Livelihood & Entrepreneurship Development	Yes	As-sam	Dibrugarh	2 years	0.05	0.025	0.025	Yes	NA	NA
77	Blind School - Moran	Skill/Livelihood & Entrepreneurship Development	Yes	As-sam	Dibrugarh	2 years	0.09	0.09	0	Yes	NA	NA
78	Project on Fish Farming	Skill/Livelihood & Entrepreneurship Development	Yes	As-sam	Dibrugarh	3 Years	0.15	0.075	0.075	Yes	NA	NA
<b>Total</b>							<b>13.58</b>	<b>9.53</b>	<b>4.05</b>			



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

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 ₹Cr)	Mode of Implementation on - Direct (Yes/No)	Mode of Implementation - Direct (Yes/No). Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration Number
1	PM Cares Fund	NA	NO	NA	Ministry	5.00	Yes	PM Cares Fund	NA
2	Project of Home Isolation Monitoring and Contract Tracing of Covid (Positive) person at Dibrugarh District	Health & Nutrition	Yes	Assam	Dibrugarh	0.02	Yes	NA	NA
	<b>Total</b>					<b>5.02</b>			

(d) Amount spent in Administrative Overheads - NIL (50 Lakhs approved)

(e) Amount spent on Impact Assessment: N/A

(f) Total amount spent for the Financial Year (8b+8c+8d +8e) = ₹14.55 Cr.

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

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

01	02	03	04	05			06
Sl No.	Preceding financial year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹Cr)	Amount spent in the reporting Financial Year (in ₹Cr)	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 ₹Cr)
1	2020-21	9.35	3.41	NIL	NIL	NIL	5.94



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

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.	Total Amount allocated for the Project (in ₹ Cr.)	Amount spent on the project in the reporting Financial Year (in ₹ Cr.)	Cumulative amount spent at the end of reporting Financial Year. (in ₹ Cr.)	Status of the project - Completed /Ongoing
1	Infrastructure Development of Barbaruah PHC	2020-21	3 Years	NA	3.20	0.96	1.60	Ongoing
2	Supply of Protective Equipments of DMB Workers	2020-21	3 Years	NA	0.10	0.03	0.05	Ongoing
3	Providing of safe & pure drinking water facility (RO system) at nearby schools	2020-21	2 Years	NA	0.60	0.18	0.30	Ongoing
4	Upliftment of Emergency Care service of AMCH by providing infrastructural development including equipment & training facilities	2020-21	3 Years	NA	1.50	0.60	0.90	Ongoing
5	Organising Periodical health camps and Distribution of medicines among flood affected person at nearby villages.	2020-21	3 Years	NA	0.50	-	0.01	Ongoing
6	Construction of Toilets at Lejai Higher Secondary School	2020-21	3 Years	NA	0.03	0.01	0.02	Ongoing
7	Construction of Office Building and Girls Common room, renovation of class room, toilet of Sessa Tiniali Moidamani High /ME School, Lepetkata	2020-21	3 Years	NA	0.15	0.05	0.08	Ongoing
8	Installation of Street lights at West Campus of Dibrugarh University	2020-21	2 Years	NA	0.10	0.03	0.05	Ongoing
9	Providing of Desk-benches at Barbaruah Girls' High School	2020-21	2 Years	NA	0.03	0.02	0.03	Ongoing
10	Transportation/ other infrastructure including providing of Faculty of for Divyang ITI	2020-21	2 Years	NA	0.10	0.03	0.05	Ongoing
11	Construction of boundary wall of Kotoha Binapani High School	2020-21	3 Years	NA	0.10	0.03	0.05	Ongoing



12	Construction of boundary wall of Barbaruah Jatiya Vidyalaya	2020-21	3 Years	NA	0.05	0.02	0.03	Ongoing
13	Development of Tai Educational and Cultural Centre, Dibrugarh (Construction of Boundary Wall & Meeting Room)	2020-21	2 Years	NA	0.15	0.05	0.08	Ongoing
14	Infrastructure development of Dibrugarh Govt. Boys HS School	2020-21	2 Years	NA	0.15	0.05	0.08	Ongoing
15	Construction of Barbaruah Market (Initiative to create a model market complex) including provision of an Auditorium.	2020-21	3 Years	NA	1.75	0.53	0.88	Ongoing
16	Construction of Public Toilets in Bogibeel T point on NH 37/52 junction	2020-21	2 Years	NA	0.15	0.05	0.08	Ongoing
17	Construction of Boundary Wall with crematorium & waiting shed at Bolai Public Cremation ground	2020-21	3 Years	NA	0.08	0.02	0.04	Ongoing
18	Construction of Waiting Shed with Fire Place at Bura Hazar Smashan under Bura Hazar Konwar Gaon	2020-21	3 Years	NA	0.08	0.02	0.04	Ongoing
19	Upgradation of the Lepetkata Public Cremation ground including construction of boundary wall, waiting shed etc.	2020-21	3 Years	NA	0.08	0.02	0.04	Ongoing
20	Cleaning & Maintenance of Sukafa Bhawan	2020-21	2 Years	NA	0.05	0.02	0.03	Ongoing
21	Upgradation of drainage system near Lepetkata TE Labour line	2020-21	2 Years	NA	0.10	0.03	0.05	Ongoing
22	Installation of Organic Compost System at Barbaruah	2020-21	3 Years	NA	0.06	0.02	0.03	Ongoing
23	Infrastructure development of Chowkidingee Cremation Ground	2020-21	2 Years	NA	0.15	0.05	0.08	Ongoing
24	Proposal for conducting skill cum entrepreneur development programme	2020-21	2 Years	NA	0.46	0.18	0.28	Ongoing
25	Cluster development for alternative livelihood promotion (1 cluster)	2020-21	2 Years	NA	0.15	0.05	0.08	Ongoing
26	Commercial Broiler Farming (Rehabilitation program of affected people)	2020-21	2 Years	NA	0.06	0.02	0.03	Ongoing



27	Project on Commercial Diary and Piggery Farming	2020-21	2 Years	NA	0.10	0.03	0.05	Ongoing
28	Project on Commercial Mushroom Cultivation for Livelihood and Nutrition	2020-21	2 Years	NA	0.15	0.05	0.08	Ongoing
29	Construction of Building of Piggery Farm	2020-21	3 Years	NA	0.10	0.03	0.05	Ongoing
30	Proposal for setting-up of weaving centre	2020-21	3 Years	NA	0.10	0.03	0.05	Ongoing
31	Repairing of road of Borpathar Kakati Gaon main road.	2020-21	3 Years	NA	0.30	0.09	0.15	Ongoing
32	Lighting Arrangements in the NH-37 and connecting subways to NH-37 in the nearest areas of BCPL Plant, Lepetkata	2020-21	2 Years	NA	0.10	0.03	0.05	Ongoing
33	Construction of Pavilion and other infrastructure development of Lepetkata Anchalik Sports Association	2020-21	3 Years	NA	0.15	0.05	0.08	Ongoing
34	Construction of Cultural Centre at Lepetkata	2020-21	2 Years	NA	0.10	0.03	0.05	Ongoing
35	Conservation of Historical Monuments near Barbaruah/ Lepetkata area	2020-21	3 Years	NA	0.15	0.05	0.08	Ongoing

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

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

11. Reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). – N/A.

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



**FORM NO. MR-3**  
**Secretarial Audit Report**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH 2022**

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

**To,**  
**The Members,**  
**Brahmaputra Cracker and Polymer Limited**  
**1<sup>st</sup> 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, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the 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, 2022 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;

The 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. The Laws identified by the management and confirmed as specifically applicable to the Company:

1. The Petroleum Act 1934;
2. Legal Metrology Act, 2009
3. Indian Boilers Act, 1923
4. Explosives Act 1884;



5. The Industries (Development and Regulation) Act, 1951
6. Factories Act 1948 and The Assam factory Rules 1950
7. The Electricity Rules 2003
8. Plastic Waste Management Rules 2016

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:

At the beginning of the financial year under reporting, the company had only one Independent Director as against the requirement of two of its Board Members. Further, the company did not have Woman Director on the Board. During the financial year, the company appointed one more Independent Director as well as a Woman Director on the Board, thus complied with the provisions regarding composition of Board of Directors with regard to Independent Director and Woman director as per the provisions of Companies Act, 2013.

**I further report that -**

The Board of Directors of the Company is duly constituted as per the provisions of Companies Act, 2013. 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 Independent Director and nominee Directors on 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 with respect to Nominee Directors in the interest of the company. The Company also represented that the administrative ministry has been requested to appoint the requisite number of Independent Directors as per the DPE guidelines.

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.

Date: 17.05.2022.

Place: Guwahati

Sd/-

**(CS UJWAL KUMAR KALITA)**

Company Secretary in Practice

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

UDIN: A023610D000335669

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



## Annexure A

### TO SECRETARIAL AUDIT REPORT OF BRAHMAPUTRA CRACKER AND POLYMER LIMITED FOR THE FINANCIAL YEAR 2021-22

To,  
The Members  
Brahmaputra Cracker and Polymer Limited  
1<sup>st</sup> 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: 17.05.2022  
Place: Guwahati

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

UDIN: A023610D000335669



## Corporate Governance Compliance Certificate

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

I have examined the compliance of conditions of Corporate Governance by **Brahmaputra Cracker and Polymer Limited** (hereinafter referred as “the Company”) for the financial year ended **31<sup>st</sup> March 2022**, 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 on the Board of Company is not as per the DPE guidelines issued by Department of Public Enterprises, Government of India.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Date: 17.05.2022  
Place: Guwahati

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

UDIN: A023610D000335724



## Independent Auditor's Report

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

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

#### 1. Opinion

- A. We have audited the accompanying standalone Ind AS Financial Statements of **BRAHMAPUTRA CRACKER AND POLYMER LIMITED** (“the Company”), which comprises the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Statement of Other Comprehensive Income), the Statement of Changes in Equity, the Statement of Cash Flows for the year ended on that date, and notes to the Financial Statements including a summary of Significant Accounting Policies and other explanatory information (hereinafter referred to as the “standalone Ind AS financial statements”).
- B. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS Financial Statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022 and its profit, other comprehensive income, changes in equity, and its cash flows for the year ended on that date.

#### 2. Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (“SA’s) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the standalone Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (“ICAI”) together with the ethical requirements that are relevant to our audit of the Standalone Ind AS Financial Statements under the provisions of the Companies Act, 2013 and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS Financial statements.

