ONGC Petro additions Limited

15th Annual Report 2020-21

Redefining the Future

ONGC Petro additions Limited

Vision

To be a **world-class** petrochemical Company, with **dominant Indian presence** and a preferred choice of customers in terms of **quality and value**

CONTENTS

Board of Directors
& Company Secretary

Shri Subhash Kumar
Chairman

Shri Avinash Kumar Verma
Managing Director

Shri Om Prakash Singh
Director

Shri Anurag Sharma
Director

Shri Rajiv
Independent Director

Shri Aloke Kumar Banerjee
Independent Director

Shri Ramaswamy Jagannathan
Independent Director

Shri Ashu Shinghal
Director

Ms. Rekha Misra
Director

Shri Rajeev Singhal
Director

Shri Subodh Prasad Pankaj
Company Secretary & Compliance Officer

Corporate Information

Board of Directors as on 02.09.2021

ONGC Petro additions Limited

Shri Subhash Kumar	Chairman
Shri Avinash Kumar Verma	Managing Director
Shri Om Prakash Singh	Director
Shri Anurag Sharma	Director
Shri Rajiv	Independent Director
Shri Aloke Kumar Banerjee	Independent Director
Shri Ramaswamy Jagannathan	Independent Director
Shri Ashu Shinghal	Director
Ms. Rekha Misra	Director
Shri Rajeev Singhal	Director

Key Managerial Personnel (KMP)

Shri Avinash Kumar Verma
Managing Director

Shri Subodh Prasad Pankaj
Company Secretary & Compliance Officer

Shri Pankaj Wadhwa
Chief Finance Officer

Shri Manoj Kumar Srivastava
President

BANKERS/LENDERS/DEBENTURE TRUSTEE

Axis Bank	IndusInd Bank
Bank of Baroda	Karnataka Bank Limited
Bank of India	Karur Vysya Bank
Bank of Maharashtra	Punjab National Bank
Canara Bank	Punjab & Sind Bank
Central Bank of India	State Bank of India
EXIM Bank	The Federal Bank Limited
Housing and Urban Development Corporation Limited	The Jammu & Kashmir Bank
ICICI Bank Limited	The South Indian Bank Limited
IDBI Bank Limited	UCO Bank
Indian Bank	Union Bank of India
Indian Overseas Bank	SBICAP Trustee Company Limited (Debentures Trustee)

STATUTORY AUDITORS

M/s Parikh Mehta & Associates,
Chartered Accountants,
Vadodara - 390 020

SECRETARIAL AUDITOR

M/s Kumar Naresh Sinha & Associates,
Company Secretaries, Noida - 201 309 (U.P)

INTERNAL AUDITOR

M/s Ernst & Young LLP, Chartered Accountants,
Ahmedabad

REGISTERED OFFICE

4th Floor, 35, Nutan Bharat Co-operative Housing Society Limited,
R.C. Dutt Road, Alkapuri, Vadodara - 390 007
Gujarat (India)

LOCATION OF PLANT

Plot No. Z-1, Z-83, C/o Dahej SEZ Limited,
P.O. Dahej, Taluka Vagra, District Bharuch - 392 130
(Gujarat)

ZONAL OFFICE - NEW DELHI

Unit No. : 701, 7th Floor,
World Trade Tower,
Barakhambha Lane,
New Delhi - 110 001

ZONAL OFFICE - MUMBAI

Unit No. : 881, 8th Floor, Building No. 8,
Solitaire Corporate Park,
Andheri Kurla Road, Andheri (East),
Mumbai - 400 093 (Maharashtra)

ZONAL OFFICE - CHENNAI

Unit No. : 301, 3rd Floor, Sigma Wing,
Raheja Towers, Anna Salai,
Chennai - 600 002 (Tamil Nadu)

ZONAL OFFICE - AHMEDABAD

13th Floor, A-1307 Mondeal Heights,
Opposite Karnavati Club, Near Novotel Hotel,
Iscon Circle, S G Highway,
Ahmedabad - 380 015 (Gujarat)

website: **www.opalindia.in**

BOARD'S REPORT

Dear Members,

The Board of Directors have the pleasure of presenting the 15th Annual Report along with the Audited Statement of Accounts of the Company ('ONGC Petro additions Limited' or 'OPaL') for the financial year ended 31st March, 2021 together with the Auditor's Report and comments on the accounts by the Comptroller and Auditor General (CAG) of India.

1. COMMERCIAL OPERATIONS

The COVID-19 pandemic emerged as a global challenge posing blow to the economic health of the nation with severe business challenges during the beginning of fiscal year 2020-21. The very first quarter of the fiscal witnessed downstream demand destruction with sharpest upstream contraction in decades.

However, your Company continued its business operations even during the lockdown, albeit at a lower capacity utilization, while most of the co-producers had to shut down their operations. With local demand destruction, your Company capitalized on placing its products in its diverse export market with agility and revamp of supply chains as an effective strategy to continue plant operations while managing historically high inventory.

Your Company was quick to adapt to domestic demand recovery and raised the capacity utilization to 84.0% by the end of the first quarter of last fiscal. Your Company continued to increase capacity utilization steadily for the rest of the year, reaching over 100% by the last quarter of the financial year. With this, the average plant capacity utilization for the financial year 2020-21 was 86.4% as against 88.0% for the previous financial year 2019-20.

You will be happy to know that your Company has taken several pro-active approaches to keep our assets and people safe while ensuring continuity of business in that period.

2. FINANCIAL RESULTS

Key highlights of financial performance of your Company for the financial year ended 31st March, 2021 is summarized below:

Particulars	For the year ended on 31st March, 2021 (Amount Rs. in Million)	For the year ended on 31st March, 2020 (Amount Rs. in Million)
Revenue from Operations	114,859.85	101,828.69
Other Income	477.10	242.12
Expenses	116,011.51	126,363.05
Profit (Loss) before Exceptional Items & Tax	(674.56)	(24,292.24)
Exceptional Items	7,624.33	6,264.47
Profit (Loss) before Taxation	(8,298.89)	(30,556.71)
Tax Expenses:		
Current Tax	NIL	NIL
Earlier Years	NIL	37.64
Deferred Tax	(321.13)	(9,697.53)
Profit (Loss) for the Year	(7,977.76)	(20,896.82)
Other Comprehensive Income	12.13	(20.39)
Total Comprehensive Income	(7,965.63)	(20,917.21)

Cumulative Capital expenditure of Rs. 2,98,989.74 million (Previous Year Rs. 2,96,879.02 million) have been incurred up to 31st March, 2021.

It may be observed that there has been a substantial improvement in the financial performance of your Company as compared to the previous financial year. During the year, EBIDTA level improved from Rs. 8,736.89 million to Rs. 28,828.22 million. The Company also reduced its overall indebtedness by an amount of Rs. 8,759.25 million.

3. MARKETING OUTLOOK

(i) PETROCHEMICALS

(a) POLYMERS MARKET SCENARIO:

Financial year 2020-21 posed the biggest challenge to the entire world due to the COVID-19 pandemic which caused destruction in demand and affected the production & supply chains across. With impositions of social and travel restrictions, product demand shrank globally in downstream segments like automotive, consumer durables, housing & construction etc. considerably. However, this demand destruction was partially offset by increased demand from packaging, healthcare and e-commerce segments which emerged as a global phenomenon.

In this backdrop, global demand for thermoplastics for Calendar Year 2020 stood at 278 MMT with largest share from Polyethylene (PE) at 37%. Polypropylene (PP) demand represents 28% of all major Polymers, followed by PVC (16%).

WORLD (kT)			
	2020	2019	Growth %
HDPE	48,468	47,106	3 %
LLDPE	35,319	33,828	5 %
PP	77,631	75,610	3 %

INDIA (kT)			
	FY 2020-21	FY 2019-20	Growth %
HDPE	2,871	2,535	12 %
LLDPE	2,554	2,353	8 %
PP	5,475	5,349	2 %

(Sources : Platts, OPaL Internal analysis on compilation and presentation of various data published by Platts.)

Global PE demand (including HDPE and LLDPE) was assessed at 83.8 MMT in Calendar Year 2020 indicating demand growth of 3.5% as against 3.6% in Calendar Year 2019.

On the other hand, global demand for PP was assessed at 77.6 MMT in Calendar Year 2020 indicating demand growth of 2.7% as against 2.9% in Calendar Year 2019.

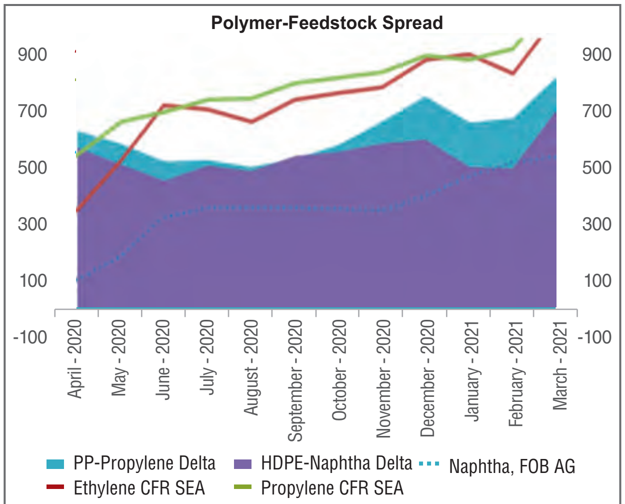
In India, demand growth in PE (HDPE and LLDPE) was higher than global demand with a growth of 12% and 8% respectively during financial year 2020-21. PP registered a growth of 2%. The lower growth for PP in India could be attributed to the slow demand from automotive, home appliances sector owing to the lockdown measures imposed by various Governments.

The major sectors contributing to the growth were packaging films and bottles, pipe, raffia bags for packaging of cement and foodgrains, Fiber & Filaments sector. Increasing usage of e-commerce for food, grocery and medicines delivery led to demand growth in packaging sector.

In this period, OPaL introduced new PP grades for Fiber and Filaments sector. It was proven to be very useful in manufacturing of hygiene and healthcare applications such as PPEs, masks, non-woven fabrics and lamination applications whose consumption had risen considerably during the pandemic.

The global demand growth of polymers is expected to remain subdued in near term. However, demand growth in Asia is likely to be healthy led by India and China as these relatively larger economies emerge from the COVID-19 crisis.

(b) FEEDSTOCK AND POLYMERS PRICE TRENDS:



(Sources : Platts, OPaL Internal analysis on compilation and presentation of various data published by Platts.)

Average naphtha prices during financial year 2020-21 were down by 20% y-o-y with softening of crude oil prices and reduced demand on back of sluggish economic activities across the globe. Average monthly prices ranged from $108 PMT in April, 2020 to $566 PMT in March, 2021.

Polymer prices remained weak at the beginning of Calendar Year 2020, but improvements were seen starting second quarter with unlocking of markets and opening of economic activities which led to demand recovery. The prices continued rising trend while peaking in March, 2021.

Polymer margins improved greatly during the second half of financial year 2020-21 with demand recovery, plant outages, supply chain issues leading to container shortages and polar freeze in US Gulf Coast (USGC).

This resulted in a healthy HDPE - Naphtha spread averaging at $520/MT, LLDPE film - Naphtha spread at $554/MT and PP Raffia-Naphtha spread at $650/MT which was an increase of 28%, 31% and 20% y-o-y respectively.

(ii) CHEMICALS MARKET SCENARIO

(a) BENZENE:

In Calendar Year 2020 global nameplate benzene production capacity was around 69.3 MMT (Source : IHS Chemicals) with estimated production of 48.8 MMT, with average operating rate of 70% as against 77% in Calendar Year 2019. In Calendar Year 2020, global benzene demand stood at 49 MMT as against 51 MMT in Calendar Year 2019, expected to grow to 51 MMT in Calendar Year 2021.

As a result of demand shock precipitated by COVID-19, the benzene market was in ample supply throughout the year, although towards the end of the year it became little tight due to economic recovery in Asia.

Benzene production in India decreased marginally to 1.7 MMT in financial year 2020-21. Due to low margin from Para-Xylene (PX), most of the co-producers had reduced their operating rate. On the other hand, although domestic demand grew in year with addition of new phenol plant, most of the downstream plant in 2020 operated at lower rate on account of lockdown and consequential demand destruction.

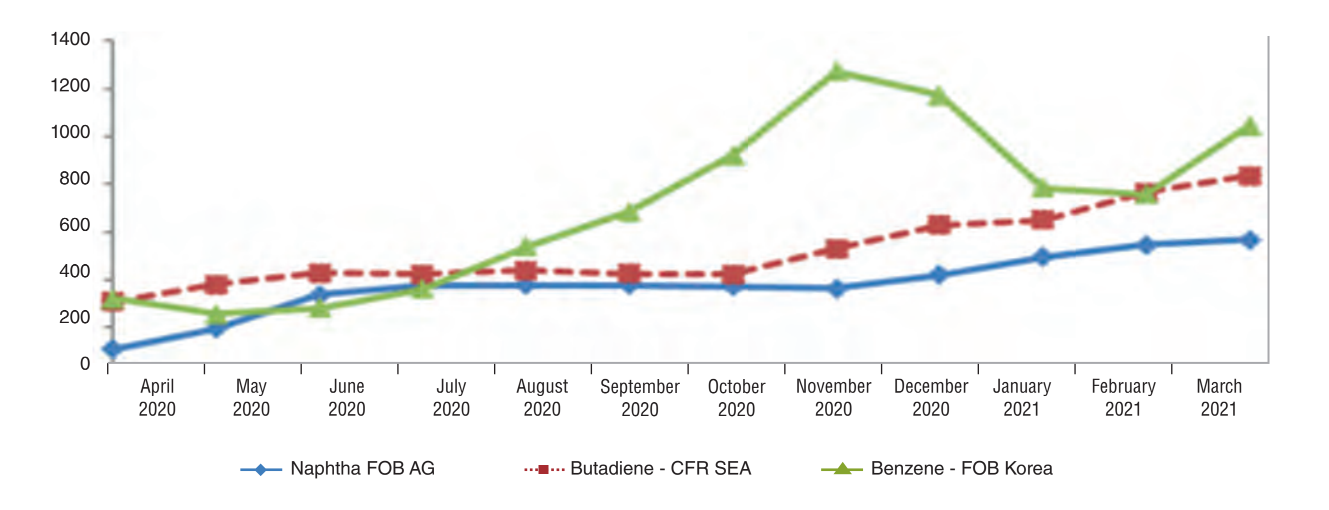
Going ahead, there are significant capacity additions in India which would result in additional Benzene of approximately 350 kT making India surplus in Benzene.