#### 3. Key Audit Matters

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

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



Sl. No.	Key Audit Matter	Audit Response on Key Audit Matter
1.	<p>Pursuant to implementation of 3<sup>rd</sup> Pay Revision, Committee's recommendation regarding affordability of Pay revision, the Company evaluated that on account of recognition of feedstock subsidy from FY 2015-16, profitability of the Company has improved and the Company is making profit for 4<sup>th</sup> consecutive year and hence, vide DPE guideline, BCPL's position in respect of affordability clause has improved further in FY 2021-22.</p> <p>Pay revision &amp; other benefits for Board and below Board level officer with effect from 01.04.2019 is approved by the administrative ministry during the FY 2021-22 and presidential directive towards Pay Revision is received by the Company vide <i>Letter No. 11011/3/2021-GP-II (E:36577) Dated 02.02.2022</i>. Accordingly, revision of pay &amp; other benefits for Board and below Board level officer was implemented in the month of March '22 and arrears were paid. The Presidential directive for revision of pay scales is with effect from 01.04.2019 and also directed for taking up matter separately for implementation of pay revision from FY 2018-19. Accordingly, arrears were processed and provisions except for the period pertaining to FY 2018-19 along with excess provision pertaining to period from 01.01.17 to 31.03.2018 amounting of ₹62.83 Cr. with respect to pay revision of Executives and Non Executives has been reversed during the financial year 2021-22.</p> <p>{Refer Note 26(i)}</p>	<p><b>Our audit procedures include the following:</b></p> <ol style="list-style-type: none"> <li>1. We have obtained the copy of the DPE guideline.</li> <li>2. We have obtained the copy of application submitted to Ministry of Petroleum &amp; Natural Gas (MoPnG) by the Management.</li> <li>3. We have examined the process of evaluation of affordability by the Management as recommended by the 3<sup>rd</sup> Pay Revision Committee.</li> <li>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.</li> </ol>

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

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

Our opinion on the standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

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

#### 5. Management's Responsibility for the Financial Statements:

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

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



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

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

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

- A. Our objectives are to obtain reasonable assurance about whether the standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone Ind AS financial statements.
- B. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:
  1. Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
  3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  5. Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- C. Materiality is the magnitude of misstatements in the standalone Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone Ind AS financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone Ind AS financial statements.



- D. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- E. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
- F. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **7. Other Matter:**

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

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

#### **8. Report on Other Legal and Regulatory Requirements:**

- 1. As required by section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c. The Balance Sheet, Statement of Profit and Loss (including Statement of Other Comprehensive Income), Statement of Change in Equity, and Statement of Cash Flows dealt with by this Report are in agreement with the books of account;
  - d. In our opinion the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended;
  - e. Pursuant to the Notification No. GSR 463(E) dated 5<sup>th</sup> June 2015 issued by the Ministry of Corporate Affairs, Government of India, provisions of sub-section (2) of Section 164 of the Companies Act, 2013, are not applicable to the Company, being a Government Company;
  - f. With respect to the adequacy of the internal financial control over financial reporting of the Company and the operating effectiveness of such control, refer to our separate report in "**Annexure – A**" to this report. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
  - g. Pursuant to the Notification No. GSR 463(E) dated 5<sup>th</sup> June 2015 issued by the Ministry of Corporate Affairs, Government of India, provisions of Section 197 of the Companies Act, 2013, are not applicable to the Company, being a Government Company; and
  - h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:



- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – **Refer Note 22 & 29(b)** to the financial statements;
  - ii. The Company had not entered into any long-term contracts including derivative contracts for which there would have been any material foreseeable losses;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
  - v. As stated in *Note 35* to the standalone Ind AS financial statements
    - (a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.
    - (b) The company has not declared and paid any interim dividend during the financial year.
    - (c) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.
2. As required by the Companies (Auditor’s Report) Order, 2020 (“the Order”) issued by the Central Government of India in terms of sub-section (11) of section 143 of The Companies Act 2013, we give in the **“Annexure-B”**, a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
  3. As required by Comptroller and Auditor General of India through directions/sub directions issued under Section 143 (5) of the Companies Act 2013, on the basis of written representation received from the management, we give our report on the matter specified in the **“Annexure –C”** attached

*For RKP ASSOCIATES  
Chartered Accountants*

Sd/-

**(CA. KAMAL MOUR)**  
PARTNER

MRN. 067544

FRN. 322473E

UDIN – 22067544AJKSBQ2896

Dated at New Delhi  
The 23<sup>rd</sup> day of May, 2022



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

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

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

We have audited the internal financial controls over financial reporting of **BRAHMAPUTRA CRACKER AND POLYMER LIMITED** (‘the Company’) as of March 31, 2022 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on the date.

#### **Management’s Responsibility for Internal Financial Controls:**

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

#### **Auditor’s Responsibility:**

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

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

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

#### **Meaning of Internal Financial Controls Over Financial Reporting:**

A Company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transaction and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded



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

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting:**

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate Internal Financial Controls system over Financial Reporting and such Internal Financial Controls over Financial Reporting were operating effectively as at March 31' 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

*For RKP ASSOCIATES  
Chartered Accountants*

Sd/-

**(CA. KAMAL MOUR)**

PARTNER

MRN. 067544

FRN. 322473E

UDIN – 22067544AJKSBQ2896

Dated at New Delhi  
The 23<sup>rd</sup> day of May, 2022



## ANNEXURE - B TO THE INDEPENDENT AUDITOR'S REPORT

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

- I) a) A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.
- a) B) The Company has maintained proper records showing full particulars of intangible 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:

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (₹ in Cr.)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in name of company
PPE	Free-hold Land	3.87	Gail India Limited	Promoter	May' 2016	The Matter is pending before the respective authority
ROU Assets	Lease Land	5.53	Gail India Limited	Promoter	May' 2016	
ROU Assets	Lease Land	6.15	Government of Assam	Promoter	July' 2008	
ROU Assets	Lease Land	14.73	Government of Assam	Promoter	April' 2011	

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

- d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
- e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Amendment Act, 2016 and rules made thereunder.
- II) a) As explained to us physical verification of inventories of Finished Goods, Raw Materials and Stores and Spares except those lying with contractors / third parties and goods in transit, if any, has been conducted at reasonable intervals by the management. The discrepancies noticed on physical verification of inventory as compared with book records were not material considering the size of the company and the nature of its business and the same have been properly dealt with in the books of accounts.
- In respect of Inventories directly charged to consumption on receipt of material, balance outstanding as at year end date has been confirmed by respective Issuer department and accounted for at the year end.



- b) The Company had been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate from banks on the basis of security of current assets and the quarterly returns or statements filed by the company with such banks are in agreement with the books of account of the Company.  
*{Refer Note 9 of Standalone Ind AS Financial Statements}.*
- III) The Company has not made investments in any company, has not granted secured/ unsecured loans/ advances in nature of loans, or stood guarantee, or provided security to any parties. Therefore, the reporting under para 3 (iii) (a) (b) (c) (d) (e) & (f) of the Order are not applicable to the Company.
- IV) In our opinion and according to the information and explanations given to us, the Company has complied with the provision of section 185 and 186 of the Companies Act, 2013 in respect of loans/ investment/guarantee/security granted during the year.
- V) In our opinion and according to the information and explanation given to us, the Company has not accepted any deposits from public. Therefore, the provisions of Para. 3(v) of the CARO 2020 are not applicable to the Company.
- VI) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013 and are of the opinion that prima facie the prescribed cost accounts & records have been made and maintained. However, we have not made a detailed examination of the same, as we understand that the said examination will be carried out during the course of Cost Audit.
- VII) a) On the basis of test check carried out during the course of audit, we are of the opinion that, the Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Goods & Services Tax, Cess and other statutory dues applicable to it.

According to information and explanations given to us, no undisputed amount payable in respect of Provident Fund, Income Tax, Service Tax, Goods & Service tax, Custom Duty, Cess and other statutory dues were in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

- b) According to the information and explanations given to us, there are no disputed statutory dues, which have not been deposited/ short deposited as on March 31, 2022, 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) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- IX) a) According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.
- b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.
- c) In our opinion, and according to the information and explanations given to us, the term loans



taken during the year have been applied for the purposes for which they were obtained.

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



Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

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

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

**For RKP ASSOCIATES**  
**Chartered Accountants**

Sd/-

**(CA. KAMAL MOUR)**

PARTNER

MRN. 067544

FRN. 322473E

UDIN – 22067544AJKSBQ2896

Dated at New Delhi  
The 23<sup>rd</sup> day of May, 2022



## ANNEXURE-C TO THE INDEPENDENT AUDITOR'S REPORT

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

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

Sl. No.	Directions	Remarks	Impact on FS
1.	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	The Company maintains its Books of Account on IT System - SAP, which is an ERP system for processing accounting transactions. All accounting transactions are processed in accounts maintained on SAP. We did not notice any transaction which was processed outside the IT System.	NIL
2.	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts /loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case, lender is a Government company, then this direction is also applicable for statutory auditor of lender company).	Based on our verification and as per the information and explanations obtained from the management, there were no restructuring of any existing loan or cases of waiver/write off of debts /loans/interest etc. made by a lender to the Company due to the company's inability to repay the loan.	NIL
3.	Whether funds (grants/subsidy etc.) received/receivable for specific schemes from Central/ State Government or its agencies were properly accounted for/ utilized as per its terms and conditions? List the cases of deviation.	The Company has received various grants/subsidy etc. as Capital Subsidy, Feedstock Subsidy and Insurance/Freight subsidy under NEIIPP, 2017. 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. KAMAL MOUR)**  
PARTNER

MRN. 067544

FRN. 322473E

UDIN - 22067544AJKSBQ2896

Dated at New Delhi  
The 23<sup>rd</sup> day of May, 2022



## Balance Sheet

as at 31<sup>st</sup> March, 2022

₹ in crore

Particulars	Note No.	As at 31 March 2022 (Audited)	As at 31 March 2021 (Audited)
<b>ASSETS</b>			
<b>Non Current Assets</b>			
Property, Plant and Equipment	2	6,490.79	6,873.18
Capital work-in-progress	2	27.85	26.27
Intangible assets	3(a)	9.01	9.10
Right-of-use assets	3(b)	214.80	223.68
Financial Assets			
- Others	4(e)	4.76	396.54
Other Non Current Assets (Non Financial)	5	2.76	0.45
<b>Subtotal (A)</b>		<b>6,749.97</b>	<b>7,529.22</b>
<b>Current Assets</b>			
Inventories	6	406.40	357.39
Financial Assets			
- Trade receivables	4(b)	65.63	67.72
- Cash and Cash Equivalents	4(d)(i)	91.18	1,340.57
- Bank Balances other than Cash and Cash Equivalents	4(d)(ii)	343.14	-
- Others	4(e)	343.76	1,131.29
Other Current Assets (Non Financial)	5	558.81	294.02
<b>Subtotal (B)</b>		<b>1,808.92</b>	<b>3,190.99</b>
<b>Total Assets (A+B)</b>		<b>8,558.89</b>	<b>10,720.21</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity Share Capital	7	1,417.67	1,417.67
Other Equity	8	1,863.12	1,393.59
<b>Subtotal (C)</b>		<b>3,280.79</b>	<b>2,811.26</b>
<b>LIABILITIES</b>			
<b>Non Current Liabilities</b>			
Financial Liabilities			
- Borrowings	9	109.24	1,935.81
- Lease Liabilities	11(b)	0.76	0.28
- Provisions	12	14.07	10.70
- Other Non Current Liabilities	13	3,756.59	3,968.24
Deferred Tax Liabilities (Net)	14	266.53	246.98
<b>Subtotal (D)</b>		<b>4,147.19</b>	<b>6,162.01</b>



₹ in crore

Particulars	Note No.	As at 31 March 2022 (Audited)	As at 31 March 2021 (Audited)
<b>Current Liabilities</b>			
Financial Liabilities			
- Borrowings	9	-	581.37
- Lease Liabilities	11(b)	0.89	1.32
- Trade payables			
- Due to MSME Vendors	10(a)	8.32	7.93
- Due to Others	10(b)	121.17	115.97
- Other Financial Liabilities	11	195.55	395.19
- Provisions	12	588.96	431.09
- Other Current Liabilities	13	216.02	214.07
<b>Subtotal (E)</b>		<b>1,130.91</b>	<b>1,746.94</b>
<b>Total Equity and Liabilities (C+D+E)</b>		<b>8,558.89</b>	<b>10,720.21</b>
<b>Accounting Policy</b>	1		

Note No. 1 to 47 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/-  
(Kamal Mour)  
Partner  
Membership No. 067544

Place : New Delhi  
Date : 23<sup>rd</sup> May, 2022

**Statement of Profit and Loss**for the year ended 31<sup>st</sup> March, 2022

₹ in crore

Sr. No.	Particulars	Note No.	For the Year Ended 31.03.2022 (Audited)	For the Year Ended 31.03.2021 (Audited)
I.	Revenue from Operations	15	3,243.36	2,902.62
II.	Other Income	16	230.11	536.89
III	<b>Total Income (I + II)</b>		<b>3,473.47</b>	<b>3,439.51</b>
IV	<b>EXPENSES</b>			
	Cost of raw material consumed	17	1,632.03	1,217.71
	Change in Inventory of Finished Goods & WIP		(3.21)	126.10
	Employee benefits expenses	18	124.38	161.89
	Finance costs	20	66.92	235.32
	Depreciation and Amortization expense	19	361.89	392.68
	Other expenses	21	358.16	295.36
	<b>Total expenses (IV)</b>		<b>2,540.17</b>	<b>2,429.06</b>
V	<b>Profit/(loss) before Exceptional Item &amp; Tax (III-IV)</b>		<b>933.30</b>	<b>1,010.45</b>
VI	<b>Exceptional Items</b>		-	-
VII	<b>Profit/(loss) before Tax (V+VI)</b>		<b>933.30</b>	<b>1,010.45</b>
VIII	<b>Tax expense:</b>			
	Current Tax		223.57	190.64
	Deferred Tax		19.20	79.91
IX	<b>Profit/(Loss) for the period (VII - VIII)</b>		<b>690.53</b>	<b>739.90</b>
	<b>Other Comprehensive income</b>		-	-
X	<b>Items that will not be reclassified to profit or loss</b>			
	Changes in fair value of FVOCI equity instruments		-	-
	Remeasurement of post-employment benefit obligations		1.35	(2.26)
	Income tax relating to these items		(0.34)	0.57
	<b>Other comprehensive income net of tax (X)</b>		<b>1.01</b>	<b>(1.69)</b>
XI	<b>Total comprehensive income (IX + X)</b>		<b>691.54</b>	<b>738.21</b>
XII	<b>Earnings per equity share:( in ₹)</b>			
	Basic		4.87	5.22
	Diluted		4.87	5.22

Note No. 1 to 47 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/-  
(Kamal Mour)  
Partner  
Membership No. 067544

Place : New Delhi  
Date : 23<sup>rd</sup> May, 2022



## Statement of Changes in Equity for the period ended 31<sup>st</sup> March 2022

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

## Statement of Changes in Equity for the period ended 31<sup>st</sup> March 2021

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

### Shareholding of Promoters

In No's Cr

Sl No	Particulars	As at 31-Mar-22	% of Total Shares	% Change during the Year	As at 31-Mar-21	% of Total Shares	% Change during the Year
	Shares Held by Holding/ Parent Company						
1	GAIL( India) Limited	99.24	70.00%	Nil	99.24	70.00%	Nil
2	Oil India Limited	14.18	10.00%	Nil	14.18	10.00%	Nil
3	Numaligarh Refinery Limited	14.18	10.00%	Nil	14.18	10.00%	Nil
4	Government of Assam	14.18	10.00%	Nil	14.18	10.00%	Nil
	<b>Total No. Of Equity Shares of ₹10 Each</b>	<b>141.77</b>	<b>100.00%</b>		<b>141.77</b>	<b>100.00%</b>	



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

### 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).

### Authorization of Financial Statements:

The financial statements of the company for the year ended 31st March 2022 were authorized for issue in accordance with a resolution of the Board of Directors in its meeting held on 23rd May 2022.

### Basis of preparation

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

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

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

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



## **1. Significant accounting policies**

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

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

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

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

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



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

The company has opted to use the exemption available under Ind AS 101 to continue the carrying value for all of its intangible assets as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition (01st April 2015).

## 1.2 Capital Work in Progress

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

## 1.3 Research and development costs

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

## 1.4 Depreciation /Amortisation

### A. Tangible Assets

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

i.

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

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

### B. Intangible Assets

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.

After impairment of assets, if any, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

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

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

#### **1.5 Impairment of non-financial assets**

Non-financial assets other than inventories, deferred tax assets and non-current assets classified as held for sale are reviewed at each Balance Sheet date to determine whether there is any indication of impairment. If any such indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. The recoverable amount is the higher of the assets or Cash Generating Units (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

#### **1.6 Inventories**

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

#### **1.7 Cash and cash equivalents**

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

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



## 1.8 Foreign currency transactions

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

## 1.9 Revenue and other income

- a) Sales are recognized on transfer of significant risks and rewards of ownership to the buyer as per the terms of the contracts and no significant uncertainty exists regarding the amount of consideration that will be derived from sale of goods. Generally this coincides with the delivery of goods to customers. Sales exclude Goods and Service Taxes. 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.

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

## **1.10 Employee benefits**

### **i. Short term benefits:**

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

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

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

**ii. (b)** Re-measurements comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the



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

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

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

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

### **1.11 Borrowing costs**

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

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

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

### **1.12 Leases**

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

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

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

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

Under this option, the entity is required to determine the carrying amount of ROU assets and lease liabilities



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

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

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

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

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

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

The Company's lease asset classes primarily consist of leases for land, vehicle hire and rental office premises. The Company assesses whether a contract contains a lease, at inception of a contract. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

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

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases.



## **The Company as a lessor**

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

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

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

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

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

### **1.14 Taxation**

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

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

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

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

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

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date. Tax relating to items recognized directly in equity is recognized in equity and not in the income statement.

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

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.



### **1.15 Earnings per share**

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

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all dilutive potential equity shares.

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

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

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

Contingent liability is disclosed in the case of:

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

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets. Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

### **1.17 Government grants**

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

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

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

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

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

All other assets are classified as non-current.



## **A liability is current when:**

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

The Company classifies all other liabilities as non-current.

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

## **1.19 Financial instruments**

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

### **(a) Financial assets**

#### **Classification**

The Company classifies financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flows characteristics of the financial asset.

#### **Initial recognition and measurement**

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

#### **Subsequent measurement**

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

#### **Financial assets carried at amortised cost**

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

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

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

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

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



## **Derecognition**

A financial asset is primarily derecognized when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

## **Impairment of financial assets**

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

## **(b) Financial liabilities**

### **Classification**

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

### **Initial recognition and measurement**

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

### **Subsequent measurement**

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

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

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

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

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

## **Derecognition**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.



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

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

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

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

### **1.20.1 Judgments**

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

### **1.20.2 Contingencies**

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

### **1.20.3 Estimates and assumptions**

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

### **1.20.4 Prior Period adjustments**

As per Ind AS 8, material errors refer to those errors that relate to one or more prior periods for which financial statements have already been issued. If this happens, such material errors are corrected by adjusting the comparative information for the periods affected that are included in the current period's financial statements. If the error occurred before the earliest prior period presented, it will restate the opening balances of assets, liabilities and equity for the earliest prior period presented. However, where



an error arising in a prior period is not material to prior period financial statements, it might be acceptable to correct the error in the current period rather than retrospectively considering the materiality threshold limit of 1% of turnover or 5% of profit before taxes whichever is higher.

### 1.20.5 Impairment of assets

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

### 1.20.6 Defined benefit plans

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

### 1.20.7 Recent accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022 with respect to Ind AS 16 "Property, Plant and Equipment" and Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets". The Company has evaluated the amendment and the impact is not expected to be material.

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

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

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

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

*Sd/-*  
(Kamal Mour)  
Partner  
Membership No. 067544

Place : New Delhi  
Date : 23<sup>rd</sup> May, 2022



## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2022

### Note 2: Property, plant and equipment

Components of Property, plant and equipment are as follows:

₹ in Crore

Cost/ Valuation	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
<b>At 1<sup>st</sup> April 2021</b>	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
Additions	-	26.57	-	1.33	-	14.98	0.54	5.37	0.84	-	25.77	49.63
Transferred on Business purchase	-	-	-	-	-	-	-	-	-	-	-	-
Exchange differences	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	63.97	0.00	16.99	0.02	-	24.18	80.98
<b>At 31<sup>st</sup> March 2022</b>	3.87	244.97	284.67	284.44	0.54	7,738.01	109.72	111.21	14.72	4.37	27.85	8,796.52
Depreciation and Amortisation	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
<b>At 1<sup>st</sup> April 2021</b>	-	19.88	70.30	150.14	0.28	1,525.09	104.45	71.96	8.76	3.84	-	1,954.70
Depreciation expense	-	1.79	10.44	4.30	0.16	316.24	2.26	12.96	2.48	0.41	-	351.03
Impairment	-	-	-	-	-	-	-	-	-	-	-	-
Disposal	-	-	-	-	-	-	-	-	-	-	-	-
Exchange differences	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-
<b>At 31<sup>st</sup> March 2022</b>	-	21.66	80.75	154.44	0.44	1,841.33	106.71	84.92	11.24	4.25	-	2,305.73
Net Book value	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
<b>At 31<sup>st</sup> March 2021</b>	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
<b>At 31<sup>st</sup> March 2022</b>	3.87	223.31	203.92	130.00	0.10	5,896.68	3.01	26.29	3.49	0.12	27.85	6,490.79



### Note 3(a): Intangible Assets

(₹ in crore)

Cost	Software / Licenses	Right of Use (Perpetual)	Right of Use (Limited useful life)	Total
<b>At 1<sup>st</sup> April 2021</b>	<b>10.04</b>	<b>8.77</b>	<b>0.04</b>	<b>18.85</b>
Additions	-	-	-	-
Capitalised internal development costs	-	-	-	-
Acquisitions through business combinations	-	-	-	-
Transfer to held for sale	-	-	-	-
Disposals	-	-	-	-
Exchange adjustments	-	-	-	-
Others	0.00	-	-	0.00
<b>At 31<sup>st</sup> March 2022</b>	<b>10.03</b>	<b>8.77</b>	<b>0.04</b>	<b>18.85</b>

(₹ in crore)

Accumulated amortisation and impairment	Software / Licenses	Right of Use (Perpetual)	Right of Use (Limited useful life)	Total
<b>At 1<sup>st</sup> April 2021</b>	<b>9.62</b>	<b>0.09</b>	<b>0.04</b>	<b>9.75</b>
Additions	0.08	-	-	0.08
Capitalised internal development costs	-	-	-	-
Acquisitions through business combinations	-	-	-	-
Transfer to held for sale	-	-	-	-
Disposals	-	-	-	-
Exchange adjustments	-	-	-	-
Others	-	-	-	-
<b>At 31<sup>st</sup> March 2022</b>	<b>9.70</b>	<b>0.09</b>	<b>0.04</b>	<b>9.83</b>

Net book value	Software / Licenses	Right of Use (Perpetual)	Right of Use (Limited useful life)	Total
<b>At 31 March 2021</b>	<b>0.42</b>	<b>8.68</b>	<b>0.00</b>	<b>9.10</b>
<b>At 31 March 2022</b>	<b>0.34</b>	<b>8.68</b>	<b>0.00</b>	<b>9.01</b>

### Note 3(b): ROU Lease Asset

(₹ in crore)