(b) BUTADIENE:

The impact of demand destruction showed up in disruption of production, distribution and consumption of Butadiene globally as well as in India. The impact was felt most acutely in its chief consumption sector of durable goods market such as automotive. However, a slow to gradual recovery was seen in global Butadiene scenario from the second half of the fiscal. Butadiene after touching its 20-year low price in financial year 2019-20; picked up significantly starting November-December 2020 on account of opening of economies.

In financial year 2020-21, Butadiene production in India was approximately 0.40 MMT with installed capacity of 0.57 MMT operating at 70% capacity utilization as against 82% in the previous financial year.

However, new Butadiene plants in China and Asia with a capacity of 460 kT have already resulted in additional material which would tend to have pressure on price of this product amidst gradual pick up in demand.



(Sources : Platts, OPaL Internal analysis)

(iii) OPaL PERFORMANCE & MARKET SHARE

OPaL registered overall product volume growth of 9% over the previous year. In difficult market conditions, volume increase was achieved in all product segments on Y-o-Y basis. *(HDPE : 8%, LLDPE : 3%, PP : 21%, Chemicals : 9%).*

(a) POLYMERS:

During financial year 2020-21, OPaL achieved market share of 18% in HDPE, 20% in LLDPE and 7% in PP. *(Source : Industry Info).*

Some new and improved grades such as LLDPE high flow grades, HDPE pipe grades and PP F&F grades were introduced and were well accepted by the market.

(b) CHEMICALS:

In view of surplus production of Benzene in domestic market, OPaL has tied up long term contract with major domestic end user for 100% product evacuation.

OPaL has acquired 50% market share of domestic Butadiene market *(Source: KPMG Analysis based on Production and Demand).* The rest is being exported through term contracts.

4. DEPOSITS FROM PUBLIC

The Company has not accepted any deposits from public during the year under review.

5. DIVIDEND

In the absence of profits during the financial year 2020-21, your Directors do not recommend any dividend.

6. TRANSFER TO RESERVES

In view of absence of profits during the financial year 2020-21, your Directors are unable to transfer any amount to the General Reserve Account.

7. SHARE CAPITAL

During the financial year 2020-21 there is no change in share capital of the Company.

8. AUDIT AND AUDITORS' REPORT

I. Statutory Audit

The Comptroller and Auditor General of India (CAG) has appointed M/s Parikh Mehta & Associates, Chartered Accountants (Firm Registration No. 112832W), Vadodara, as Statutory Auditors for the financial year 2020-21. They have audited the Financial Statements for the financial year ended 31st March, 2021 and submitted their report which forms part of this annual report.

The Statutory Auditors were paid a remuneration of Rs. 2.25 million (previous year Rs. 2.49 million) towards Audit fees (including Limited Review fee and other services). The above fees are exclusive of applicable taxes and reimbursement of reasonable travelling and out of pocket expenses actually incurred.

The Auditors' Report to the Members of the Company for the year under review is without any adverse remark or qualification statement and therefore no explanation has been provided on the report of the Statutory Auditors.

There are no instances of frauds committed in the Company by its officers or employees reported by Statutory Auditors during the financial year 2020-21, pursuant to Section 143 (12) of the Companies Act, 2013.

II. Supplementary Audit by Comptroller and Auditor General of India (CAG)

The Comptroller and Auditor General of India (CAG) has conducted a supplementary audit of the financial statements of ONGC Petro additions Limited for the financial year ended 31st March, 2021 under Section 143 (6)(a) of the Companies Act, 2013. The report given by the Comptroller and Auditor General of India (CAG) on the financial statements for the financial year 2020-21 of the Company forms part of the Annual Report.

Accordingly, the Nil comment report dated 30th July, 2021 of Comptroller and Auditor General of India (CAG) under Section 143 (6) (b) of the Companies Act, 2013 on the financial statements of ONGC Petro additions Limited for the financial year ended 31st March, 2021 form part of this annual report and are attached as **Annexure-I** to this Report.

III. Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors has appointed M/s Kumar Naresh Sinha & Associates, a firm of Company Secretaries in practice to undertake the Secretarial Audit of your Company for the financial year 2020-21. M/s Kumar Naresh Sinha & Associates, Company Secretaries have submitted the Secretarial Audit Report dated 9th August, 2021 to the Company. The Secretarial Audit Report is without any qualification, reservation, adverse remarks or disclaimer. The Secretarial Audit Report in **Form No. MR-3** is attached as **Annexure-II** to this Report.

IV. Internal Audit

Pursuant to the provisions of Section 138(1) of the Companies Act, 2013 read with Rule 13(1) of the Companies (Accounts) Rules, 2014 and Rule 8(4) of the Companies (Meetings of Board and its Powers) Rules, 2014, the Board of Directors has appointed M/s Ernst & Young LLP, Chartered Accountants to undertake the Internal Audit of your Company for the financial year 2020-21. Internal Auditor has carried out Internal Audit and submitted its report to Audit Committee.

9. AUDIT COMMITTEE

In compliance with Section 177 (8) of the Companies Act, 2013, the details regarding Audit Committee are provided in Corporate Governance report. There has been no instance where recommendations of the Audit Committee have not been accepted by the Board.

10. ISSUANCE OF SECURITIES

During the financial year 2020-21, securities details of your Company are as per given below:

(i) Non-Convertible Debentures (NCDs):

Your Company has raised total fund of Rs. 260 crore in the financial year 2020-21 through issuance of listed NCDs.

The NCDs issues was on standalone basis under Series VI through Electronic Bidding Platform (EBP) of BSE Limited (stock exchange) to cater to the availability of funds in the financial market at best available coupon rates.

Highlights of the NCDs issuances are as per given below:

Non-Convertible Debentures (NCDs) Series	ISIN	Tenor/Period	Annual Coupon Rate	Amount (Rs. in Crore)	Date of Allotment	Redemption Date
Series VI	INE163N08156	3 Years 1 Month	7.98 %	260.00	25.09.2020	25.10.2023
	Total			**260.00**		

Above NCDs has been listed at stock exchange i.e. BSE Limited (BSE) for secondary trades.

(ii) Warrants:

Your Company made an offer of 181,00,00,000 number of Warrants having face value of Rs. 10/- each aggregating to Rs. 1810,00,00,000/- on Rights basis to the existing shareholders. The Warrants issue was opened on 23rd March, 2020 and closed on 6th April, 2020.

Out of the total number of issue of Warrants, 89,32,40,000 number of Warrants were subscribed by Oil and Natural Gas Corporation Limited (ONGC), while other shareholders declined the offer.

Salient features of Warrants are given below:

Sl. No.	Particulars	Facts
1.	Date of Allotment	07/04/2020
2.	Number of Warrants	89,32,40,000
3.	Type of Issue	Rights Issue
4.	Face value of Warrant	Rs.10/- each
5.	Paid up value of Warrant	Rs. 9.75/- each
6.	Amount raised	Rs. 893,24,00,000/-

(iii) Commercial Paper (CP):

Your Company has issued Listed Commercial Paper (CP). The purpose of the issues was for funding the working capital or to meet short term requirement towards liquidity mismatch with low cost funding from Debt market.

Details of CPs issues are as per given below:

Sl. No.	ISIN	Issue Date	Maturity Date	Amount (Rs. in Crore)	Discount Rate	Credit Rating
1.	INE163N14105	30/06/2020	28/09/2020	200	3.55 %	A1+
2.	INE163N14113	21/10/2020	19/01/2021	200	3.50 %	A1+
3.	INE163N14121	25/11/2020	23/02/2021	400	3.27 %	A1+
4.	INE163N14139	07/12/2020	08/03/2021	300	3.37 %	A1+
5.	INE163N14147	01/02/2021	02/05/2021	300	3.82 %	A1+
6.	INE163N14154	25/02/2021	27/05/2021	400	3.58 %	A1+
7.	INE163N14162	25/05/2021	23/08/2021	400	3.65 %	A1+
8.	INE163N14170	07/06/2021	06/09/2021	300	3.62 %	A1+

The Commercial Paper is listed at stock exchange i.e. BSE Limited (BSE) for secondary trades.

(iv) Compulsorily Convertible Debentures (CCDs):

In order to meet Equity requirements, your Company has issued and allotted Compulsorily Convertible Debentures (CCDs) of Rs. 7,778 crore to Investors in tranches. CCDs have feature of compulsorily conversion into equity of OPaL as per terms and accordingly CCDs issuances were treated by RBI as quasi-equity.

Details of Compulsorily Convertible Debentures (CCDs) issued by OPaL is as under:

Sl. No.	Type of Loan	Annual Coupon Rate (% p.a.)	Principal Outstanding (Rs. in Crore)	Date of Extension	Mandatory Put Option Date	Date of Conversion
i)	CCDs-I	6.73 payable semi-annual	5,615	02.12.2020	02.06.2022	01.07.2022
ii)	CCDs-II	8.60 payable semi-annual	1,671	18.04.2020	15.10.2021	18.11.2021
iii)	CCDs-III	6.43 payable semi-annual	492	01.03.2021	29.08.2022	28.09.2022
		Total	**7,778**			

During the financial year 2020-21, conversion timeline of Compulsorily Convertible Debentures (CCDs) has been modified, as per details given below:

(i) During the year terms of Compulsorily Convertible Debentures of Rs. 1,671 crore has been modified, which was due for conversion on 18th May, 2020, for an additional period of up to 18 (eighteen) months i.e. the term/tenure of the Debentures stands modified to 54 (fifty four) months from the deemed date of allotment and conversion date would be the date falling on 18th November, 2021 (if not converted earlier in accordance with the terms of the Debenture Trust Deed and the Option Agreement).

(ii) During the year terms of Compulsorily Convertible Debentures of Rs. 5,615 crore has been modified, which was due for conversion on 1st January, 2021, for an additional period of up to 18 (eighteen) months i.e., the term/tenure of the Debentures stands modified to 72 (seventy two) months from the deemed date of allotment for Tranche-I CCDs i.e. 2nd July, 2016 and conversion date would be the date falling on 1st July, 2022 (if not converted earlier in accordance with the terms of the Debenture Trust Deed and the Option Agreement).

(iii) During the year terms of Compulsorily Convertible Debentures of Rs. 492 crore has been modified, which was due for conversion on 27th March, 2021, for an additional period of up to 18 (eighteen) months i.e., the term/tenure of the Debentures stands modified to 54 (fifty four) months from the deemed date of allotment and conversion date would be the date falling on 28th September, 2022 (if not converted earlier in accordance with the terms of the Debenture Trust Deed and the Option Agreement).

11. HUMAN RESOURCE (HR)

Employees are the most valuable asset for any Company. Business operations in OPaL during the pandemic period was ascertained by formulating SOPs for Covid appropriate behaviors with strict adherence to maintain health and hygiene of employees and their kins with an objective to keep spread of infections at bay.

As on 31st March, 2021, total number of employees on the Company rolls were 994 and total number of employees working on deputation basis was one. OPaL continues to be a young Company with an average age of employees of 32 years.

Your Company is committed to overall employee development by capacity augmentation and fostering an environment that enables them to deliver superior performance. During the pandemic, OPaL quickly re-invented its training methodology and shifted completely to web enabled capability development interventions. In this manner, your Company continued to promote an environment of structured and systematic training and capability building of employees through optimal use of technology and available resources. In financial year 2020-21 a total of 1146 Man-days of training participation were achieved through various on-going training initiatives including e-enabled learnings.

12. PARTICULARS OF EMPLOYEES AND REMUNERATION

During the year under review no employee was in receipt of remuneration exceeding the limits set out under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and Rule 5(3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.

13. DIRECTORS

i) Shri P. K. Gupta (Nominee GAIL) was appointed as a Director on the Board of ONGC Petro additions Limited (OPaL) with effect from 22nd September, 2015. Further Shri P. K. Gupta ceased to be Director with effect from 1st July, 2020 due to superannuation from the services of GAIL. He served on OPaL Board for a period of more than 4.5 years.