Cost	Leased land	Leased Offices	Leased Vehicles	Total
<b>At 1<sup>st</sup> April 2021</b>	<b>240.17</b>	<b>0.37</b>	<b>4.50</b>	<b>245.04</b>
Additions	-	0.07	1.83	1.89
Capitalised internal development costs	-	-	-	-
Acquisitions through business combinations	-	-	-	-
Transfer to held for sale	-	-	-	-
Disposals	-	-	-	-
Exchange adjustments	-	-	-	-
Others	-	-	-	-
<b>At 31<sup>st</sup> March 2022</b>	<b>240.17</b>	<b>0.44</b>	<b>6.33</b>	<b>246.94</b>



(₹ in crore)

Accumulated amortization and impairment	Leased land	Leased Offices	Leased Vehicles	Total
<b>At 1<sup>st</sup> April 2021</b>	<b>17.96</b>	<b>0.28</b>	<b>3.12</b>	<b>21.36</b>
Additions	8.98	0.10	1.70	10.78
Capitalised internal development costs	-	-	-	-
Acquisitions through business combinations	-	-	-	-
Transfer to held for sale	-	-	-	-
Disposals	-	-	-	-
Exchange adjustments	-	-	-	-
Others	-	-	-	-
<b>At 31<sup>st</sup> March 2022</b>	<b>26.93</b>	<b>0.38</b>	<b>4.82</b>	<b>32.14</b>

Net book value	Leased land	Leased Offices	Leased Vehicles	Total
<b>At 31 March 2021</b>	<b>222.21</b>	<b>0.09</b>	<b>1.38</b>	<b>223.68</b>
<b>At 31 March 2022</b>	<b>213.24</b>	<b>0.05</b>	<b>1.51</b>	<b>214.80</b>

#### Note 4: Financial assets

(₹ in crore)

Particulars	As at 31-03-2022	As at 31-03-2021
<b>4 (a) Investments</b>	-	-
<b>4 (b) Trade receivables</b>	<b>65.63</b>	<b>67.72</b>
Considered good - Secured	34.12	48.86
Considered good - Unsecured	31.51	18.86
Which have significant increase in Credit Risk	17.17	17.17
Credit impaired	-	-
Less: Provision for Doubtful Debts	(17.17)	(17.17)
<b>4 (d) (i) Cash and Cash Equivalents</b>	<b>91.18</b>	<b>1,340.57</b>
<b>Balances with banks:</b>		
— On current accounts	11.18	34.88
— Deposits with original maturity of less than three months	80.00	1,305.69
<b>4 (d) (ii) Bank Balances other than Cash and Cash Equivalents</b>	<b>343.14</b>	-
— Others	337.20	-
— Current Account - Unspent CSR Amount	5.94	-
<b>4 (e) Others</b>	<b>348.52</b>	<b>1,527.83</b>
Interest accrued but not due	0.55	-
Receivable Against Subsidy/ Other Claims	343.21	1,523.07
- Current	343.21	1,131.29
- Non Current	-	391.78
Security Deposit Paid	4.76	4.76
- Current	-	-
- Non Current	4.76	4.76
<b>Total</b>	<b>848.47</b>	<b>2,936.12</b>
Current	843.71	2,539.58
Non current	4.76	396.54
<b>Total</b>	<b>848.47</b>	<b>2,936.12</b>

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



## Note 5: Other Non Financial Assets

(₹ in crore)

Particulars	As at 31-03-2022	As at 31-03-2021
<b>Unsecured (Considered good):</b>		
Advance income tax	422.47	179.78
<b>Balance with Government Authorities</b>		
GST Credit Receivable	48.70	36.95
TDS	7.99	1.98
<b>Loans</b>		
Loans and advances to employees	0.46	0.27
<b>Other advances</b>	0.00	0.08
<b>Capital Advances to suppliers/contractors:</b>	6.12	6.43
<b>Advances to suppliers/contractors:</b>	22.93	17.57
<b>Claims Recoverable from suppliers/contractors:</b>	2.91	2.90
Less: Provision Against Claims Recoverable	(0.49)	-
<b>Statutory Claims under Dispute</b>	38.00	38.00
<b>Prepayments</b>		
Pre-paid expenses	12.48	10.50
- Current	9.72	10.05
- Non Current	2.76	0.45
<b>Total</b>	<b>561.57</b>	<b>294.47</b>
Current	558.81	294.02
Non Current	2.76	0.45
<b>Total</b>	<b>561.57</b>	<b>294.47</b>

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

## Note 6: Inventories

(₹ in crore)

Particulars	As at 31-03-2022	As at 31-03-2021
<b>(a) Raw materials , Stores , Spares and others</b>		
Raw Materials & other Consumables	76.15	50.62
Consumable Chemicals	67.91	65.64
Stores & Spares	225.30	207.31
Less: Provision for Obsolescence	-21.66	-21.66
<b>(b) Semi Finished Goods/By products</b>		
Semi Process Stock	28.60	13.58
By Products	2.98	3.32
<b>(c) Finished Goods</b>		
LLDPE	3.69	33.71
HDPE	0.01	0.06
PP	23.42	4.81
<b>Total</b>	<b>406.40</b>	<b>357.39</b>



## Note 7: Equity share capital

(₹ in crore)

Particulars	As at 31-03-2022	As at 31-03-2021
<b>Share capital</b>		
<b>Authorised</b>		
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)		
	<b>2,000.00</b>	<b>2,000.00</b>
<b>Issued, subscribed and fully paid up</b>	<b>1,417.67</b>	<b>1,417.67</b>

## Note 8: Other equity

(₹ in crore)

For the Period Ended 31.03.2022  
Reserves and Surplus

Particulars	Share application money pending allotment	Equity component of compound financial instruments	Capital Total Reserve	Securities Premium	Other Reserves (specify nature)	Retained Earnings	Debt instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income*	Money received against share warrants	Total
Balance at the beginning of the current reporting period	-	-	-	-	-	1,395.28	-	-	-	-	-	(1.69)	-	1,393.59
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	-	-	-	1,393.59	-	-	-	-	-	-	-	1,393.59
Total Comprehensive Income for the current year	-	-	-	-	-	690.53	-	-	-	-	-	1.01	-	691.54
Dividends	-	-	-	-	-	(222.01)	-	-	-	-	-	-	-	(222.01)
Transfer to retained earnings	-	-	-	-	-	468.52	-	-	-	-	-	1.01	-	469.53
Any other change (to be specified)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at the end of the current reporting period	-	-	-	-	-	1,862.11	-	-	-	-	-	1.01	-	1,863.12

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

For the Period Ended 31.03.2021  
Reserves and Surplus

Particulars	Share application money pending allotment	Equity component of compound financial instruments	Capital Total Reserve	Securities Premium	Other Reserves (specify nature)	Retained Earnings	Debt instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income*	Money received against share warrants	Total
Balance at the beginning of the previous reporting period	-	-	-	-	-	656.87	-	-	-	-	-	(1.49)	-	655.38
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the previous reporting period	-	-	-	-	-	655.38	-	-	-	-	-	-	-	655.38
Total Comprehensive Income for the previous year	-	-	-	-	-	739.90	-	-	-	-	-	(1.69)	-	738.21
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-



Particulars	Share application money pending allotment	Equity component of compound financial instruments	Capital Total Reserve	Securities Premium	Other Reserves (specify nature)	Retained Earnings	Debt instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income <sup>†</sup>	Money received against share warrants	Total
Transfer to retained earnings	-	-	-	-	-	739.90	-	-	-	-	-	(1.69)	-	738.21
Any other change (to be specified)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at the end of the previous reporting period	-	-	-	-	-	1,395.28	-	-	-	-	-	(1.69)	-	1,393.59

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

## Note 9: Borrowings

(₹ in crore)

Particulars	Effective Interest Rate	Maturity	As at 31-03-2022	As at 31-03-2021
<b>Secured</b>				
<b>Term loans:</b>				
- Loan from State Bank of India	SBI 6M MCLR plus 0.20%		-	1,413.74
<b>Short Term loans:</b>				
- AXIS WCL	6.50%	02-04-2021	-	10.00
- SBI CAG Branch WCL-1	5.95%	06-04-2021	-	137.04
- SBI CAG Branch WCL-2	6.25%	13-06-2021	-	63.18
<b>From Other Parties :</b>				
- Oil Industry Development Board	6.97%	31-03-2031	109.24	893.21
<b>Total</b>			<b>109.24</b>	<b>2,517.18</b>
<b>Less Current Borrowings</b>			-	<b>581.37</b>
<b>Total Non Current Borrowings</b>			<b>109.24</b>	<b>1,935.81</b>

### Schedule of Current Borrowings

Particulars	Effective Interest Rate	Maturity	As at 31-03-2022	As at 31-03-2021
<i>Loan Repayable on Demand</i>				
(A) From Bank			-	-
(B) From Other Parties			-	-
Loan From Related Party				
Deposits			-	-
Other Loans			-	210.23
Current maturities of Long term borrowings				
- Oil Industry Development Board			-	184.26
- State Bank of India			-	186.88
			-	<b>581.37</b>

#### - Loan from State Bank of India

The working capital loan is secured by 1<sup>st</sup> charge on current assets and 2<sup>nd</sup> 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 charge on all movable (save and except book debt) and immovable properties specifically charged to OIDB, present and future.

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

**\*Rate of interest:** The floating rate of interest in last quarter was 6.48% p.a. payable quarterly.

**Note 10 - Trade Payables**

(₹ in crore)

Particulars	As at 31-03-2022	As at 31-03-2021
Trade payables		
10 (a) Due to MSME Vendors	8.32	7.93
10 (b) Due to others	81.15	41.68
10 (c) Due to Related Party	40.02	74.28
<b>Total</b>	<b>129.49</b>	<b>123.89</b>
Current	129.49	123.89
Non current	-	-
<b>Total</b>	<b>129.49</b>	<b>123.89</b>

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

**Note 11: Other Financial Liabilities**

(₹ in crore)

Particulars	As at	As at
	31-03-2022	31-03-2021
<b>11 (a)</b>		
Deposits/Retention Money from Contractors and others	52.44	240.68
Price reduction schedule	22.94	64.31
Security Deposit	15.93	17.40
Earnest money deposit	0.60	0.34
Payable to Employees	0.20	0.15
Payable for CSR Expenditure	19.80	11.50
Payable for Capital Expenditure	1.66	1.88
Statutory Liability Payables	62.53	56.53
Other Payables	19.45	2.41
<b>11 (b)</b>		
Lease Hold Obligations (ROU)	1.65	1.60
- Current	0.89	1.32
- Non Current	0.76	0.28
<b>Total other financial liabilities at amortised cost</b>	<b>197.20</b>	<b>396.79</b>
Current	196.44	396.51
Non current	0.76	0.28
<b>Total</b>	<b>197.20</b>	<b>396.79</b>

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



## Note 12: Provisions

(₹ in crore)

Particulars	As at 31-03-2022	As at 31-03-2021
<b>Provisions</b>		
Provision for employee benefits	84.78	132.75
- Current	70.71	122.05
- Non Current	14.07	10.70
Provision for gratuity	2.51	4.36
Provision for Income Tax	410.35	190.64
Pro. for Employees Benefits -Superannua	15.97	5.25
Provision for Liability (Contractors)	47.69	60.05
Others	41.73	48.74
<b>Total</b>	<b>603.03</b>	<b>441.79</b>
Current	588.96	431.09
Non current	14.07	10.70
<b>Total</b>	<b>603.03</b>	<b>441.79</b>

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

## Note 13: Non Financial Liabilities

(₹ in crore)

Particulars	As at 31-03-2022	As at 31-03-2021
Other non financial liabilities		
Government Grants	3,968.24	4,179.89
- Current	211.65	211.65
- Non Current	3,756.59	3,968.24
Others	0.31	0.36
Advance from customers	4.05	2.06
<b>Total</b>	<b>3,972.61</b>	<b>4,182.32</b>
Current	216.02	214.07
Non current	3,756.59	3,968.24
<b>Total</b>	<b>3,972.61</b>	<b>4,182.32</b>

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

## Note 14: Deferred taxation

(₹ in crore)

Particulars	As at 31-03-2022	As at 31-03-2021
Deferred tax asset/ liability	(266.53)	(246.98)
<b>Deferred tax assets/(liabilities)-net</b>	<b>(266.53)</b>	<b>(246.98)</b>

**Note 15: Revenue from operations**

(₹ in crore)

Particulars	Year Ended 31-03-2022	Year Ended 31-03-2021
Sale of products (including excise duty/GST)		
(a) Sale of HDPE/LLDPE	2,696.07	2,203.26
(b) Sale of Polypropelene	682.09	595.27
(c) Sale of HPG ,CBFS,Slop Oil,etc.	336.90	237.22
<b>Total sale of products</b>	<b>3,715.06</b>	<b>3,035.75</b>
Less: GST on Sales	574.16	470.82
Less: Discount on Sales	100.72	115.27
<b>Total</b>	<b>3,040.18</b>	<b>2,449.66</b>
Add: Other Operating Income	131.00	391.78
Add: Budgetary Support Under GST	72.18	61.18
<b>Total</b>	<b>3,243.36</b>	<b>2,902.62</b>

**Note 16: Other Income**

(₹ in crore)

Particulars	Year Ended 31-03-2022	Year Ended 31-03-2021
<b>Other non-operating Income:</b>		
Interest on FDR's	13.58	1.23
Other Interest	0.42	3.69
Government grants	211.65	211.64
Recoveries from Employees	0.76	0.73
Excess Provision Written Back	1.23	2.36
Reimbursement of VAT on NG	-	278.50
Misc.Receipts	2.47	38.74
<b>Total</b>	<b>230.11</b>	<b>536.89</b>

**Note 17: Cost of raw material consumed**

(₹ in crore)

Particulars	Year Ended 31-03-2022	Year Ended 31-03-2021
Raw materials consumed	1,564.90	1,146.26
Chemical & Catalyst	67.13	71.45
<b>Total</b>	<b>1,632.03</b>	<b>1,217.71</b>



## Note 18: Employee Benefit Expenses

(₹ in crore)

Particulars	Year Ended 31-03-2022	Year Ended 31-03-2021
Salary, Wages and Allowances	73.81	126.52
Contribution to Provident and other Funds	27.65	17.60
Welfare Expenses	14.99	10.07
Secondment charges	7.93	7.70
<b>Total</b>	<b>124.38</b>	<b>161.89</b>

## Note 19: Depreciation and amortization expense

(₹ in crore)

Particulars	Year Ended 31-03-2022	Year Ended 31-03-2021
Depreciation and Amortization Expenses	361.89	392.68
<b>Total</b>	<b>361.89</b>	<b>392.68</b>

## Note 20: Finance cost

(₹ in crore)

Particulars	Year Ended 31-03-2022	Year Ended 31-03-2021
Interest on Term Loans from Banks	17.28	116.90
Interest on Short Term Loans from Banks	1.04	31.87
Interest on Loans from Other Institutions	42.91	70.36
Interest on Loans from Promoters	-	14.54
Interest on other Securities	0.06	-
Interest on Lease Obligations (ROU)	0.18	0.22
Interest on Income Tax (Previous Year)	0.16	-
Other Borrowing Costs(Commitment and other Finance Charges)	5.29	1.43
<b>Total</b>	<b>66.92</b>	<b>235.32</b>

**Note 21: Other Expenses**

(₹ in crore)

Particulars	Year Ended 31-03-2022	Year Ended 31-03-2021
Stores & Spares Consumed	35.18	41.32
Power, Fuel and Water Charges:		
Power and Water charges	26.84	9.68
Repairs and Maintenance:		
Plant and Machinery	26.02	23.32
Building	5.76	5.79
Others	2.40	2.42
Insurance	6.59	4.53
Communication expenses	0.40	0.28
Printing and Stationery	0.05	0.13
Travelling Expenses	0.46	0.32
Books and Periodicals	0.06	0.04
Advertisement and Publicity	0.41	0.27
Payment to Auditors:		
Audit Fees	0.07	0.07
Management services	0.03	0.02
Entertainment Exp	0.26	0.12
Recruitment and Training Expenses	0.26	0.12
Vehicle Hire and running Expenses	3.10	2.81
Rent Rates & Taxes	4.90	1.47
Consultancy Charges	0.89	0.47
Legal and Professional Charges	1.53	1.07
Directors sitting fees	0.03	0.03
Selling and Distribution Expenses	24.86	7.10
Bad Debts /Claims Written off	0.49	19.06
Commission on Sales	78.80	66.82
Security Expenses	35.29	35.05
CSR expenses	19.10	11.50
Net loss on Foreign currency Transaction and Translation	(0.10)	(0.90)
Other Expenses	84.48	62.45
<b>Total</b>	<b>358.16</b>	<b>295.36</b>



## 22. Contingent Liabilities and Commitments:

₹ in crore

<b>(a) Contingent Liabilities:</b>	<b>31-Mar-22</b>	<b>31-Mar-21</b>
Claims against the Company not acknowledged as debts:		
Service Tax matters *	0.00	7.90
Court cases:		
Land Acquisition cases for Higher Compensation	20.70	20.70
Others	3.31	7.71
Claim by contractors Arbitration cases/other extra claims on capital account	559.60	544.85

\* Details at note 29(b).

₹ in crore

<b>(b) Capital Commitments:</b>	<b>31-Mar-22</b>	<b>31-Mar-21</b>
Estimated amount of contracts remaining to be executed on capital account and not provided for	125.91	59.74

₹ in crore

<b>(c) Guarantees &amp; other Commitment:</b>	<b>31-Mar-22</b>	<b>31-Mar-21</b>
DSRA Bank Guarantees	0.00	30.00
Bank Guarantees	1.29	0.00
Letter of Credits issued	1.35	24.10
Counter Guarantee to GAIL for OADB Loan	0.00	100.00

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

**(e)** Transfer of title deeds of 131 Bighas of Land in the name of the Company: ₹16.50 Cr. (Previous year ₹0.00 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 ₹5.22 Crore relating to M/s Brahmaputra Infrastructure Limited and M/s Rajshekhar Construction Pvt. Ltd. for which provision has not been made although the arbitral award has been passed in favour of the contractor. BCPL is in the process of filing the matter before honorable High Court against the arbitral award of M/s Rajshekhar Construction Pvt. Ltd. The arbitral award of M/s Brahmaputra Infrastructure Limited was challenged in the Delhi High Court and honourable high court has passed a stay order till the next returnable date.



## 23. Government Grants:

### A. Capital Grants

**Capital Subsidy:** Based on the approval of the Government of India for setting up AGCP, being implemented by BCPL in state of Assam, against Capital Subsidy of ₹5239.45 Cr., the Company has received Capital Subsidy of ₹5221.33 Cr. till 31.03.2022. No Capital subsidy was released during the FY 2021-22. The interest earned on Capital Subsidy has been considered part of capital subsidy and adjusted from capital subsidy receivable. The balance amount of capitals subsidy receivable stands at ₹ 18.12 Cr and release of the same shall be requested in RE 2022-23 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 ₹211.65 Cr. has been transferred (Previous year ₹211.64 Cr.) to the Statement of Profit & Loss as other income and the balance in Capital Subsidy account has been carried forward as “Government Grants” classified under “Non-Financial Liability”.

### B. Revenue Grants

#### i. Feed Stock Subsidy:

The feedstock subsidy was approved by CCEA for a period of 15 years of plant operation for maintaining minimum post tax project IRR of 10% of the Assam Gas Cracker Project (AGCP) implemented by BCPL. The feedstock subsidy is applicable from the date of commissioning and accordingly, BCPL have submitted year wise claims for the period 2015-16 to 2020-21 as per approved methodology. Entire claim of ₹2742.92 Cr. till 31.03.2021 was received by BCPL during FY 2020-21 and FY 2021-22 from Ministry of Petroleum and Natural Gas. An amount of ₹131.00 Cr. (previous year ₹391.78 Cr) as feedstock subsidy has been accounted for during FY 2021-22 as per the methodology under ‘Other Operating Income’ on accrual 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 was claimed from the authority and the same has been received by the Company during the current FY 2021-22.

#### 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 Refunded	Expensed Out / Written off During The Year	Closing Claim Receivable
Freight Subsidy	101.43	-	-	-	-	101.43
Insurance Subsidy	41.14	24.55	(14.63)	-	(0.91)	50.15
Interest Subsidy	(4.71)	-	-	4.71	-	-
<b>Grand Total</b>	<b>137.86</b>	<b>24.55</b>	<b>(14.63)</b>	<b>4.71</b>	<b>(0.91)</b>	<b>151.58</b>

The current financial year claim towards subsidy amounting to ₹24.55 Cr. has been adjusted with respective expenditure (Previous FY 40.74 Cr). Further out of the above total claim receivable, an amount to ₹50.15 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 was written off during the FY 20-21 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 vogue. Considering the same, a liability of ₹4.71 was created for refunding interest subsidy previously allowed to BCPL for the FY 2016-17 and the same was refunded into exchequer account during the current FY.

- iv. **Scheme of Budgetary Support (SBS):** Vide notification no 20/2007-CE dated 25.04.2007 as amended from time to time, eligible units in NER was availing excise duty refund. BCPL was eligible under the scheme till transition to GST. In order to enable eligible industries in NER to continue under special benefit scheme, Department of Industrial Policy and Promotion (DIPP) vide notification dated 05<sup>th</sup> October, 2017 read with Circular No. 1060/9/2017-CX dated 27<sup>th</sup> November, 2017 issued by Central Board of Excise and Customs, extended the benefit to all eligible units in NER. Under the scheme, BCPL is entitled for budgetary support on supply of primary finished goods. Accordingly, BCPL has submitted a claim of ₹72.18 Cr. (Previous FY ₹61.18 Cr.) towards GST Refund under the budgetary support scheme and the same has been recognised as “Other Operating Income”.

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



Relevant line item in the Balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative# of promoter*/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company**
PPE	Free-hold Land	3.87	GAIL India Ltd.	Promoter	May'2016	The matter pending with before the respective authority
ROU Assets	Lease Land	5.53	GAIL India Ltd.	Promoter	May'2016	Do
ROU Assets	Lease Land	6.15	Government of Assam	Promoter	July'2008	Do
ROU Assets	Lease Land	14.73	Government of Assam	Promoter	April'2011	Do

**25. Trade payables:** Trade payable pertaining to related party stands at ₹40.02 Cr. out of which the payable to 'OIL' as on 31.03.2022 is ₹38.42 Cr (Previous FY 42.98 Cr) after adjustment of nil amounts towards NG shortfall for current financial year (Previous FY 9.48 Cr). Further an amount of ₹140.68 Cr was shown as retention during the FY 2020-21 under note no. 11 "Financial Liability" towards NG shortfall of previous period. A joint Committee consisting of both M/s OIL and BCPL were constituted to work out the shortfall gas value as per Gas Supply and Purchase Agreement (GSPA). The Joint Committee has finalized the dispute resolution plan and the retained amount was settled during the current financial year based on the Dispute Resolution Plan. As on 31.03.2022, retention towards NG shortfall stands at NIL.