   The Board of Directors places on record their deep appreciation for the valuable advice and guidance provided by him during his tenure as Director.

ii) Shri Ashu Shinghal (Nominee GAIL) was appointed as an Additional Director pursuant to provisions of Section 161 of the Companies Act, 2013 and Articles of Association of the Company with effect from 1st July, 2020.

iii) Shri S. Balachandran was appointed as an Independent Director on the Board of ONGC Petro additions Limited (OPaL) with effect from 29th November, 2010. The term of Shri S. Balachandran, Independent Director was further extended for a period of two years from 1st April, 2019 till 31st March, 2021. Therefore, he ceased to be an Independent Director of the Company with effect from 1st April, 2021 on completion of his tenure. He served on OPaL Board for more than 10 years as an Independent Director.

   The Board of Directors places on record the excellent guidance, support and rich contribution received from Shri S. Balachandran as the Independent Director of the Company.

iv) Shri Shashi Shanker (Nominee ONGC) was appointed as Chairman and Director on the Board of ONGC Petro additions Limited (OPaL) with effect from 11th October, 2017. Further Shri Shashi Shanker ceased to be Chairman and Director on the Board of OPaL with effect from 1st April, 2021 due to superannuation from the services of ONGC. He served on OPaL Board for a period of approximately 3.5 years.

   The Board of Directors places on record excellent guidance, support and contribution received from Shri Shashi Shanker as the Chairman of the Company and progress made by the Company under his leadership.

v) Shri Subhash Kumar (Nominee ONGC) was appointed as a Director on the Board of ONGC Petro additions Limited (OPaL) with effect from 6th February, 2018. Thereafter, due to cessation of Shri Shashi Shanker, Chairman-OPaL, Shri Subhash Kumar was appointed as Chairman of the Board of OPaL with effect from 1st April, 2021 in terms of Article 55 of Articles of Association of the Company and pursuant to provisions of the Companies Act, 2013.

vi) Shri Rajesh Kakkar (Nominee ONGC) was appointed as a Director on the Board of ONGC Petro additions Limited (OPaL) with effect from 24th March, 2018. Further, Shri Rajesh Kakkar ceased to be Director on the Board of OPaL with effect from 1st May, 2021 due to superannuation from the services of ONGC. He served on OPaL Board for a period of more than three years.

   The Board of Directors places on record its appreciation for the valuable guidance provided and services rendered by Shri Rajesh Kakkar during his tenure as Board Member of the Company.

vii) Pursuant to provisions of Section 149, Section 150, Section 152, Section 161 and Schedule IV of the Companies Act, 2013 Shri Ramaswamy Jagannathan was appointed as an Independent Director of the Company for a term of five consecutive years commencing from 12th May, 2021 to 11th May, 2026 with the approval of members on 16th Extraordinary General Meeting held on 13th July, 2021.

viii) Shri Om Prakash Singh (Nominee ONGC) was appointed as an Additional Director pursuant to provisions of Section 161 of the Companies Act, 2013 and Articles of Association of the Company with effect from 29th May, 2021.

ix) Shri Anurag Sharma (Nominee ONGC) was appointed as an Additional Director pursuant to provisions of Section 161 of the Companies Act, 2013 and Articles of Association of the Company with effect from 29th May, 2021.

x) Shri Manoj R Meshram (Nominee GAIL) was appointed as a Director on the Board of ONGC Petro additions Limited (OPaL) with effect from 7th August, 2018 and he ceased to be Director with effect from 2nd July, 2021 due to superannuation from the services of GAIL. He served on OPaL Board for a period of approximately 2 years 10 months.

The Board of Directors places on record their deep appreciation for the valuable advice and guidance provided by him during his tenure as Director.

xi) Shri Rajeev Singhal (Nominee GAIL) was appointed as an Additional Director pursuant to provisions of Section 161 of the Companies Act, 2013 and Articles of Association of the Company with effect from 7th July, 2021.

Therefore, as on date of this report and during the financial year 2020-21, the changes in the Board of Directors of OPaL include appointment of Shri Ashu Shinghal, Shri Ramaswamy Jagannathan, Shri Om Prakash Singh, Shri Anurag Sharma and Shri Rajeev Singhal as Director, appointment of Shri Subhash Kumar as Chairman of the Company with cessation of Shri P. K. Gupta, Shri S. Balachandran, Shri Shashi Shanker, Shri Rajesh Kakkar and Shri Manoj R. Meshram from Director of the Company.

During the year under review none of the Directors on the Board of ONGC Petro additions Limited (OPaL) holds directorships in other companies exceeding the statutory limits as provided in the Companies Act, 2013 and rules made thereunder.

During the financial year 2020-21, necessary disclosures under applicable provisions of Companies Act, 2013 have been received from all the Directors.

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company Ms. Rekha Misra, Director is liable to retire by rotation at the ensuing Annual General Meeting and is eligible for re-appointment.

None of the Directors of the Company are disqualified from being appointed as Directors in term of provisions of the Companies Act, 2013.

14. KEY MANAGERIAL PERSONNEL (KMP)

As required under Section 2(51) and Section 203 of the Companies Act, 2013 read with Rule 8 and Rule 8A of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the following persons are the Key Managerial Personnel (KMP) of the Company :-

i) Shri Avinash Kumar Verma was appointed as Managing Director of ONGC Petro additions Limited (OPaL) with effect from 15th April, 2019 pursuant to provisions of Section 161, Section 196, Section 197, Schedule V and all other applicable provisions, if any of the Companies Act, 2013 and Articles of Association of the Company.

Further Shri Avinash Kumar Verma, Managing Director has been appointed as a Key Managerial Personnel (KMP) of OPaL with effect from 15th April, 2019.

ii) Shri Subodh Prasad Pankaj was initially appointed as Company Secretary (CS) with effect from 11th January, 2010 and as per Companies Act, 2013, he has been designated as Company Secretary cum Whole time Key Managerial Personnel (KMP) of ONGC Petro additions Limited (OPaL) with effect from 26th July, 2014.

Further, as per Regulation 6 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR"), Shri Subodh Prasad Pankaj, Company Secretary, has been designated by the Board as Company Secretary & Compliance Officer of the Company with effect from 10th May, 2019.

iii) Shri Pradosh Kumar Basu was appointed as Chief Finance Officer (CFO) cum Whole time Key Managerial Personnel (KMP) of ONGC Petro additions Limited (OPaL) with effect from 6th February, 2018. However due to sudden and untimely demise of Shri Pradosh Kumar Basu from COVID-19 on 14th April, 2021 he ceased to be Chief Finance Officer and a Key Managerial Personnel of the Company with effect from 14th April, 2021.

Board placed on record the excellent guidance, support and rich contribution received from Shri Pradosh Kumar Basu as the CFO and Key Managerial Person (KMP) of the Company.

Thereafter, Shri Rajendra Parakh, AVP (Finance) being the next senior most officer in Finance Department appointed to officiate as CFO-OPaL with effect from 14th April, 2021 till new incumbent joins OPaL.

After that Shri Pankaj Wadhwa has been appointed as Chief Finance Officer (CFO) and a Key Managerial Personnel (KMP) of ONGC Petro additions Limited (OPaL) with effect from 2nd August, 2021.

Therefore, Shri Rajendra Parakh, AVP (Finance) ceased to be Officiating Chief Finance Officer of the Company with effect from 2nd August, 2021. He served as Officiating CFO of the Company i.e. from 14th April, 2021 to 1st August, 2021.

The Board of Directors places on record their deep appreciation for the valuable advice and guidance provided by Shri Rajendra Parakh during his tenure as Officiating Chief Finance Officer.

15. INDEPENDENT DIRECTORS

I. Declaration by Independent Directors

As per the provisions of the Companies Act, 2013, the Independent Directors shall be appointed for not more than two terms of maximum of five years each and shall not be liable to retire by rotation.

The Board has adopted the provisions with respect to appointment and tenure of Independent Directors consistent with the Companies Act, 2013 and rules made there under.

During the year under review and up to date of this report the Company has received necessary declaration from the Independent Directors under Section 149(7) of the Companies Act, 2013, that they meet the criteria of independence laid down in Section 149(6) of the Companies Act, 2013.

II. Independent Directors Meeting

Pursuant to provisions of Section 149 (8) of the Companies Act, 2013 read with Schedule IV of the Companies Act, 2013, an Independent Directors meeting was held during the year under review on 4th March, 2021 at OPaL's Plant at Dahej in Gujarat through video conferencing wherein all Independent Directors were present without the attendance of non-independent directors and members of management. Such meeting was conducted to enable Independent Directors to discuss matter pertaining to the Company's affairs, Operations and its future course of action. Further, no sitting fees were paid to the Independent Directors of the Company for participating in the said meeting.

16. COST AUDIT

Pursuant to provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 4(3)(ii) of Companies (Cost Records and Audit) Amendment Rules, 2014, Cost Audit is not applicable to the Company which is operating from Special Economic Zone (SEZ). Since, ONGC Petro additions Limited is operating from Dahej SEZ, accordingly, Cost Audit is not applicable for the period under review.

17. CORPORATE GOVERNANCE

Corporate Governance, primarily, is the recognition by the management of shareholder's rights as the true owners of the Company and of management's role as trustees on behalf of the shareholders. Even so, it deals with managing the affairs of a Company in such a way as to ensure fairness to all the stakeholders keeping always in mind that its current and potential actions are beneficial to the maximum number of stakeholders.

A separate section on Corporate Governance initiatives taken by your Company, forms an integral part of this Report and is attached herewith as **Annexure-III** to this report.

18. BOARD AND BOARD COMMITTEES

The Board has been assisted by adequate Board Level Committees. The Company Secretary acts as the Secretary to all the Board Level Committee(s).

The details of the Board and Committees thereof along with their composition, number of meetings and attendance at the meetings are provided separately in the Corporate Governance Report.

19. SECRETARIAL STANDARDS

During the financial year 2020-21 your Company has complied with all the applicable Secretarial Standards i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', issued by the Institute of Company Secretaries of India (ICSI) constituted under Section 3 of the Company Secretaries Act, 1980 and approved by the Central Government as per Section 118 (10) of the Companies Act, 2013.

20. QUARTERLY SECRETARIAL COMPLIANCE

Your Company undergoes quarterly secretarial compliance certification from an independent Company Secretary who is in Whole-time practice. Basis the same, a certificate has been issued by Company Secretary and Compliance Officer of the Company which was put up before the Board after recommendation of Audit Committee.

21. ANNUAL RETURN

In accordance with Section 134(3)(a) of the Companies Act, 2013, amended provision, the provisional Annual Return in the prescribed format i.e. Form No. MGT-7 has been made available on the website of the Company at **www.opalindia.in.**

22. RELATED PARTY TRANSACTIONS

During the financial year all related party transactions were entered on an arm's length basis and in the ordinary course of the business.

Accordingly, the particulars of Contracts or Arrangements made with related parties pursuant to Section 188 of the Companies Act, 2013 & Rules made thereunder, and the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 in the prescribed format i.e. **Form No. AOC-2** is attached herewith as **Annexure-IV** to this Report.

23. RISK MANAGEMENT

The Risk Management framework has been implemented in the Company and risk reporting structure has been put in place.

The Company has put in place a Risk Management Policy duly approved by the Board for analysis of the business risks and its continuous monitoring for effective mitigation. The Risk Management Policy, inter-alia, includes identification therein of elements of risk, including those which in the opinion of the Board may threaten the business continuity and/or existence of the Company.

It's a constant endeavor to continuously monitor and analyse internal risks pertaining to operations, safety and commercial and take appropriate measures for minimizing / mitigating the same to an acceptable level. In this process, the Company is ably guided by the Risk Management Committee of the Board, which reviews the enterprise-wide risk management efforts of the management. The Company evaluates risks that can impact its strategic, operational, compliance and reporting objectives.

The Risk Management Policy is available on the website of the Company at **www.opalindia.in.**

24. VIGIL MECHANISM

The Company has a robust vigil mechanism through its Whistle Blower Policy approved and adopted by Board of Directors of the Company which is in compliance with the relevant provisions of Section 177(9) and Section 177(10) of the Companies Act, 2013, read with Rule 7 of the Companies (Meeting of Board and its Powers) Rules, 2014. The Policy provides an opportunity to address serious concerns arising from irregularities, malpractices and other misdemeanors committed by the Company's personnel.

The Policy is intended to encourage reporting of suspected or actual occurrence of illegal, unethical or inappropriate actions, behavior or practices by staff without fear of retribution. This would create a business culture of honesty, integrity and compliance and would encourage speaking up so that preventive action is initiated.

During the financial year 2020-21, one case of Whistle Blower has been reported in the Company. The subject case is being dealt by Chairman of the Audit Committee. The Whistleblower Policy is available on Company's website at **www.opalindia.in.**

25. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Corporate Social Responsibility ('CSR') activities of the Company are governed by the Corporate Social Responsibility Committee of the Board.

A dedicated CSR team i.e. the CSR sub-committee, comprising President-OPaL, CFO-OPaL, COO-OPaL, Head-HR and Company Secretary of the Company has been constituted to undertake and monitor all CSR activities of the Company. Compositions of CSR Committee of your Company and other relevant details have been provided in the Corporate Governance Report which forms part of this Annual Report.

The Company has an integrated approach to community development which helps in touching all aspects of society such as livelihood, education, health and environment.

Your Company has spent an amount of Rs. 10.07 million (Previous Year Rs. 0.65 million) in CSR activities during the financial year 2020-21.

The Company has a CSR Policy in compliance with the provisions of Section 135 of the Companies Act, 2013 and rules made thereunder. The said CSR Policy is available on the website of the Company at **www.opalindia.in.**

26. NOMINATION AND REMUNERATION POLICY

The Company has adopted 'Nomination and Remuneration Policy' for the remuneration of Directors, Key Managerial Personnel (KMP), Vice President & above and Functional Heads. It lays down principles and parameters to ensure that remunerations are competitive, reasonable, and in line with corporate and individual performance.