Trade Payable as of 31 March 2022	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	8.32	0.00	0.00	0.00	8.32
(ii) Others	119.36	0.36	0.06	1.39	121.17
(iii) Disputed dues - MSME	0.00	0.00	0.00	0.00	0.00
(iv) Disputed dues - Others	0.00	0.00	0.00	0.00	0.00

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

- 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 3<sup>rd</sup> Pay Revision Committee's recommendation. With the accounting of feedstock subsidy from FY 2015-16, the profitability of the company has improved in the FY 2019-20 and BCPL's position in respect of affordability clause also improved. With improved financials, BCPL had submitted a revised proposal to the administrative ministry for approval of implementation of 3<sup>rd</sup> Pay Revision in the company with effect from 01.01.2017 vide Letter Dated 14.08.2020. In similar line, the wage negotiation/ revision of unionized staffs and non-executives - was also due and various negotiations in this regards were to take places.



Accordingly, necessary provision towards pay revision amounting to ₹101.70 Cr was made in the books of accounts for officers, unionized staffs and non-executives till 31.03.2021.

Revision of pay & other benefits for Board and below Board level officer with effect from 01.04.2019 was approved by the administrative ministry during the FY 2021-22 and presidential directive towards Pay Revision was received vide Letter No.11011/3/2021-GP-II (E:36577) Dated 02.02.2022. Accordingly revision of pay & other benefits for Board and below Board level officer was implemented in the month of March '22 and arrears were paid. The Presidential directive for revision of pay scales is with effect from 01.04.2019 and also directed for taking up matter separately for implementation of pay revision from FY 2018-19. Accordingly arrears were processed and provisions except for the period pertaining to FY 2018-19 along with excess provision pertaining to period from 01.01.17 to 31.03.2018 amounting of ₹62.83 Cr. pertaining to pay revision has been reversed during the current FY.

Similarly the wage negotiation/ revision of unionised staffs and non-executives were also recommended by the board after various negotiations during the FY 2021-22. The approval of administrative ministry is being sort for implementation of wage negotiation. The Memorandum of Settlement (MOS) couldn't be entered till date therefore the revision of pay of unionized staffs and non-executives could not be implemented till date.

In view of above, a provision pertaining to wage revision of executives & non-executives has been kept amounting of ₹38.87 Cr. as on 31.03.2022.

The provision towards Performance Related Pay (PRP) for the FY 21-22 payable to the executives and non-executives on revised scale based on 3<sup>rd</sup> PRC has been provided for on estimated basis amounting to ₹18.80 Cr.

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



- v. **Superannuation Benefits:** The Company had received the approval to its proposal of “Employees Superannuation Benefit and Post-Retirement Medical benefit” scheme from its Administrative Ministry, Government of India, effective from the date of issue of approval (February 08, 2018). Accordingly, a Superannuation Trust was formed in the financial year 2019-20 and a policy from LIC was taken on 01.10.2020 through the Trust for the purpose of pension to the employees, after adjusting the accumulated fund balance of the erstwhile scheme, considering employer contribution @4% of basic plus DA from 08.02.2018 to 30.09.2020. Monthly contribution @4% of basic plus DA is deposited to the Fund through Trust regularly from October '20 onwards. A scheme is also maintained with LIC by the company with contribution @ 2% of basic plus DA from 08.02.2018 towards PRMS.

Later, the company received the revised scheme from its Administrative Ministry, Government of India, on 01.10.2021 for enhancement of contribution towards superannuation benefit scheme from present approved percentage of 6% to 13.19 % (making it total to 30% with effect from 08.02.2018). Accordingly, a provision of ₹10.72 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 31<sup>st</sup> March, 2022 & 31<sup>st</sup> March, 2021.

₹ in Cr.

Particulars	Gratuity		Leave encashment	
	2021-22	2020-21	2021-22	2020-21
Current Service Cost	2.23	2.11	1.94	1.23
Past Service Cost	-	-	-	-
Net Interest Cost	0.31	0.09	0.72	0.46
Actuarial Gain/loss	-	-	2.90	3.75
Total expenses included in employee benefit expense	2.54	2.20	5.56	5.44

- b. Amount recognized in Other Comprehensive Income for the year ended 31<sup>st</sup> March, 2022.

₹ in Cr.

Particulars	Gratuity	
	2021-22	2020-21
Actuarial (gain)/ loss on obligations	(2.31)	(0.63)
Return on plan assets (excluding amounts included in net interest expense)	0.49	(0.84)
Experience adjustments	1.45	2.05
Recognized in other comprehensive income	(1.35)	2.26

- c. Changes in the present value of the defined benefit obligation for the year ended 31<sup>st</sup> March, 2022 and 31<sup>st</sup> March, 2021 are as follows:



₹ in Cr.

Particulars	Gratuity		Leave encashment	
	2021-22	2020-21	2021-22	2020-21
Current service cost	2.23	2.11	1.94	1.23
Interest cost	1.07	0.73	0.72	0.46
Transfer In	0.00	0.00	0.00	0.00
Benefits paid	0.40	0.18	2.54	2.11
Actuarial (gain)/ loss on obligations	(0.86)	1.42	2.90	3.76
<b>Defined benefit obligation</b>	<b>16.83</b>	<b>14.79</b>	<b>14.07</b>	<b>11.05</b>

- d. Changes in the fair value of plan assets for the year ended 31<sup>st</sup> March, 2022 and 31<sup>st</sup> March, 2021 are as follows:

₹ in Cr.

Particulars	Gratuity		Leave encashment	
	2021-22	2020-21	2021-22	2020-21
Interest income	0.76	0.65	0.00	0.00
Return on plan assets (excluding amounts included in net interest expense) – OCI	0.49	(0.84)	0.00	0.00
Contribution by Employer	3.07	1.39	0.00	0.00
Benefits paid	0.40	0.18	0.00	0.00
Service cost (Transfer in)	0.00	0.00	0.00	0.00
<b>Closing fair value of plan assets</b>	<b>14.32</b>	<b>10.40</b>	<b>0.00</b>	<b>0.00</b>

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

₹ in Cr.

Particulars	Gratuity		Leave encashment	
	2021-22	2020-21	2021-22	2020-21
LIC Fund	14.32	10.40	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	
	2021-22	2020-21	2021-22	2020-21
Discount rate (in %)	7.34	6.91	7.34	6.91
Salary Escalation (in %)	6.00	6.00	6.00	6.00
Rate of employee turnover (in %)	-	-	-	-
Attrition Rate (in %)	1.00	1.00	1.00	1.00
Inflation (in %)	6.00	6.00	6.00	6.00
Medical cost trend rate (in %)	NA	NA	NA	NA
Life expectation for (in years):	IALM 2012-14 Ultimate	IALM 2006-2008 ULTIMATE	IALM 2012-14 Ultimate	IALM 2006-2008 ULTIMATE



- g. A quantitative sensitivity analysis for significant assumption as at 31st March 2022 is as shown below:

₹ in Cr.

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

₹ in Cr.

Gratuity Plan Assumptions	31-Mar-21		31-Mar-21	
	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.

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

₹ in Cr.

Leave encashment Assumptions	31-Mar-21		31-Mar-21	
	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

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

₹ in Cr.

Particulars	Gratuity		Leave encashment	
	2021-22	2020-21	2021-22	2020-21
Within the next 12 months (next annual reporting period)	0.16	0.12	0.12	0.09
Between 2 and 5 years	1.72	0.84	1.54	0.76
Between 5 and 10 years	2.67	2.06	2.30	1.73
Beyond 10 years	68.67	61.73	58.98	45.87
Total expected payments	73.22	64.75	62.94	48.45

- i. The average duration of the defined benefit plan obligation at the end of the reporting period is 23 years (31 March 2021: 24 years).

- j. History of experience adjustment is as follows:



₹ in Cr.

Particulars	Gratuity				
	31-Mar-22	31-Mar-21	31-Mar-20	31-Mar-19	31-Mar-18
Present value of obligation	16.83	14.79	10.71	7.24	5.08
Plan assets	14.32	10.40	9.38	7.75	4.94
Experience adjustments	1.45	2.05	0.10	0.54	0.16

₹ in Cr.

Particulars	Leave encashment				
	31-Mar-22	31-Mar-21	31-Mar-20	31-Mar-19	31-Mar-18
Present value of obligation	14.07	11.05	7.71	4.80	3.17
Plan assets	0.00	0.00	0.00	0.00	0.00
Experience adjustments	8.04	4.22	2.32	2.21	3.48

## 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 01.04.2021	2.60	2.53
Claim for the financial year 2021-22	0.00	0.07
Total Claim:	2.60	2.60
Less: Received during the year	0.00	0.00
(Add) / Less: Claim adjusted/reversed	0.00	0.00
<b>Receivable as at 31.03.2022</b>	<b>2.60</b>	<b>2.60</b>

## 28. Income Tax

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

Provision for Income Tax in the current financial year has been kept at ₹ 223.57 Cr. (Previous ₹190.64). The Company has already deposited advance tax amounting to ₹ 237.70 Cr during the current financial year.

Balance of brought forward 'Unabsorbed Depreciation' and 'Business loss' as per Income Tax Return for the AY 2021-22 (i.e for FY 2020-21) stands at NIL.

**29. GST Credit and Utilisation:****a) Following are the details of GST credit and utilisation for the period 2021-22:**

₹ in Cr.

Sl. No.	Location	Assam			Uttar Pradesh		
	Particulars	IGST	CGST	SGST	IGST	CGST	SGST
A	Opening Balance of ITC	0	0	0	0.20	0.08	0.08
B	Input Tax credit availed	157.90	65.84	65.84	0	0.02	0.02
C	Taxes paid through ITC	157.90	65.84	65.84	0.18	0	0
D	Taxes paid through ITC (IGST liability adjusted with CGST/SGST Credit)	65.00	(32.50)	(32.50)	0	0	0
E	Taxes Paid in Cash	272.68	0	0	0	0	0
F	Total Taxes Paid during the year (C+D+E)	495.58	33.34	33.34	0.18	0	0
G	Closing Balance of ITC	0	0	0	0.02	0.10	0.10

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

**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. The hearing on the subject matter was held on 19.01.2022 and the earlier order stands reserved. The CESTAT has passed the detailed order vide Final Order No.75242/2022 Dated 04.05.2022 and the order of the Commissioner has been set aside and the appeal has been allowed with consequential relief, if any. Based on the subject order, nil amounts have been shown under Contingent Liability under note no 22 above in the current FY.

**30. Financial risk management :**

- i. The Company's financial risk management is an integral part of how to plan and execute its business strategies. This note explains the sources of risk which the entity is exposed to and how the company manages the risk.  
The Company's Board of Directors have overall responsibility for the establishment and oversight of the company's risk management framework.
- ii. The Company's principal financial liabilities comprise of loans & advances, trade and other payables. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.
- iii. The Company is exposed to market risk, credit risk and liquidity risk. The Company reviews its financial risk and take appropriate mitigation plan based on the requirement.



## Market Risk

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

### i. Interest rate risk

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

b. Interest rate sensitivity

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

₹ in Cr.