Accordingly, all matters related to the Appointment, Re-appointment, Remuneration and other facilities of Directors, Key Managerial Personnel (KMP), Vice President & above and Functional Heads are deliberated in the Nomination & Remuneration Committee Meeting and recommended to the Board for approval.

27. BOARD EVALUATION

The Board of the Company comprises of eminent personalities and leaders in their respective fields. These Directors are nominated based on well-defined selection criteria. In case of appointment of Independent Directors, the Board satisfies itself about the independence of the Directors vis-à-vis the Company to enable the Board to function independently of the management and discharge its functions and duties effectively. In case of re-appointment of Independent Directors, the Board also takes into consideration, the performance evaluation and engagement level of the Independent Directors.

The Board and Nomination and Remuneration Committee ensures that the candidates identified for appointment as Directors are not disqualified for appointment under Section 164 and other applicable provisions of the Companies Act, 2013.

To review the efficiency of the Board as a whole, Committees, performance of Non-Independent Directors and each individual Director, a formal Board review has been undertaken by the Independent Directors in their meeting held on 4th March, 2021.

28. MANAGERIAL REMUNERATION

In your Company all the Directors are Non-executive Directors except the Managing Director. Remuneration paid to the Managing Director is within the limits prescribed under Section 197 of the Companies Act, 2013 and rules made thereunder and read with Schedule V of the Companies Act, 2013. The Company pays remuneration to Managing Director on recommendation of the Nomination & Remuneration Committee, approval of the Board and the Shareholders.

During the financial year 2020-21 there were three Independent Directors in the Company. The Independent Directors have been paid sitting fees of Rs. 35,000/- for every meeting of the Board of Directors and Rs. 25,000/- for Board level Committee meetings of the Company.

No Director of the Company has received any commission from the Company during the financial year 2020-21.

29. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and Rules made thereunder, your Company framed "Prevention of Sexual Harassment at Workplace Policy", pursuant to which Company has constituted Internal Complaint Committees (ICC).

The summary of complaints received and disposed-off during the financial year 2020-21 is as under:

Number of complaints received during the year	: Nil
Number of complaints disposed off during the year	: Not Applicable
Number of complaints pending during the year	: Not Applicable

30. DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013 the Directors of the Company to the best of their knowledge and ability hereby state and confirm that:

a) in the preparation of the annual accounts for the year ended 31st March, 2021, the applicable accounting standards have been followed and there is no material departures from the same;

b) they have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2021 and of the profit and loss of the Company for the year ended on that date;

c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) they have prepared the annual accounts on a 'going concern' basis; and

e) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

31. OTHER MATERIAL CHANGES

Pursuant to Section 134(3)(l) and other applicable provisions of the Companies Act, 2013, save as mentioned in this Report, no material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year of the Company i.e. 31st March, 2021 and the date of this report.

32. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES COMPANIES

Your Company does not have any Subsidiary and Joint Venture Company during financial year 2020-21 and as on date of this Report. However, OPaL is an Associate Company of Oil and Natural Gas Corporation Limited (ONGC) and GAIL (India) Limited (GAIL) under Section 2 (6) of the Companies Act, 2013.

33. HOLDING COMPANY

Your Company is not a subsidiary of any Company. However, more than 90% of the funding has been achieved with direct/indirect support of Oil and Natural Gas Corporation Limited (ONGC).

34. HEALTH, SAFETY AND ENVIRONMENT (HSE)

Your Company strives to ensure best Health, Safety & Environment (HSE) practices. The Company has adopted Integrated Management System (IMS) policy for Quality, Environment, Health, Safety and Security for sustainable development and has been certified for Integrated Management System. The Company has been making continuous improvements in the systems & procedures with focus to further enhance the HSE performance.

Your Company is now certified for ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018. Your Company has achieved around 2.6 million safe man hours till 31.03.2020 since last lost time injury on 16.07.2020. As a major milestone, your Company has commissioned around 11.6 km LPG cross country pipeline from GCPTCL Dahej terminal to OPaL Dahej without any safety and environment related incident.

Your Company has implemented Process Safety Management (PSM) principles throughout the complex. For effective PSM implementation, the Company has obtained membership of Centre for Chemical Process Safety (CCPS - AIChE).

Environment Management is fundamental responsibility while carrying out day to day operations of the plant. Your Company monitors environment parameters on continuous basis to ensure reduction in emissions, reduction in pollution loads in treated effluent and ensuring conservation of resources. Your Company has set up one of the most modern Effluent Treatment Plants for treated effluent recycling to minimize water foot print. The continuous Emission & Effluent monitoring system have been connected with CPCB and SPCB servers.

35. PARTICULARS OF LOANS, INVESTMENTS, GUARANTEES AND SECURITIES

During the financial year 2020-21 your Company has not made any loan, investment, guarantee and securities under Section 186 of the Companies, Act, 2013.

36. INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY

OPaL has in place a robust system and framework of Internal Financial Controls. This framework provides a reasonable assurance regarding the adequacy of operating effectiveness of controls with regards to financial reporting, operational and compliance risks. The framework ensures that the Company has policies and procedures for ensuring orderly and efficient conduct of the business, safeguarding of assets of the Company, prevention and detection of frauds and errors, accuracy and completeness of accounting records and timely preparation of reliable financial information.

The Company has also developed and implemented a framework for ensuring internal controls over financial reporting.

During the year, controls were tested and no material weakness in design and effectiveness were observed. Nonetheless, the Company recognizes that any internal control framework, no matter how well-designed, has inherent limitations and accordingly, regular audits and review processes ensure that such systems are reinforced on an ongoing basis.

Significant audit observations, if any and follow up actions thereon are reported to the Audit Committee. Further, to maintain its objectives and independence, the Internal Auditors report to the Audit Committee.

37. REPORT OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The report on energy conservation, technology absorption and foreign exchange earnings and outgo as stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is attached herewith as **Annexure -V** to this report.

38. AWARDS AND MILESTONES

- ONGC Petro additions Limited (OPaL) has received multi-site EnMS certificate for ISO 50001: 2018 from M/s Bureau Verities Certification Holding SAS-UK (BVQI) for OPaL Manufacturing & Marketing processes.

- OPaL's Central Laboratory has received re-accreditation, scope extension and transition to ISO 17025:2017 from the prestigious National Accreditation Board for Testing and Calibration Laboratories (NABL). The accreditation process consisted of rigorous assessment by Technical Experts conducted on 18th August, 2020 to 19th August, 2020 from peers' organizations against internationally accepted criteria of ISO 17025:2017 (General Requirements for the Competence of Testing and Calibration Laboratories).

- Shri Shashi Shanker, Chairman and Managing Director, ONGC and Chairman-OPaL visited OPaL's Dahej plant on 26th March, 2021. In his brief visit Shri Shanker inaugurated three units i.e. C4 Hydrogenation Unit, LPG Pipeline and HGU at OPaL plant and interacted with senior management of OPaL.

- HP and MP Steam Extraction (Double Extraction) in Steam Turbine-02 was successfully commissioned on 12th February, 2021 and machine loaded up to 27 MW with extraction system.

39. ACKNOWLEDGMENTS AND APPRECIATION

Your Board takes this opportunity to convey their sincere appreciation to all Employees for their dedicated services, firm commitment and collective contribution to the goals, mission and vision of the Company.

We would also like to express our sincere gratitude and deep appreciation to all our Stakeholders, Shareholder, Ministry of Corporate Affairs (MCA), Ministry of Petroleum and Natural Gas (MoPNG), Ministry of Chemicals & Fertilizers, Ministry of Commerce & Industry, Securities and Exchange Board of India (SEBI), Reserve Bank of India (RBI), other Statutory and Regulatory Authorities, Financial Institutions, Stock Exchanges, Registrar of Companies (RoC) and all regulatory authorities of the Central Government and State Governments in India along with Registrar & Share Transfer Agent, Debenture Trustees, Depositories (NSDL & CDSL), Dahej SEZ, Rupee Loan Lenders, ECB Lenders, Debenture holders, CP holders, Correspondent Banks and vendors, suppliers, channel partners, dealers for their endless faith in their Company.

The Directors further take this opportunity to acknowledge the support and assistance extended to us by Promoter Companies i.e. Oil and Natural Gas Corporation Limited, GAIL (India) Limited and Gujarat State Petroleum Corporation Limited.

We look forward to delivering another year of value adding growth.

on behalf of the Board of Directors
for ONGC Petro additions Limited

(Subhash Kumar)
Chairman

Date : 2nd September, 2021
Place : New Delhi

कार्यालय महानिदेशक वाणिज्यिक लेखापरीक्षा
मुंबई
भारतीय लेखापरीक्षा और लेखा विभाग
सी-25, ऑडिट भवन 8वाँ तल, बांद्रा-कुर्ला कॉम्प्लेक्स, बांद्रा (पू), मुंबई - 400 051.
फेक्स : 022-26573814 टेलीफोन : 022-26573813 / 26573942
इ-मेल : pdcamumbai@cag.gov.in

Office of the Director General of Commercial Audit
Mumbai
Indian Audit & Accounts Department
C-25, 'Audit Bhavan' 8th Floor, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051.
Fax : 022-26573814 Telephone : 022-26573813 / 26573942
e-mail : pdcamumbai@cag.gov.in

सत्यमेव जयते

संख्या डीजीसीए /ओपीएल/लेखों/21-20/t-1844/ 192

30 जुलाई 2021

सेवा में,

प्रबंध संचालक,
ओएनजीसी पेट्रो एडिशन लिमिटेड,
वड़ोदरा,गुजरात

विषय :कंपनी के अधिनियम 2013 के धारा 143(6)(b) के अधीन ओएनजीसी पेट्रो एडिशन लिमिटेड के 31 मार्च 2021 को समाप्त लेखों पर भारत के नियंत्रक-महालेखापरीक्षक की टिप्पणियां।

महोदय,

मैं ओएनजीसी पेट्रो एडिशन लिमिटेड के 31 मार्च 2021 को समाप्त लेखों पर कंपनी के अधिनियम 2013 के धारा 143(6)(b) के अधीन भारत के नियंत्रक-महालेखापरीक्षक की टिप्पणियां प्रेषित कर रहा हूँ।

वार्षिक आम सभा में लेखों तथा नियंत्रक-महालेखापरीक्षक के टिप्पणियों को अंगीकरण करने के कार्यवाही के कार्यवृत्त की एक प्रतिलिपि इस कार्यालय को प्रेषित करें। साथ में प्रकाशित वार्षिक रिपोर्ट की 10 प्रतिलिपियाँ भेजें।

कृपया इस पत्र की पावती भेजें।

भवदीय,

चिंतामणी सात्रे.

महानिदेशक वाणिज्यिक लेखापरीक्षा, मुंबई

संलग्न :यथोपरि

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF ONGC PETRO ADDITIONS LIMITED FOR THE YEAR ENDED 31 MARCH 2021

The preparation of financial statements of ONGC Petro additions Limited for the year ended 31 March 2021 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139 (5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 12 May 2021.

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

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

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

C. M. Sane
Director General of Commercial Audit, Mumbai

Place: Mumbai
Date: 30 July 2021

Annexure-I

Annexure-II

KUMAR NARESH SINHA & ASSOCIATES
Company Secretaries

121, Vinayak Apartment
Plot No. : C-58/19, Sector-62
Noida-201309 (U.P)
Mobile : 9868282032, 9810184269
E-mail : kumarnareshsinha@gmail.com

Form No. MR - 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021

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

To,

The Members,
ONGC Petro additions Limited
CIN : U23209GJ2006PLC060282
4th Floor, 35, Nutan Bharat Co-operative Housing Society Limited,
R. C. Dutt Road, Alkapuri,
Vadodara - 390007, Gujarat

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **ONGC Petro additions Limited** (hereinafter called "The Company"), having its Registered Office at **4th Floor, 35, Nutan Bharat Co-operative Housing Society Limited, R. C. Dutt Road, Alkapuri, Vadodara - 390007, Gujarat.** Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2021** complied with the statutory provisions prescribed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

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

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

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

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Not Applicable during the period under review)**

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **(Not Applicable during the period under review)**

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not Applicable during the period under review)**

(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not Applicable during the period under review)**

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

Kumar Naresh Sinha & Associates C.P. 14984 Company Secretaries

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not Applicable during the period under review); and**

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not Applicable during the period under review)**

(vi) The other laws, as informed by the management of the Company which, are specifically applicable to the Company based on their sector/industry are:

a) Petroleum Act, 1934/2002 and Rules made thereunder;

b) The Special Economic Zones Act, 2005 and Rules made thereunder;

c) Petroleum and Minerals Pipelines (Acquisition of Right of User Inland) Act, 1962;

d) Explosives Act, 1884;

e) Petroleum and Natural Gas Regulatory Board Act, 2006;

f) The Oil Industry (Development) Act, 1957;

g) The Territorial Waters, Continent shelf, Exclusive Economic Zone and Other Maritime Zone Act, 1976;

h) Gas Cylinder Rules; and

i) Indian Boiler Regulations and India Boiler Act.

For the compliances of Labour Laws & other General Laws, our examination and reporting is based on the documents, records and files as produced and shown to us and the information and explanations as provided to us, by the management of the Company and to the best of our judgment and understanding of the applicability of the different enactments upon the Company, in our opinion there are adequate systems and processes exist in the Company to monitor and ensure compliance with applicable General Laws and Labour Laws.

The compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this audit since the same have been subject to review by the Statutory Auditor and other designated professionals.

We have also examined compliance with the applicable clauses/Regulations of the following:

(i) Secretarial Standards (SS) issued by The Institute of Company Secretaries of India (ICSI);

(ii) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015; and

(iii) DPE Guidelines **(Not Applicable during the period under review).**

During the period under review and as per the explanations and representations made by the management and subject to the clarifications given to us, the Company has satisfactorily complied with the applicable provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

We further report that:

- The Board of Directors of the Company consists of Executive Director, Non-Executive Directors including Woman Director and Independent Directors. 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.

- Decisions were carried unanimously during the period under review.

- Adequate notice is given to all directors to schedule the Board Meetings, including Committees thereof, along with agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Kumar Narendra Sinha & Associates
C.P. 14984
Company Secretaries

Annexure-II

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period i.e. Financial Year 2020-21;

i. the Company has issued Non-Convertible Debentures as per details given below:

Non-Convertible Debentures (NCDs) Series	ISIN	Tenor/Period	Annual Coupon Rate	Amount (Rs. in Crore)	Date of Allotment	Redemption Date
Series VI	INE163N08156	3 Year 1 Month	7.98 %	260.00	25.09.2020	25.10.2023
		Total		**260.00**		

ii. the Company has issued Commercial Paper as per details given below:

Sl. No.	ISIN	Issue Date	Maturity Date	Amount (Rs. in Crore)	Discount Rate	Credit Rating
1.	INE163N14105	30/06/2020	28/09/2020	200	3.55 %	A1+
2.	INE163N14113	21/10/2020	19/01/2021	200	3.50 %	A1+
3.	INE163N14121	25/11/2020	23/02/2021	400	3.27 %	A1+
4.	INE163N14139	07/12/2020	08/03/2021	300	3.37 %	A1+
5.	INE163N14147	01/02/2021	02/05/2021	300	3.82 %	A1+
6.	INE163N14154	25/02/2021	27/05/2021	400	3.58 %	A1+
7.	INE163N14162	25/05/2021	23/08/2021	400	3.65 %	A1+
8.	INE163N14170	07/06/2021	06/09/2021	300	3.62 %	A1+

iii. conversion timelines of Compulsorily Convertible Debentures (CCDs) have been modified as per details given below:

a) the terms of Compulsorily Convertible Debentures of Rs. 1,671 Crore has been modified, which was due for conversion on 18th May, 2020, for an additional period of up to 18 (eighteen) months i.e. the term/tenure of the Debentures stands modified to 54 (fifty four) months from the deemed date of allotment and conversion date would be the date falling on 18th November, 2021 (if not converted earlier in accordance with the terms of the Debenture Trust Deed and the Option Agreement).

b) the terms of Compulsorily Convertible Debentures of Rs. 5,615 Crore has been modified, which was due for conversion on 1st January, 2021, for an additional period of up to 18 (eighteen) months i.e., the term/tenure of the Debentures stands modified to 72 (seventy two) months from the deemed date of allotment for Tranche-I CCDs i.e. 2nd July, 2016 and conversion date would be the date falling on 1st July, 2022 (if not converted earlier in accordance with the terms of the Debenture Trust Deed and the Option Agreement).

c) the terms of Compulsorily Convertible Debentures of Rs. 492 Crore has been modified, which was due for conversion on 27th March, 2021, for an additional period of up to 18 (eighteen) months i.e., the term/tenure of the Debentures stands modified to 54 (fifty four) months from the deemed date of allotment and conversion date would be the date falling on 28th September, 2022 (if not converted earlier in accordance with the terms of the Debenture Trust Deed and the Option Agreement).

Date : 09.08.2021
Place : Noida

For Kumar Naresh Sinha & Associates
Company Secretaries

Kumar Naresh Sinha & Associates C.P. 14984 Company Secretaries

Naresh Kumar Sinha
(Proprietor)
FCS No. : 1807; CP No. : 14984
PR : 610/2019
UDIN : F001807C000756651

Note : *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.*

KUMAR NARESH SINHA & ASSOCIATES
Company Secretaries

121, Vinayak Apartment
Plot No. : C-58/19, Sector-62
Noida-201309 (U.P)
Mobile : 9868282032, 9810184269
E-mail : kumarnareshsinha@gmail.com

Annexure-A

To,
The Members,
ONGC Petro additions Limited
CIN : U23209GJ2006PLC060282
4th Floor, 35, Nutan Bharat Co-operative Housing Society Limited,
R. C. Dutt Road, Alkapuri,
Vadodara - 390007, Gujarat

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 finding/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 the random 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. We have relied upon the Reports of Statutory Auditors regarding compliance of Companies Act, 2013 and Rules made thereunder relating to maintenance of Books of Accounts, papers and financial statement of the relevant financial year, which give a true and fair view of the state of the affairs of the Company.

4. Wherever 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 random test basis, which satisfies the compliances of applicable.

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.

7. In view of the situation of the outbreak of COVID-19 Pandemic, we could not examine physical documents, records & other papers etc. of the Company for the year ended 31st March, 2021 and the documents/information required by us were provided through electronic Mode.

Date : 09.08.2021
Place : Noida

For Kumar Naresh Sinha & Associates
Company Secretaries

Naresh Kumar Sinha
(Proprietor)
FCS No. : 1807; CP No. : 14984
PR : 610/2019
UDIN : F001807C000756651

CORPORATE GOVERNANCE REPORT

1. Corporate Governance

Corporate Governance is a vital part of our business framework. It is designed to ensure compliance, transparency and integrity in all areas of our work.

Corporate Governance may be defined as the process and rules under which a Company is managed on behalf of shareholder's and stakeholders. It provides a structure that ensures the benefit of all the people associated with the Company. The purpose of Corporate Governance is to ensure accountability and transparency in the growing corporate sector.

Corporate Governance is an ethical code of business for our Company. It is a method by which organisation are directed and managed. The major pillars of successful Corporate Governance in ONGC Petro additions Limited (OPaL) are : Fairness, Accountability, Transparency and Responsibility. All four elements are significant in running our Company successfully and forming concrete relationship among its stakeholders.

Efficient Corporate Governance requires a clear understanding of the respective roles of the Board of Directors ("Board") and of senior management and their relationships with others in the corporate structure. Sincerity, fairness and commitment to compliance are key characteristics that drive relationships of the Board and senior management with other stakeholders.

The broad intent of the Companies Act, 2013 is to strengthen Corporate Governance in the Company through the introduction of provisions which would facilitate transparency and accountability.

2. Shareholders

Corporate Governance in your Company includes accountability of the Board to Shareholders; shareholder protection whereby Board treat all the Company's shareholders equitably and should respect and not prejudice the rights of all Shareholders i.e. Oil and Natural Gas Corporation Limited (ONGC), Gujarat State Petroleum Corporation Limited (GSPC), GAIL (India) Limited (GAIL) and individual shareholders.

Shareholders' rights include, shareholder voting which is an important tool as it can be used to elect directors, to issue shares/debentures, reduction of share capital, distribution of profits, amendment to articles of association, to approve the annual report and accounts and so on.

2.1 Shareholding Pattern

Shareholding pattern of ONGC Petro additions Limited (OPaL) as on 31st March, 2021 and up to date of this report is given below:

Sl. No.	Name of Shareholders/Member	Number of Equity Shares held @10/- each	% of Shares held
1.	Oil and Natural Gas Corporation Limited	99,79,80,632	49.36 %
2.	GAIL (India) Limited	99,49,45,000	49.21 %
3.	Gujarat State Petroleum Corporation Limited	2,90,04,033	1.43 %
4.	Others (Individuals)	6	0.00 %
	Total	**202,19,29,671**	**100 %**

There is no change in Corporate shareholding pattern of ONGC Petro additions Limited during financial year 2020-21 and up to date of this report. However individual shareholding pattern of OPaL changed during financial year 2020-21. There were 3 individual shareholders namely Shri A. Satish Kumar, Shri Ashok Kumar Mishra and Shri K. Gopal who were holding only 1 share have been transferred to Shri Ratnesh Kumar, Shri Chinmoy Saha Roy and Shri Rishikesh Sonthalia respectively on 8th June, 2020.

No Directors in OPaL holds any equity shares of the Company up to date of this report.

3. Board of Directors

The Board of Directors of the Company play the most pivotal role in overseeing the management, governance, performance, long-term success of business as a whole and protecting the long-term interests of all the stakeholders. The Board ensure adherence to the highest standard of Corporate Governance and Complete transparency in the functioning of the Company. Effective leadership and governance of the Board allows the Directors to focus on the crucial strategic, financial and operational issues.

Directors are in a position of trust and should manage the Company in such a way as to generate long term sustainable value whilst also taking into consideration their relationships with wider stakeholder groups including employees, customers, suppliers and the wider community on which their activities have an impact.

The Chairman's principal responsibility is for the effective running of the Board by acting as the leader of the Board and by presiding over the meetings of the Board and the Shareholders. He is entrusted with overseeing overall conduct of the Board and ensuring that it adheres to the statutory requirements and best governance practices in letter and spirit.

The Board of Directors holds the ultimate responsibility for their firm's success or failure as well as for ethics of their actions. The ethical tone of an organisation is set at the top, the actions and attitudes of the Board greatly influence the ethical climate of an organisation.

3.1 Classification of the Board

Category	Number of Directors	% to Total Number of Directors
Executive Directors (Managing Director)	1	10 %
Independent Directors	3	30 %
Non-Executive Directors (including the Chairman and a Woman Director)	6	60 %
Total	**10**	**100 %**

3.2 Composition of the Board as on 31st March, 2021

As on 31st March, 2021 the composition of the Board of OPaL is in conformity with Section 149 of the Companies Act, 2013 and rules made thereunder. The following were the members of the Board as on 31st March, 2021:

Sl. No.	Name of Directors	Designation	Category
1.	Shri Shashi Shanker	Chairman	Non-Executive
2.	Shri Avinash Kumar Verma	Managing Director	Executive
3.	Shri Subhash Kumar	Director	Non-Executive
4.	Shri Rajesh Kakkar	Director	Non-Executive
5.	Shri S. Balachandran	Director	Independent & Non-Executive
6.	Shri Rajiv	Director	Independent & Non-Executive
7.	Shri Aloke Kumar Banerjee	Director	Independent & Non-Executive
8.	Ms. Rekha Misra	Woman Director	Non-Executive
9.	Shri Manoj R. Meshram	Director	Non-Executive
10.	Shri Ashu Shinghal	Director	Non-Executive

Managing Director is responsible for the day to day operations of the Company. Out of the nine (9) Non-Executive Directors, three (3) are Independent Directors, free from any business or other relationship that could materially influence their judgment. The Composition of Board is well diversified and combination of Executive Director, Non-Executive Director and Woman Director.

3.3 Composition of the Board of Directors

Composition of Board of Directors of the Company during the financial year 2020-21 i.e. from 1st April, 2020 to 31st March, 2021 and up to date of this report is as follows:

Sl. No.	Name of Directors	Designation	Date of Appointment	Date of Cessation
1.	Shri Shashi Shanker	Chairman	11/10/2017	01/04/2021
2.	Shri Avinash Kumar Verma	Managing Director	15/04/2019	Continue
3.	Shri Subhash Kumar *	Chairman *	06/02/2018	Continue
4.	Shri Rajesh Kakkar	Director	24/03/2018	01/05/2021
5.	Shri S. Balachandran	Independent Director	29/11/2010	01/04/2021
6.	Shri Rajiv	Independent Director	18/04/2019	Continue
7.	Shri Aloke Kumar Banerjee	Independent Director	07/05/2019	Continue
8.	Shri P. K. Gupta	Director	22/09/2015	01/07/2020
9.	Shri Manoj R. Meshram	Director	07/08/2018	02/07/2021
10.	Ms. Rekha Misra	Woman Director	16/03/2020	Continue
11.	Shri Ashu Shinghal	Director	01/07/2020	Continue
12.	Shri Ramaswamy Jagannathan	Independent Director	12/05/2021	Continue
13.	Shri Om Prakash Singh	Director	29/05/2021	Continue
14.	Shri Anurag Sharma	Director	29/05/2021	Continue
15.	Shri Rajeev Singhal	Director	07/07/2021	Continue

Note : * *Shri Subhash Kumar appointed as Director of the Company with effect from 6th February, 2018. Further he appointed as the Chairman of the Company with effect from 1st April, 2021.*

4. Board/Committees Meetings and Procedures

4.1 Board meeting dates are decided in consultation with the Board members. The schedule of the Board meetings and Board Committee meetings is communicated in advance to the Directors/Members to enable them to attend the meetings.

4.2 Video-conferencing facilities are also used to facilitate Directors at other locations to participate in Board/Committee meetings as per Secretarial Standards.

4.3 Information is provided to the Board Members on a continuous basis for their review, inputs and approval from time to time.

4.4 Our quarterly financial statements and annual financial statements are first presented to the Audit Committee and subsequently to the Board for their review and approval.

4.5 Various matters such as appointment of Directors and Key Managerial Personnel, Action Taken Report (ATR), review of internal and statutory audits, details of investor grievances, legal compliance report, important managerial decisions and legal/statutory matters are first presented to the respective Committees of the Board of OPaL and later with the recommendation of Committees to the Board for their approval as may be required.