Particulars	Increase/decrease in basis points	Effect on profit before tax
<b>31 March 2022</b>		
SBI Loan	+100	NIL
	-100	NIL
<b>31 March 2021</b>		
SBI Loan	+100	+13.41
	-100	-13.41

### 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
<b>For the year ended March 31, 2022</b>		
US Dollar	3%	-0.03
	-3%	0.03
EURO	6%	-0.01
	-6%	0.01
Japanese yen	7%	-0.08
	-7%	0.08
<b>For the year ended March 31, 2021</b>		
US Dollar	3%	-0.68
	-3%	0.68
EURO	6%	-
	-6%	-
Japanese yen	7%	-0.10
	-7%	0.10

**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 2022	On Demand	Less than 3 Months	3 to 12 Months	1 to 5 Years	> 5 Years	Total
Interest-bearing loans and borrowings	0.00	0.00	0.00	48.35	60.90	109.24
Interest Payable	0.00	1.76	5.31	21.18	7.83	36.09
Trade and other payables	129.49	-	-	-	-	-
Other financial liabilities	70.64	102.20	23.61	0.75	-	197.20
Other - specify	-	-	-	-	-	-

₹ 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	123.89	-	-	-	-	123.89
Other financial liabilities	260.30	70.91	65.30	0.28	-	396.79
Other specify	-	-	-	-	-	-



#### v. Credit risk

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

#### Trade receivables

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

#### Financial Instruments and Cash Deposits

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

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

₹ in Cr.

Trade receivables as of 31 March 2022	Outstanding for following periods from due date of payment					Total
	Less than 6months	6months- 1year	1-2 years	2-3 years	More than 3years	
(i) Undisputed Trade receivables – considered good	62.09	-	1.51	2.01	0.02	65.63
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	2.53	14.64	17.17
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
(v) Disputed Trade Receivables with significant credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
<b>TOTAL</b>	<b>62.09</b>	<b>-</b>	<b>1.51</b>	<b>4.54</b>	<b>14.66</b>	<b>82.80</b>

Trade receivables as of 31 March 2021	Outstanding for following periods from due date of payment					Total
	Less than 6months	6months- 1year	1-2 years	2-3 years	More than 3years	
(i) Undisputed Trade receivables – considered good	65.47	0.22	2.01	0.01	0.01	67.72
(ii) Undisputed Trade Receiv- ables – considered doubtful	-	-	2.63	-	14.54	17.17
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
(v) Disputed Trade Receivables with significant credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
<b>TOTAL</b>	<b>65.47</b>	<b>0.22</b>	<b>4.64</b>	<b>0.01</b>	<b>14.55</b>	<b>84.89</b>

**Provision for Doubtful Debts / Claims**

Provisions	31 March 2022	31 March 2021
Start of the year	17.17	17.17
Provision for doubtful Debts / Claims	0.49	19.06
Receivables / Claims written off during the year as uncollectable	-	19.06
Unused amounts reversed	-	-
End of the year	17.66	17.17

**31. Capital Management**

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

The Company maintains its capital structure as per approved funding pattern of the project cost of the Company by Government of India ensuring viability of the project. No changes were made in the objectives, policies or processes during the years ended 31st March 2022 and 31st March 2021.

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

₹ in Cr.

Particulars	As at 31 March 2022	As at 31 March 2021
Interest-bearing long term loans and borrowings	109.24	1,935.81
Interest-bearing short term loans and borrowings	0.00	581.37
Bank Overdraft	0.00	0.00
Total Debt	109.24	2,517.18
Equity	1,417.67	1,417.67
Total Capital	3280.79	2,811.26
Net Gearing ratio	0.03	0.90

**32. Accounting classifications and fair value measurements**

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data

Set out below is a comparison by class of the carrying amounts and fair values of the Company's financial instruments that are carried in the financial statements:

As at 31 March 2022 the company held the following financial instruments carried at fair value on the statement of financial position:



₹ in Cr.

Particulars	Carrying Amount 31.03.2022	Fair Value		
		Level 1	Level 2	Level 3
<b>Financial assets at amortised cost:</b>				
<b>Non-current</b>				
Loans and receivables	4.76	-	-	-
Other Financial Assets (Feed Stock Subsidy Claim)	-			
<b>Current</b>				
Trade receivables	65.63	-	-	-
Cash and cash equivalents & Bank Balances other than cash and cash equivalents	434.32	-	-	-
Other Financial Assets (It includes Feed Stock & NEIIPP Subsidy)	343.76	-	-	-
<b>Total</b>	<b>848.47</b>	-	-	-
<b>Financial liabilities at amortised cost:</b>				
<b>Non-current</b>				
Borrowings	109.24	-	-	-
Other financial liabilities	0.76			
<b>Current</b>				
Borrowings	0.00	-	-	-
Other financial liabilities	196.44	-	-	-
Trade payables	129.49	-	-	-
<b>Total</b>	<b>435.93</b>	-	-	-

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 31.03.2020	Fair Value		
		Level 1	Level 2	Level 3
<b>Financial assets at amortised cost:</b>				
<b>Non-current</b>				
Loans and receivables	4.76	-	-	-
Other Financial Assets (Feed Stock Claim)	-			
<b>Current</b>				
Trade receivables	67.72	-	-	-
Cash and cash equivalents & Bank Balances other than cash and cash equivalents	1340.57	-	-	-
Other Financial Assets (It includes Feed Stock & NEIIPP Subsidy)	1523.07	-	-	-
<b>Total</b>	<b>2936.12</b>	-	-	-
<b>Financial liabilities at amortised cost:</b>				
<b>Non-current</b>				
Borrowings	1935.81	-	-	-
Other financial liabilities	0.28			
<b>Current</b>				
Borrowings	581.37	-	-	-
Other financial liabilities	396.51	-	-	-
Trade payables	123.89	-	-	-
<b>Total</b>	<b>3037.86</b>	-	-	-



Cash and short-term receivables, trade receivables, trade payables and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair values of non-current financial assets (such as security deposits) and long-term variable-rate borrowings are considered to be same as their carrying values, as the impact of fair valuation is not material.

### 33. Leases

Effective April 1, 2019, the Company adopted Ind AS 116 “Leases” and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method. The Company recorded the lease liability at the present value of the lease payments discounted at the incremental cost of capital of 1 Year SBI MCLR + 0.25% i.e. 8.70% and the right of use asset at its carrying amount.

As on 31.03.2022, ROU Asset balance stands at ₹214.80 Cr. (Previous Year ₹ 223.68 Cr.) and Lease Liability at ₹1.65 Cr. (Previous Year ₹ 1.60 Cr.).

#### Lease Liabilities

Reconciliation of Lease Liabilities:

₹ in Cr.

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Opening Balance	1.60	3.39
<b>Adjustments for:</b>		
Additions during the year	1.89	-
Deletions during the year	-	-
Accreditation of interest	0.18	0.22
Lease Liabilities paid during the year	2.02	2.01
<b>Closing Balance</b>	<b>1.65</b>	<b>1.60</b>
Current	0.89	1.32
Non-Current	0.76	0.28

#### Maturity analysis of Lease Liabilities

Particulars	Less than 3 months	3 to 12 months	> 1 Year	Total
Lease Liabilities (Current)	0.28	0.62	0.00	0.89
Lease Liabilities (Non Current)	0.00	0.00	0.75	0.75
<b>Total</b>	<b>0.28</b>	<b>0.62</b>	<b>0.75</b>	<b>1.65</b>

#### Amount recognized in Statement of Profit and Loss:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation on right-of-use assets	10.78	10.75
Interest expense on lease liabilities	0.18	0.22
<b>Total</b>	<b>10.96</b>	<b>10.97</b>

- 34. CSR Expenditure:** As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, requires to spend at least 2% of its average net profit for the immediately preceding three financial years on Corporate Social Responsibility (CSR) activities. The said section was applicable to the company from the FY 2020-21 and accordingly a budget of ₹11.50 was 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. Similarly a budget of ₹19.10 has been approved for CSR activities for the financial year 2021-22. The projects are being executed through the district administration and are 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.

**Details are:**

₹ in Cr.

Particulars	As at March 31, 2022	As at March 31, 2021
(a) amount required to be spent by the company during the year	19.10	11.50
(b) Amount of expenditure incurred	13.10	2.14
(c) Shortfall at the end of the year	6.00	9.36
(d) Total of previous years shortfall	5.94	-
(e) Reason for shortfall	Pertains to ongoing projects	Pertains to ongoing projects
(f) Nature of CSR activities	Health and Nutrition, Promotion of Education, Swachhata and Sanitation, Skill enhancement & alternative livelihood and Sustainable Development and Rural Development	
(g) Details of related party transactions e.g. contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	Not Applicable	Not Applicable
(h) Where a provision is made with respect to a liability incurred by entering into a contractual obligation the movements in the provision during the year should be shown separately.	Not Applicable	Not Applicable

### 35. Proposed dividend and tax :

During the year ended March 31, 2022, on account of the dividend payment for the FY 2020-21, the Company has incurred a net cash outflow of ₹ 222.01 Cr.

For the FY 2021-22, an amount of ₹212.65 Cr, which is '15% of paid up Equity Capital', has been proposed as dividend. The same will be disbursed after approval by the shareholders in the Annual General Meeting of the Company.

### 36. Related Party Disclosures:

Names of Related parties and nature of related party relationships:

#### a. Entities which exercise control/ joint-control/ significant influence over the company :

- Gail (India) Limited
- Numaligarh Refinery Limited
- Oil India Limited
- Government of Assam

**b. Key management personnel :**

Sh. Reep Hazarika - Managing Director

Sh. Pruthviraj 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 21-22	FY 20-21
<b>Gail (India) Limited</b>		
Manpower cost	7.93	7.70
Purchase of goods (Butene-1, propylene, NG etc.)	8.78	2.94
Marketing Commission	66.99	54.27
Expenditure towards DRC	0.68	0.61
Interest on Borrowing	0.00	14.58
Borrowing from Holding Company	0.00	0.00
Balance payable at the reporting date	8.12	38.68
<b>Numaligarh Refinery Limited</b>		
Sale/ Purchase of goods	591.12	270.56
Balance payable at the reporting date	0.00	8.99
<b>Oil India Limited</b>		
Sale/ Purchase of goods	364.04	324.92
Balance payable (NG supply) at the reporting date	38.42	163.17
Outstanding (infrastructure cost) at the reporting date	0.00	20.35
<b>Key management personnel</b>		
Remuneration to Sh. Reep Hazarika - Managing Director (Short Term Benefits Only)	0.66	0.34
Remuneration to Sh. Pruthviraj Dash - Director (Finance) and CFO (Short Term Benefits Only)	0.64	0.36
Remuneration to Mrs. Ruli Das Sen- Company Secretary (Short Term Benefits Only)	0.44	0.25
Sitting Fees Paid to Independent Directors	0.04	0.03

**37. Balance Confirmation**

Balance confirmation has been sought from certain vendors/contractors/authorities for balances grouped under loans and advances, deposits and sundry creditors. However reconciliation of accounts with parties is carried out as an ongoing process.

**38. Claims due to Micro, Small & Medium enterprise**

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



Particulars	2021-22	2020-21
i. The principal amount and the interest thereon remaining unpaid to any supplier as at the end of each accounting year;	8.32	10.48
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	0.00
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.

### 39 Segment Reporting

- (a) The Company has a single operating segment that is “Production and sales of polymers to downstream plastic industries”. Accordingly, the segment revenue, segment results, segment assets and segment liabilities are reflected by the financial statements themselves as at and for the financial year ended 31<sup>st</sup> March 2022.
- (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 31<sup>st</sup> March 2022, three major Customers contributed around 8.56% of the revenue amounting to ₹244.32 Cr. (previous year ₹243.04 Cr).