4.6 As a system, in most cases, information to Directors is submitted along with the agenda papers well in advance of the Board/Committee meeting. Inputs and feedback of Board/Committee Members are taken and considered while preparation of agenda and documents for the Board/Committee meeting.

4.7 After the Board/Committee meeting and thereafter approval and distribution of Minutes to concern Head of Department (HOD), we have formal system of review and reporting on actions taken by the management on the decisions of the Board and Committees of the Board.

4.8 The Board of Directors adopted digital way to conduct Board and Committee meetings. Soft copy of agenda is now available on Board Portal where all members of the Board and members of the Board Committees can directly access relevant information/documents related to Board meeting and Board's Committees meeting through Login ID and password which is fully secured.

4.9 The Minutes of Board/Committee meetings record the matters deliberated and decisions reached in sufficient detail, and reflect any concerns raised or any dissent expressed. All discussions of the Board/Committees and their record are maintained in confidence unless there is a specific decision or legal requirement to make disclosure. Draft minutes are circulated to all Board/Committee members for their comment/records within a reasonable time after the meeting is over as per Secretarial Standard on meeting of the Board of Directors (SS-1) issued by the Institute of Company Secretaries of India (ICSI).

4.10 Approved Minutes of the Board/Committee meetings are kept in safe custody by the Company Secretary & Compliance Officer and are open for inspection by the respective Board/Committee members.

4.11 President-OPaL, Chief Finance Officer-OPaL, respective Department Head and other senior officials of the Company are invited to attend Board and Committee meetings, for providing clarification on the relevant subjects from time to time and to enhance the Board's understanding of any business proposals.

4.12 Directors who have material interests in a transaction, arrangement or contract or a proposed transaction, arrangement or contract to be discussed abstain from the meeting.

4.13 Important decisions taken at Board/Committee meetings are communicated promptly to the concerned departments/ divisions. Action taken report on decisions/minutes of the previous meeting(s) is placed at the succeeding meeting of the Board/Committees for noting.

5. Board Meetings

Five (5) Board meetings were held during the financial year 2020-21 i.e. from 1st April, 2020 to 31st March, 2021 and the maximum time gap between two consecutive meetings did not exceed one hundred and twenty (120) days. Due to the exceptional circumstances caused by the COVID-19 pandemic and consequent relaxations granted by Ministry of Corporate Affairs (MCA), all Board meetings in financial year 2020-21 were held through Video Conferencing (VC). The dates of the Board meetings and other details are as follows:

Sl. No.	Serial Number of Board Meeting	Date of Board Meeting	Venue and Mode of Board Meeting
1.	85th	08-06-2020	Board Room of ONGC, 5th Floor, Deendayal Urja Bhawan, 5, Nelson Mandela Marg, Vasant Kunj, New Delhi-110070 through Video Conferencing
2.	86th	29-09-2020	Board Room of ONGC, 5th Floor, Deendayal Urja Bhawan, 5, Nelson Mandela Marg, Vasant Kunj, New Delhi-110070 through Video Conferencing
3.	87th	02-11-2020	Board Room of ONGC, 5th Floor, Deendayal Urja Bhawan, 5, Nelson Mandela Marg, Vasant Kunj, New Delhi-110070 through Video Conferencing
4.	88th	13-01-2021	Board Room of ONGC, 5th Floor, Deendayal Urja Bhawan, 5, Nelson Mandela Marg, Vasant Kunj, New Delhi-110070 through Video Conferencing
5.	89th	03-02-2021	Board Room of ONGC, 5th Floor, Deendayal Urja Bhawan, 5, Nelson Mandela Marg, Vasant Kunj, New Delhi-110070 through Video Conferencing

The necessary quorum was present throughout the meeting for all the aforesaid Board Meetings.

The names and categories of the Directors on the Board of OPaL, their attendance at Board Meetings held during the financial year 2020-21 i.e. from 1st April, 2020 to 31st March, 2021 and other details are as follows:

Sl. No.	Name of Directors and Director Identification Number (DIN)	Category	Number of Meetings Held During the Tenure	Number of Meetings Attended During the Tenure
1.	Shri Shashi Shanker [1] (DIN : 06447938)	Chairman & Non-Executive Director	5	5
2.	Shri Avinash Kumar Verma (DIN : 06990114)	Managing Director	5	5
3.	Shri Subhash Kumar [2] (DIN : 07905656)	Non-Executive Director	5	5
4.	Shri Rajesh Kakkar [3] (DIN : 08029135)	Non-Executive Director	5	5
5.	Shri S. Balachandran [4] (DIN : 01962996)	Independent & Non-Executive Director	5	5
6.	Shri Rajiv (DIN : 08256137)	Independent & Non-Executive Director	5	5
7.	Shri Aloke Kumar Banerjee (DIN : 05287459)	Independent & Non-Executive Director	5	5
8.	Shri P. K. Gupta [5] (DIN : 01237706)	Non-Executive Director	1	1
9.	Shri Manoj R. Meshram [6] (DIN : 08195079)	Non-Executive Director	5	4
10.	Ms. Rekha Misra (DIN : 08725208)	Woman & Non-Executive Director	5	5
11.	Shri Ashu Shinghal [7] (DIN : 08268176)	Non-Executive Director	4	4

Note:

1. *Shri Shashi Shanker ceased to be the Chairman and Director of OPaL with effect from 1st April, 2021.*
2. *Shri Subhash Kumar appointed as the Chairman of OPaL with effect from 1st April, 2021.*
3. *Shri Rajesh Kakkar ceased to be Director of OPaL with effect from 1st May, 2021.*
4. *Shri S. Balachandran ceased to be an Independent Director of OPaL with effect from 1st April, 2021.*
5. *Shri P. K. Gupta ceased to be Director of OPaL with effect from 1st July, 2020.*
6. *Shri Manoj R. Meshram ceased to be Director of OPaL with effect from 2nd July, 2021.*
7. *Shri Ashu Shinghal appointed as Director of OPaL with effect from 1st July, 2020.*

6. Board Committees

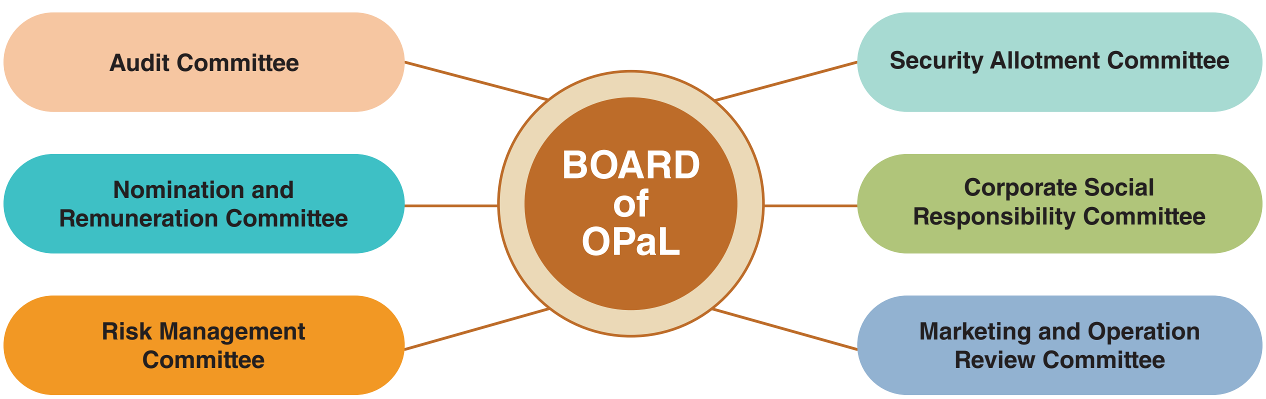
Company's Board holds a fiduciary position, empowered to ensure that all the actions and decisions are aligned with the best interests of its stakeholders. It exercises independent judgment and plays a vital role in the oversight of the Company's affairs.

To discharge its obligations effectively, the Board has constituted various Board Committees. In OPaL there are 6 (six) Committees of the Board during the financial year 2020-21 i.e. from 1st April, 2020 to 31st March, 2021 and up to date of this report namely, (i) Audit Committee; (ii) Nomination and Remuneration Committee; (iii) Risk Management Committee; (iv) Security Allotment Committee; (v) Corporate Social Responsibility Committee; and (vi) Marketing and Operation Review Committee. In each such Committee Independent Director is also one of the members during the financial year 2020-21 except Risk Management Committee. Each of the Committees has a clearly laid down charter and is entrusted with discharging its duties, roles and responsibilities. Normally, all Committees meet regularly on need basis during the year.

The Board Committees are set up to carry out clearly defined roles which are considered to be performed by members of the Board, as a part of good governance practice. All decisions and recommendations of the Committees are placed before the Board for information or for approval. The Chairman of the respective Committee(s) briefs the Board about the summary of the discussions held in the Committee Meetings. The approved minutes are circulated to the members of the Committee and also to the concerned department/Head of Department (HOD) for implementation of the decision. The minutes of the Committees are further placed in the next Committee meeting for noting of the members and in Board meeting for information. Action Taken Report requiring action taken to be reported back to the Committee(s) is also put up to the Committee on regular basis.

The Board or its Committees also take decision by circular resolutions in case of business exigency or urgency. During the financial year 2020-21 there were two Board agenda items approved or passed through resolution by circulation and thereafter noted in Board meeting. Further there were no items of agenda of any Board Committees passed through resolution by circulation during the financial year 2020-21.

Shri Subodh Prasad Pankaj, Company Secretary & Compliance Officer of the Company acts as a Coordinator & Secretary to all the Committees of the Board. The details pertaining to each of the Committees is given as under:



(i) Audit Committee

Terms of reference of the Committee

As per Section 177 of the Companies Act, 2013, Audit Committee shall have power in respect of the following matters namely:

- (i) to investigate any activity within its terms of reference;
- (ii) to seek information from any employee;
- (iii) to obtain outside legal or other professional advice; and
- (iv) to secure attendance of outsiders with relevant expertise, if it considers necessary.

The role of Audit Committee is to monitor the Management's financial reporting process and ensure that the disclosures are not only accurate and timely, but follow the highest levels of transparency, integrity and quality of financial reporting. All possible measures are taken by the Committee to ensure the objectivity and independence of the auditor.

Composition and Meetings

Composition of the Audit Committee during the financial year 2020-21 i.e. from 1st April, 2020 to 31st March, 2021 and up to date of this report is as follows:

Sl. No.	Members of the Committee	Category	Position in the Committee
1.	Shri S. Balachandran [1]	Independent & Non-Executive Director	Chairman
2.	Shri Subhash Kumar [2]	Non-Executive Director	Member
3.	Shri Rajiv	Independent & Non-Executive Director	Member
4.	Shri Aloke Kumar Banerjee [3]	Independent & Non-Executive Director	Chairman
5.	Shri P. K. Gupta [4]	Non-Executive Director	Member
6.	Shri Ashu Shinghal [5]	Non-Executive Director	Member

Note:

1. *Shri S. Balachandran ceased to be Chairman/Member of Audit Committee with effect from 1st April, 2021 due to cessation as a Director of the Company with effect from 1st April, 2021.*
2. *Shri Subhash Kumar appointed as Chairman of the Company with effect from 1st April, 2021. Thereafter he ceased to be a Member of Audit Committee with effect from 24th April, 2021.*
3. *Shri Aloke Kumar Banerjee appointed as a Member of the Audit Committee with effect from 7th May, 2019. After cessation of Shri S. Balachandran as Chairman of the Audit Committee with effect from 1st April, 2021, Shri Aloke Kumar Banerjee appointed as Chairman of the Audit Committee with effect from 24th April, 2021.*
4. *Shri P. K. Gupta ceased to be a Member of Audit Committee with effect from 1st July, 2020.*
5. *Shri Ashu Shinghal appointed as a Director with effect from 1st July, 2020 and a Member of the Audit Committee with effect from 29th September, 2020.*

All the above members have adequate knowledge and vast experience in the field of Finance, Accounting, Audit, Budget and Taxation. Further, Shri Avinash Kumar Verma-Managing Director and Chief Finance Officer (CFO) are special invitees to the Audit Committee. As and when required the Audit Committee invites such of the executives as it considers appropriate such as representatives of the statutory auditors and internal auditors, to be present at its meetings.

Shri Pradosh Kumar Basu the then CFO-OPaL was special invitee to Audit Committee from 6th February, 2018 to 13th April, 2021. Thereafter due to sudden and untimely demise of Shri Pradosh Kumar Basu from COVID-19 on 14th April, 2021, Shri Rajendra Parakh, AVP (Finance) being the next senior most officer in Finance Department appointed to officiate as CFO-OPaL with effect from 14th April, 2021 till new incumbent joins OPaL. Thereafter, Shri Pankaj Wadhwa has been appointed as Chief Finance Officer (CFO) of the Company with effect from 2nd August, 2021. Therefore, Shri Rajendra Parakh was special invitee to Audit Committee from 14th April, 2021 to 1st August, 2021. Thereafter, Shri Pankaj Wadhwa is a special invitee to Audit Committee with effect from 2nd August, 2021 i.e. the date of his joining.

As per Section 177(2) of the Companies Act, 2013, the Audit Committee satisfies the criteria of a minimum of three Directors with independent Directors forming a majority. The previous Annual General Meeting (14th AGM) of the Company held on 24th November, 2020 and was attended by the then Chairman of the Audit Committee i.e. Shri S. Balachandran.

Shri S. Balachandran was the Chairman from the 1st Audit Committee meeting held on 19th May, 2011 to 42nd Audit Committee meeting held on 24th March, 2021. He ceased to be an Independent Director of the Company with effect from 1st April, 2021 due to completion of his tenure. Therefore, he ceased to be Chairman of the Audit Committee with effect from 1st April, 2021. He served to Audit Committee for approximately 10 years. The Audit Committee places on record the excellent guidance, support and rich contribution received from Shri S. Balachandran as Chairman of the Audit Committee for such a long period.

Audit Committee met seven times during the financial year 2020-21. These meetings were held on 8th June, 2020, 2nd September, 2020, 11th September, 2020, 2nd November, 2020, 13th January, 2021, 3rd February, 2021 and 24th March, 2021.

(ii) Nomination & Remuneration Committee

Terms of reference of the Committee

The terms of reference of Nomination & Remuneration Committee (NRC) are in accordance with the requirements of the Section 178 of the Companies Act, 2013. The Nomination and Remuneration Committee determines and recommends to the Board the appointment and compensation payable to Directors, Functional Head, Vice President & above level positions. All Board level compensation is approved by the shareholders.

Composition and Meetings

Composition of the Nomination & Remuneration Committee during the financial year 2020-21 i.e. from 1st April, 2020 to 31st March, 2021 and up to date of this report is as follows:

Sl. No.	Members of the Committee	Category	Position in the Committee
1.	Shri Rajiv	Independent & Non-Executive Director	Chairman
2.	Shri S. Balachandran [1]	Independent & Non-Executive Director	Member
3.	Shri Aloke Kumar Banerjee	Independent & Non-Executive Director	Member
4.	Shri Subhash Kumar [2]	Non-Executive Director	Member
5.	Shri P. K. Gupta [3]	Non-Executive Director	Member
6.	Shri Ashu Shinghal [4]	Non-Executive Director	Member

Note:

1. *Shri S. Balachandran ceased to be a Member of Nomination & Remuneration Committee with effect from 1st April, 2021 due to cessation as a Director of the Company with effect from 1st April, 2021.*
2. *Shri Subhash Kumar appointed as Chairman of the Company with effect from 1st April, 2021. Further, he ceased to be a Member of Nomination & Remuneration Committee with effect from 24th April, 2021.*
3. *Shri P. K. Gupta ceased to be a Member of Nomination & Remuneration Committee with effect from 1st July, 2020 due to cessation as a Director of the Company with effect from 1st July, 2020.*
4. *Shri Ashu Shinghal appointed as a Director with effect from 1st July, 2020 and a Member of the Nomination & Remuneration Committee with effect from 29th September, 2020.*

Shri Avinash Kumar Verma, Managing Director is a special invitee to the Nomination and Remuneration Committee.

Nomination and Remuneration Committee met six times during the financial year 2020-21. These meetings were held on 8th June, 2020, 27th July, 2020, 2nd September, 2020, 2nd November, 2020, 8th December, 2020 and 13th January, 2021.

(iii) Risk Management Committee

Terms of reference of the Committee

Risk Management Committee prepared a comprehensive framework for Risk Management which includes identification of risk elements, their assessment and determination of responses to those risks.

Composition and Meetings

Composition of the Risk Management Committee during the financial year 2020-21 i.e. from 1st April, 2020 to 31st March, 2021 and up to date of this report is as follows:

Sl. No.	Members of the Committee	Category	Position in the Committee
1.	Shri Rajesh Kakkar [1]	Non-Executive Director	Chairman
2.	Shri Avinash Kumar Verma	Managing Director	Member
3.	Shri Manoj R. Meshram [2]	Non-Executive Director	Member
4.	Ms. Rekha Misra [3]	Non-Executive Director	Member
5.	Shri Manoj Kumar Srivastava	President-OPaL	Member
6.	Shri Pradosh Kumar Basu [4]	Chief Finance Officer (CFO)	Member

Note:

1. *Shri Rajesh Kakkar ceased to be the Chairman of Risk Management Committee with effect from 1st May, 2021 due to cessation as a Director of the Company with effect from 1st May, 2021.*
2. *Shri Manoj R. Meshram ceased to be a Member of Risk Management Committee with effect from 2nd July, 2021 due to cessation as a Director of the Company with effect from 2nd July, 2021.*
3. *Ms. Rekha Misra appointed as a Director with effect from 16th March, 2020 and a Member of the Risk Management Committee with effect from 29th September, 2020.*
4. *Shri Pradosh Kumar Basu ceased to be a Member of Risk Management Committee with effect from 14th April, 2021.*

Risk Management Committee met one time during the financial year 2020-21. The meeting was held on 8th March, 2021.

(iv) Security Allotment Committee

Terms of reference of the Committee

Initially the name of the Committee was Share Allotment Committee. Thereafter Committee renamed as Security Allotment Committee (SAC) with effect from 29th September, 2020 from Share Allotment Committee. The Role of Security Allotment Committee is to deal with the issue and allotment of Securities in the Company.

Composition and Meetings

Composition of the Security Allotment Committee during the financial year 2020-21 i.e. from 1st April, 2020 to 31st March, 2021 and up to date of this report is as follows:

Sl. No.	Members of the Committee	Category	Position in the Committee
1.	Shri P. K. Gupta [1]	Non-Executive Director	Chairman
2.	Shri Avinash Kumar Verma	Managing Director	Member
3.	Shri Aloke Kumar Banerjee [2]	Independent & Non-Executive Director	Chairman
4.	Ms. Rekha Misra [3]	Non-Executive Director	Member
5.	Shri Ashu Shinghal [4]	Non-Executive Director	Member

Note:

1. *Shri P. K. Gupta appointed as the Chairman of the Security Allotment Committee with effect from 11th September, 2019. Further he ceased to be a Director of the Company with effect from 1st July, 2020 therefore, he ceased to be the Chairman of the Security Allotment Committee with effect from 1st July, 2020.*
2. *Shri Aloke Kumar Banerjee appointed as a Member of the Security Allotment Committee with effect from 7th April, 2020. Further he appointed as Chairman of the Security Allotment Committee with effect from 29th September, 2020.*
3. *Ms. Rekha Misra appointed as a Member of the Security Allotment Committee with effect from 29th September, 2020.*
4. *Shri Ashu Shinghal appointed as a Director with effect from 1st July, 2020 and a Member of the Security Allotment Committee with effect from 29th September, 2020.*

Security Allotment Committee met one time during the financial year 2020-21. The meeting was held on 7th April, 2020.

(v) Corporate Social Responsibility Committee

Terms of reference of the Committee

The Corporate Social Responsibility Committee of the Board was constituted as per provisions of Section 135 of the Companies Act, 2013 and rules made thereunder to deal with various CSR activities.

Composition and Meetings

Composition of the Corporate Social Responsibility Committee during the financial year 2020-21 i.e. from 1st April, 2020 to 31st March, 2021 and up to date of this report is as follows:

Sl. No.	Members of the Committee	Category	Position in the Committee
1.	Shri Aloke Kumar Banerjee	Independent & Non-Executive Director	Chairman
2.	Shri Avinash Kumar Verma	Managing Director	Member
3.	Shri Rajesh Kakkar [1]	Non-Executive Director	Member
4.	Shri Rajiv	Independent & Non-Executive Director	Member

Note:

1. *Shri Rajesh Kakkar ceased to be a Member of Corporate Social Responsibility Committee with effect from 1st May, 2021 due to cessation as a Director of the Company with effect from 1st May, 2021.*

Corporate Social Responsibility Committee met one time during the financial year 2020-21. The meeting was held on 4th March, 2021.

(vi) Marketing and Operation Review Committee

Terms of reference of the Committee

Marketing and Operation Review Committee of the Board has been constituted with a view to review and recommend to the Board various Marketing matters/Marketing plan/Marketing strategy and Operation of the Company.

Composition and Meetings

Composition of the Marketing and Operation Review Committee during the financial year 2020-21 i.e. from 1st April, 2020 to 31st March, 2021 and up to date of this report is as follows:

Sl. No.	Members of the Committee	Category	Position in the Committee
1.	Shri Subhash Kumar [1]	Non-Executive Director	Chairman
2.	Shri Avinash Kumar Verma	Managing Director	Member
3.	Shri Rajesh Kakkar [2]	Non-Executive Director	Chairman
4.	Shri S. Balachandran [3]	Independent & Non-Executive Director	Member
5.	Shri Manoj R. Meshram [4]	Non-Executive Director	Member

Note:

1. *Shri Subhash Kumar appointed as Chairman of the Company with effect from 1st April, 2021. Thereafter he ceased to be a Chairman of Marketing and Operation Review Committee with effect from 24th April, 2021.*
2. *Shri Rajesh Kakkar appointed as Chairman of the Marketing and Operation Review Committee with effect from 24th April, 2021. Further he ceased to be Chairman/Member of Corporate Social Responsibility Committee with effect from 1st May, 2021 due to cessation as a Director of the Company with effect from 1st May, 2021.*
3. *Shri S. Balachandran ceased to be a Member of Marketing and Operation Review Committee with effect from 1st April, 2021 due to cessation as a Director of the Company with effect from 1st April, 2021.*
4. *Shri Manoj R. Meshram ceased to be a Member of Marketing and Operation Review Committee with effect from 2nd July, 2021 due to cessation as a Director of the Company with effect from 2nd July, 2021.*

Marketing and Operation Review Committee met two times during the financial year 2020-21. These meetings were held on 27th July, 2020 and 13th January, 2021.

7. General Meetings

Venue, date and time of the Annual General Meetings (AGM) held during the preceding three years are as under:

Sl. No.	Year	Serial Number of Meeting	Date of Meeting	Time of Meeting	Venue and Mode of Meeting	Total Number of Special Resolution(s)
1.	2017-18	12th AGM	29-09-2018	17.00 Hrs.	35, Nutan Bharat Co-operative Housing Society Limited, R. C. Dutt Road, Alkapuri, Vadodara - 390007 (Gujarat)	Nil
2.	2018-19	13th AGM	30-09-2019	15.00 Hrs.	35, Nutan Bharat Co-operative Housing Society Limited, R. C. Dutt Road, Alkapuri, Vadodara - 390007 (Gujarat)	Nil
3.	2019-20	14th AGM	24-11-2020	15.00 Hrs.	35, Nutan Bharat Co-operative Housing Society Limited, R. C. Dutt Road, Alkapuri, Vadodara - 390007 (Gujarat) through Video Conferencing/Other Audio Visual Means (OAVM)	One

Attendance of Directors in the 14th Annual General Meeting of ONGC Petro additions Limited held on 24th November, 2020 is as under:

Sl. No.	Name of Directors	Category	Attendance at the Meeting
1.	Shri Shashi Shanker	Chairman & Non-Executive Director	No
2.	Shri Avinash Kumar Verma	Managing Director	Yes
3.	Shri Subhash Kumar	Non-Executive Director	No
4.	Shri Rajesh Kakkar	Non-Executive Director	No
5.	Shri S. Balachandran	Independent & Non-Executive Director	Yes
6.	Shri Rajiv	Independent & Non-Executive Director	Yes
7.	Shri Aloke Kumar Banerjee	Independent & Non-Executive Director	Yes
8.	Shri Manoj R. Meshram	Non-Executive Director	No
9.	Ms. Rekha Misra	Non-Executive Director	No
10.	Shri Ashu Shinghal	Non-Executive Director	No

During the financial year 2020-21 one Extraordinary General Meetings (EGM) of the Company was held and the details are as under:-

Sl. No.	Serial Number of Meeting	Date of Extraordinary General Meeting	Time of Meeting	Venue and Mode of Meeting
1.	15th EGM	07-09-2020	11.30 Hrs.	35, Nutan Bharat Co-operative Housing Society Limited, R. C. Dutt Road, Alkapuri, Vadodara - 390007 (Gujarat) through Video Conferencing/ Other Audio Visual Means (OAVM)

Attendance of Directors in 15th Extraordinary General Meeting of the Company held on 7th September, 2020 is as under:

Sl. No.	Name of Directors	Category	Attendance at 15th EGM
1.	Shri Shashi Shanker	Chairman & Non-Executive Director	No
2.	Shri Avinash Kumar Verma	Managing Director	Yes
3.	Shri Subhash Kumar	Non-Executive Director	No
4.	Shri Rajesh Kakkar	Non-Executive Director	No
5.	Shri S. Balachandran	Independent & Non-Executive Director	No
6.	Shri Rajiv	Independent & Non-Executive Director	Yes
7.	Shri Aloke Kumar Banerjee	Independent & Non-Executive Director	No
8.	Shri Manoj R. Meshram	Non-Executive Director	No
9.	Ms. Rekha Misra	Non-Executive Director	No
10.	Shri Ashu Shinghal	Non-Executive Director	No

8. Company Policies and Manuals

As per statutory requirements and to conduct our business properly OPaL has following policies which were approved by the Board earlier and are adopted in OPaL to adhere core values of the Company:

(i) Health, Safety and Environment (HSE) Policy
(ii) Whistle Blower Policy
(iii) Corporate Social Responsibility Policy
(iv) Risk Management Policy
(v) Nomination and Remuneration Policy
(vi) Board Evaluation Policy
(vii) Policy for Preservation of Documents

In order to conduct our business in an effective and efficient manner the Company had adopted and practiced following Manuals as approved by the Board:

(i) Information Technology (IT) Manual
(ii) Material Management (MM) Manual
(iii) Marketing Manual
(iv) Finance & Accounts (F&A) Manual
(v) Internal Audit Manual
(vi) HR Manual

9. Legal Compliance Mechanism

The Audit Committee and Board quarterly reviews the compliance reports of all laws applicable to the Company. As per Section 205 of the Companies Act, 2013, the functions of the Company Secretary, inter-alia, shall include - *"To report to the Board about compliance with the provisions of this Act, the rules made thereunder and other laws applicable to the Company."* In compliance of Section 205 of the Companies Act, 2013, Legal Compliance mechanism has been established in OPaL. Accordingly, Legal Compliance Certificates for all four Quarter i.e. from 1st April, 2020 to 31st March, 2021 of the Financial Year 2020-21 was received from respective Head of Departments (HoDs) and on the basis of HoD's certificate a Compliance Certificate was issued by Managing Director of OPaL.