**40. Earnings per Share (EPS)**

The following reflects the income and share data used in the basic and diluted EPS computations:

₹ in Cr.

Particulars	31-Mar-22	31-Mar-21
Gain/(-Loss) attributable to equity holders of the Company:		
Continuing operations	690.53	739.90
Discontinued operation	-	-
<b>Gain/(-Loss) attributable to equity holders of the Company for basic earnings</b>	690.53	739.90
<b>Gain/(-Loss) attributable to equity holders of the Company adjusted for the effect of dilution</b>	690.53	739.90
Weighted Avg. No's of Equity shares for basic EPS * (in No.)	1417670000	1417670000
Effect of dilution:	-	-
<b>Weighted Avg. No's of Equity shares adjusted for the effect of dilution *</b>	-	-
<b>Earnings per equity share: in ₹</b>		
-Basic	4.87	5.22
-Diluted	4.87	5.22

**41. Impairment:** The project was commissioned on 02.01.2016 and has been operating at more than 100% capacity since last four (4) years. With the accounting of feedstock subsidy, buoyant polymer prices and reduction of loan liability, the net worth of the company has been significantly improved & the future projections are also healthy. Further there is no indication that the assets of the company require impairment testing as per IND AS 36. Accordingly, no impairment losses has been estimated and recognised in statement of Profit and Losses.

**42. COVID-19:** India witnessed a V-Shaped recovery from Covid-19 related disruptions as most consumption and industrial indicators were back in positive growth territory during the year, despite the third wave in form of Omicron variant. The business environment for petrochemicals in domestic market remained buoyant during the year although there have been heavy fluctuations in naphtha prices, which moves in tandem with global crude prices.

**43. Deferred Tax Liability:** Due to timing difference of depreciation available under Income Tax Act and Companies Act, amount of ₹19.20 Cr has been considered as deferred tax expenditure for FY 2021-22. Due to the above, Deferred tax Liability (net) stands at ₹266.53 Cr as on 31.03.2022 as compared to ₹246.98 Cr as on 31.03.2021.

**44. Capital-Work-in Progress (CWIP)**

CWIP aging schedule

₹ in Cr.

CWIP	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	TOTAL
Projects in progress	5.22	-	21.44	1.19	27.85
Projects temporarily suspended	-	-	-	-	-



For capital-work-in progress, whose completion is overdue compared to its original plan

CWIP	To be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	TOTAL
Construction 33KV overhead line	0.50	-	-	-	0.50
Fire alarm system catalyst & teal storage	0.19	-	-	-	0.19
Earth filling work at BCPL township	0.09	-	-	-	0.09
Matrix EPABX, intercom expansion Township	0.06	-	-	-	0.06
Furnishing VIP accommodation at Guwahati	0.005	-	-	-	0.005
GDU Impl. Modification Gas turbine	1.19	-	-	-	1.19
<b>TOTAL</b>	<b>2.04</b>	-	-	-	<b>2.04</b>

#### 45. Relationship with Struck off Companies

₹ in Cr.

Name of struck off Company:	Nature of transactions with struck-off Company	Balance outstanding as on 31.03.2022	Balance outstanding as on 31.03.2021	Transaction during the year	Relationship with the Struck off company, if any, to be disclosed
Gulbrandsen Chemicals Pvt Ltd	Payable	0.57	0.54	2.50	Vendor
Advance Valves Private Ltd.	Payable	0.11	0.11	0.03	Vendor
Paramount Forge	Payable	0.01	0.01	-	Vendor
Star Info tech	Payable	0.01	-	0.02	Vendor
Amit And Company	Payable	0.01	-	0.01	Vendor
Aqua Services	Payable	0.01	0.01	-	Vendor
D. J. Engineering	Payable	0.00*	0.00*	-	Vendor
Prime Engineers	Payable	0.00*	0.00*	-	Vendor
Assam Bulk Carrier	Payable	0.00*	0.00*	-	Vendor
Pressure & Flow Controls Industries	Payable	0.00*	0.00*	-	Vendor
Polycab Wires Private Ltd.	Payable	0.00*	0.00*	-	Vendor
Ashcroft India Pvt Limited	Payable	0.00*	0.00*	-	Vendor
Tirupati Enterprises	Payable	0.00*	0.00*	-	Vendor
Delta Power Sales Services	Payable	0.00*	0.00*	-	Vendor
Adnet Advertising	Payable	0.00*	0.00*	-	Vendor
Ams Engineering	Payable	-	0.00*	0.01	Vendor
Assam Apex Weavers & Artisans	Payable	-	-	0.00*	Vendor
Puneet Enterprises	Receivable	0.00*	0.00*	-	Customer
Saanvi Enterprise	Receivable	0.00*	0.00*	-	Customer

\*Indicates that the amount is less than Rupees Fifty Thousand.



## 46. Ratios

Sl. No.	Particulars	Numerator	Denominator	2021-22	2020-21	Variance	Explanation
1	Current Ratio	Current Assets	Current Liabilities	1.60	1.83	-12%	-
2	Debt-Equity Ratio	Total Debt	Shareholder's Equity	0.03	0.90	-96%	On account of Repayment of Long term loan, the ratio has improved
3	Debt Service Coverage Ratio	Earnings available for Debt-Service	Debt-Service	5.07	2.47	105%	On account of Repayment of Long term the ratio has improved
4	Return on Equity Ratio	Net Profit after Preference dividend	Average Shareholder's Equity	48.71%	52.19%	-7%	-
5	Inventory Turnover Ratio	Sales	Average Inventory	53.25	20.67	158%	Sales has increased coupled with decrease in average inventory for FY 2021-22 as compared to average inventory for FY 2020-21
6	Trade Receivables turnover ratio	Net Credit Sales	Avg. Accounts Receivable	45.60	69.40	-34%	Debtors realization improved from 10.09 days to 7.88 days
7	Trade payables turnover ratio	Total Purchases	Average Trade Payables	13.24	8.85	50%	Due to decrease in average trade payable the ratio has improved
8	Net capital turnover ratio	Revenue from Operation	Average Working Capital	3.06	2.47	24%	-



Sl. No.	Particulars	Numerator	Denominator	2021-22	2020-21	Variance	Explanation
9	Net profit ratio	Net Profit	Revenue from Operation	21.29%	25.49%	-16%	-
10	Return on Capital employed	Earnings before interest and taxes	Capital Employed	27.35%	24.95%	10%	-
11	Return on investment	EBIT (Earnings Before Interest Tax)	Average Total Asset	10.38%	11.67%	-11%	-

47. Previous period figures have been re-arranged /re-grouped whenever necessary to make them comparable with current period figure.

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

*Sd/-*  
(Pruthviraj 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/-*  
(Kamal Mour)  
Partner  
Membership No. 067544

Place : New Delhi  
Date : 23<sup>rd</sup> May, 2022



## Cash Flow Statement for the period ended 31<sup>st</sup> March 2022

(₹ in crore)

Particulars	31.03.2022	31.03.2021
<b>Cash Flow From Operating Activity</b>		
Net profit Before Tax & Extra Ordinary Items	933.30	1,010.45
<b>Adjustment For:</b>		
Depreciation/ Amortisation	361.89	392.68
Proceeds From Government Grant	1,042.92	1,728.25
Proceeds From VAT Reimbursement Claim	278.50	-
Proceeds From GST Subsidy	75.33	-
Proceeds From NEIIPP (Net)	9.93	-
Accounting of Revenue Grant	(131.00)	(391.78)
Accounting of NEIPP & Other Subsidy	(23.64)	(22.14)
Accounting of GST Subsidy	(72.18)	(61.18)
Accounting of VAT Reimbursement Claim	-	(278.50)
Deferred Income (Capital Subsidy)	(211.65)	(211.64)
Interest Paid	62.02	235.32
Interest on Income Tax	0.16	-
Other Provisions	1.55	0.52
<b>Cash Flow before Working Capital Change</b>	<b>2,327.12</b>	<b>2,401.98</b>
<b>Adjustment For Working Cap Changes</b>		
Changes in Current Assets	(69.57)	41.10
Changes in Current Liability	(248.28)	(47.80)
<b>Cash Generated From Operating Activity</b>	<b>2,009.27</b>	<b>2,395.28</b>
Current Tax (Advance Tax Paid)	(242.69)	(179.78)
Interest on Income Tax (Previous Year)	(4.01)	-
<b>Cash Before Extra Ordinary Items</b>	<b>1,762.57</b>	<b>2,215.50</b>
Extra-Ordinary Items	-	-
<b>Net Cash From Operating Activity</b>	<b>1,762.57</b>	<b>2,215.50</b>
<b>Cash Flow From Investing Activity</b>		
Net Addition/ Purchase of Assets	29.46	(32.67)
Capital Work In Progress	(1.58)	(14.80)
<b>Net Cash Flow From Investing Activity</b>	<b>27.88</b>	<b>(47.47)</b>
<b>Cash flow From Financing Activity</b>		
Proceeds From Short Term Deposits	-	24.85
Repayments of Borrowings	(2,412.67)	(660.14)
Receipt From Borrowings	-	0.23
Interest paid	(62.02)	(235.32)
Dividend Paid	(222.01)	-
<b>Net Cash Flow From Financing Activity</b>	<b>(2,696.70)</b>	<b>(870.38)</b>
Net Increase/(Decrease) In Cash & Cash Equivalent	(906.26)	1,297.65
Opening Cash & Cash Equivalent	1,340.57	42.92
<b>Closing Cash &amp; Cash Equivalent</b>	<b>434.32</b>	<b>1,340.57</b>

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

Sd/-  
(Pruthviraj 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/-  
(Kamal Mour)  
Partner  
Membership No. 067544

Place : New Delhi  
Date : 23<sup>rd</sup> May, 2022



## 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 2022.

The preparation of financial statements of Brahmaputra Cracker and Polymer Ltd. for the year ended 31 March 2022 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory 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 23 May 2022.

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 2022 under Section 143(6) (a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

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: 11<sup>th</sup> July, 2022





BCPL



**ব্রহ্মপুত্র ক্ৰেকাৰ এণ্ড পলিমাৰ লিমিটেড**

(ভাৰত চৰকাৰৰ এতি উপক্ৰম)

আজি ইং ৪ মাৰ্চ, ২০২২ তাৰিখ, শুক্ৰবাৰে  
ভাৰত চৰকাৰৰ মাননীয় ৰাজ্যিক মন্ত্ৰী, শেটু 'লিয়াম' আৰু প্ৰাকৃতিক গেছ তথা শ্ৰম আৰু নিয়োগ মন্ত্ৰালয়ৰ

**শ্ৰীযুত ৰামেশ্বৰ তেলী দেৰে**

ব্ৰহ্মপুত্ৰ ক্ৰেকাৰ এণ্ড পলিমাৰ লিমিটেডৰ পৰিচালন সঞ্চালক

**শ্ৰীযুত ৰীপ হাজৰিকা দেৱৰ**

উপস্থিতিত নৱনিৰ্মিত চক্ৰ-পৰিপথৰ নোঁমাজত স্থিত  
ভাঙ্গুৰী শিল্পটিৰ শুভ উদ্বোধন কৰে।



**Brahmaputra Cracker and Polymer Limited**

Registered Office  
House No 6, Bhuban Road,  
Uzanbazar, Guwahati 781001, Assam