On the recommendation of Audit Committee, quarterly legal compliance report from various departments i.e. Company Secretary, Finance & Accounts and Legal, HR & Admin & Corporate Commination (CC), Marketing, Material Management (MM), Operations and HSE were noted by the Board.

10. Listing on Stock Exchanges

The Non-Convertible Debentures (NCDs) and Commercial Paper (CPs) are listed on the Wholesale Debt Market (WDM) segment of BSE Limited and the details are as below:

Name and Address	Telephone No. / Fax No. / E-Mail ID / Website
BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 India	Telephone No. : 022 - 22721233/022 - 22721234 Fax No. : 022 - 22721919 E-mail : info@bseindia.com Website : www.bseindia.com

11. ISIN Number and Scrip Code of NCDs

Sl. No.	Particulars
1.	8.60% Series-I 2022, Rated, Listed, Unsecured, Redeemable, Taxable, Non-Cumulative Non-Convertible Debentures **ISIN :** INE163N08065 **BSE Code :** 958456 (OPAL-8.60%-11-3-22-PVT)
2.	8.85% Series-II 2022, Rated, Listed, Unsecured, Redeemable, Taxable, Non-Cumulative Non-Convertible Debentures **ISIN :** INE163N08073 **BSE Code :** 958672 (OPAL-8.85%-19-4-22-PVT)
3.	8.45% Series-III 2022, Rated, Listed, Unsecured, Redeemable, Taxable, Non-Cumulative Non-Convertible Debentures **ISIN :** INE163N08099 **BSE Code :** 959024 (OPAL-8.45%-26-12-22-PVT)
4.	8.45% Series IV-Option A 2023, Rated, Listed, Unsecured, Redeemable, Taxable, Non-Cumulative Non-Convertible Debentures **ISIN :** INE163N08107 **BSE Code :** 959104 (OPAL-8.45%-10-03-2023-PVT)
5.	8.83% Series IV-Option B 2025, Rated, Listed, Unsecured, Redeemable, Taxable, Non-Cumulative Non-Convertible Debentures **ISIN :** INE163N08115 **BSE Code :** 959105 (OPAL-8.83%-10-03-2025-PVT)
6.	7.98% Series V-Option A 2023, Rated, Listed, Unsecured, Redeemable, Taxable, Non-Cumulative Non-Convertible Debentures **ISIN :** INE163N08123 **BSE Code :** 959281 (ONGCPL-7.98%-10-2-23-PVT)
7.	8.00% Series V-Option B 2025, Rated, Listed, Unsecured, Redeemable, Taxable, Non-Cumulative Non-Convertible Debentures **ISIN :** INE163N08131 **BSE Code :** 959282 (ONGCPL-8%-11-4-25-PVT)
8.	7.98% Series-VI 2023, Rated, Listed, Unsecured, Redeemable, Taxable, Non-Cumulative Non-Convertible Debentures **ISIN :** INE163N08156 **BSE Code :** 960077 (OPAL-7.98%-25-10-23-PVT)

12. ISIN Number of Equity Shares

ISIN : INE163N01011

13. Credit Ratings

The details of Credit Ratings held by the Company as on March 31, 2021 are as under:

Particulars	ICRA Limited	India Ratings & Research Private Limited	CRISIL Limited
Company Long Term Rating	"ICRA AA" Stable Outlook	"IND AA" Stable Outlook	"CRISIL AA" Stable Outlook

Instruments	ICRA Limited	India Ratings & Research Private Limited	CARE Rating Limited
Compulsorily Convertible Debentures (CCDs-I) of Rs. 5615 Crore	"ICRA AAA (CE)" Stable Outlook	-	"CARE AAA (CE)" Stable Outlook
Compulsorily Convertible Debentures (CCDs-II) of Rs. 1671 Crore	"ICRA AAA (CE)" Stable Outlook	"IND AAA (CE)" Stable Outlook	-
Compulsorily Convertible Debentures (CCDs-III) of Rs. 492 Crore	-	"IND AAA (CE)" Stable Outlook	"CARE AAA (CE)" Stable Outlook
Non Convertible Debentures (NCDs) of Rs. 3000 Crore (backed by Letter of Comfort by ONGC)	"ICRA AAA (CE)" Stable Outlook	-	"CARE AAA (CE)" Stable Outlook
Non Convertible Debentures (NCDs) of Rs. 260 Crore (Standalone basis)	"ICRA AA " Stable Outlook	-	"CARE AA" Stable Outlook
Commercial Paper (CP)	"ICRA A1+"	"IND A1+"	-

Securities and Exchange Board of India (SEBI) has issued some directions through a circular dated 04.11.2019 to further enhance governance and accountability of Credit Rating Agencies (CRAs). As per clause no. 3 of the circular ICRA Limited (ICRA), a Credit Rating Agency empanelled with ONGC Petro additions Limited (OPaL) participated in 39th Audit Committee meeting held on 2nd November, 2020 to discuss on rating of the listed Non-Convertible Debentures (NCDs).

Further Audit Committee in its 44th meeting held on 5th June, 2021 discussed with CARE Ratings Limited (CARE), another Credit Rating Agency on issues including related party transactions, internal financial control and other material disclosures made by the management, which have a bearing on rating of the listed Non-Convertible Debentures (NCDs). Audit Committee also discussed with CARE on general practices followed by Board and its Committees including Audit Committee. Further, Chairman of the Audit Committee replied all queries of CARE to their satisfaction.

14. Details of Debenture Trustee

SBICAP Trustee Company Limited
Mistry Bhavan, 4th Floor,
122 Dinshaw Vachha Road,
Churchgate, Mumbai - 400 020, Maharashtra
Phone No. : 022 - 43025555/5500
Contact Person : Mr. Prashant Joshi
E-mail : prashant.joshi@sbicaptrustee.com

15. Address for Correspondence for Investors

Shri Subodh Prasad Pankaj
Company Secretary and Compliance Officer
4th Floor, 35, Nutan Bharat Co-operative Housing Society Limited
R.C. Dutt Road, Alkapuri, Vadodara - 390007
Phone No. : 0265 - 6192600, Fax No. : 0265 - 6192666
E-mail : subodh.pankaj@opalindia.in

16. Means of Communication

Half yearly/Annual Results:

The Company regularly intimates Half yearly/Annual financial results to the Stock Exchange, immediately after they are approved. These financial results are normally published in the leading English daily Newspaper having wide circulation across the country. The results are also displayed on the website of the Company i.e. **www.opalindia.in.**

Website:

The Company's website **www.opalindia.in** contains separate dedicated section 'Investors' wherein information for shareholders/debenture holders is available.

Annual Report:

Annual Report containing inter-alia, Audited Accounts, Board's Report, Corporate Governance Report, Auditor's Report including information for the shareholders and other important information is circulated to the members and others entitled thereto.

SEBI Complaints Redress System (SCORES):

The investor complaints were processed in a centralised web-based complaints redress system. The salient features of this system are : (i) Centralised database of all complaints; (ii) online upload of Action Taken Reports (ATRs) by concerned companies; and (iii) online viewing by investors of actions taken on the complaint and its current status.

Designated Email-ID for investor servicing:

The Company has designated the following Email-ID for investor servicing i.e. **subodh.pankaj@opalindia.in.**

17. Transfer to Investor Education and Protection Fund (IEPF)

The Company has not accepted any deposits from the public and also the Company has not declared any dividend. Interests on debentures were paid to debenture holders and no amount is lying as unclaimed. Therefore, there were no amounts which remained unpaid/unclaimed for a period of seven years and which were required to be transferred by the Company to the Investor Education and Protection Fund established by the Central Government pursuant to Section 124 of the Companies Act, 2013 and rules made thereunder.

18. Compliance

The Company has complied with applicable rules (except as otherwise stated in this report) and the requirement of regulatory authorities on capital market and no penalties or strictures were imposed on the Company during last three years. All returns/reports were filed within stipulated time with stock exchanges, Ministry of Corporate Affairs/other authorities.

19. Board Support and Role of the Company Secretary & Compliance Officer

Company Secretary ensures that all relevant information, details and documents are made available to the Directors and senior management for effective decision-making at the meetings. The Company Secretary is primarily responsible to assist and advise the Board in the conduct of affairs of the Company, to ensure compliance with applicable statutory requirements and Secretarial Standards, to provide guidance to directors and to facilitate convening of meetings. He interfaces between the management and regulatory authorities for governance matters. He has sound knowledge of Company law, Regulations, Government notifications and various amendments done to the industry specific laws applicable to the Company. The Company Secretary is closely involved in the decision making process at the highest level of Company hierarchy.

on behalf of the Board of Directors
for ONGC Petro additions Limited

(Subhash Kumar)
Chairman

Date : 2nd September, 2021
Place : New Delhi

Annexure-IV

Form AOC-2

Pursuant to Clause (h) of Sub section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014

1. **Details of contracts or arrangements or transactions not at arm's length basis : Nil**
2. **Details of contracts or arrangements or transactions at arm's length basis:**

Name(s) of the related party and nature of relationship (a)	Nature of contracts/ arrangements/ transactions (b)	Duration of the contracts/ arrangements/ transactions (c)	Salient terms of the contracts or arrangements or transactions including the value (d)	Date(s) of approval by the Board (e)	Amount paid as advances (f)
Oil & Natural Gas Corporation Limited (ONGC) (Joint Venturer)	Purchase of Feed stock	01.04.2020 to 31.03.2021	Purchase of Feed stock from time to time at market determined price (Rs. 43,193.68 million)	Does not require Board Approval	Nil
	Reimbursement of Expenses on behalf of OPaL	01.04.2020 to 31.03.2021	Reimbursement of Manpower deputation, Interest and other expenses (Rs. 0.32 million)	Does not require Board Approval	Nil
	Purchase of Fixed Assets	01.04.2020 to 31.03.2021	Nil	-	-
	Money received against Share Warrant	01.04.2020 to 31.03.2021	Money received against Share Warrant (Rs. 8,709.09 million)	-	-
GAIL (India) Limited (GAIL) (Joint Venturer)	Manpower deputation / Transmission charges	01.04.2020 to 31.03.2021	Manpower deputation / Gas Transmission charges (Rs. 293.98 million)	-	-
	Purchase of Gas	01.04.2020 to 31.03.2021	Purchase of Gas (Rs. 2,179.21 million)	Does not require Board Approval	Nil
	Repayment of Security Deposit	01.04.2020 to 31.03.2021	Nil	-	-
	Interest on Security Deposit	01.04.2020 to 31.03.2021	Nil	-	-
Gujarat State Petroleum Corporation Limited (GSPC) (Joint Venturer)	Purchase of Gas	01.04.2020 to 31.03.2021	Purchase of Gas (Rs. 2,109.99 million)	Does not require Board Approval	Nil
Dahej SEZ Limited (DSL) (Common Directorship)	Lease Rental	01.04.2020 to 31.03.2021	Lease rent for land and DSZ charges (Rs. 132.26 million)	Does not require Board Approval	Nil
	Purchase of Land	01.04.2020 to 31.03.2021	Purchase of Land (Rs. 260.53 million)	-	-
Mangalore Refinery & Petrochemical Limited (MRPL) (Common Directorship)	Reimbursement of Expenses on behalf of OPaL	01.04.2020 to 31.03.2021	Nil	Does not require Board Approval	Nil
Petronet LNG Limited (Common Directorship)	Purchase of Gas	01.04.2020 to 31.03.2021	Purchase of Gas (Rs. 1,748.45 million)	-	-
	Sale of MEIS Licence	01.04.2020 to 31.03.2021	Nil	-	-
Hindustan Petroleum Corporation Limited (HPCL) (Common Directorship)	Purchase of Feed / Spares / Consumables	01.04.2020 to 31.03.2021	Purchase of Spares / Consumables (Rs. 500.49 million)	-	-
OPaL Gratuity Trust (Transaction with Trust)	Gratuity contribution	01.04.2020 to 31.03.2021	Contribution of employees Gratuity (Rs. 57.76 million)	-	-
	Reimbursement	01.04.2020 to 31.03.2021	Reimbursement (Rs. 1.81 million)	-	-
Shri Avinash Kumar Verma (Managing Director)	Employment	01.04.2020 to 31.03.2021	Remuneration to Key Managerial Personnel (KMP) (Rs. 8.73 million)	-	Nil
Shri Subodh Prasad Pankaj (Company Secretary & Compliance Officer)	Employment	01.04.2020 to 31.03.2021	Remuneration to Key Managerial Personnel (KMP) (Rs. 3.87 million)	-	Nil
Shri Pradosh Kumar Basu (Chief Finance Officer)	Employment	01.04.2020 to 31.03.2021	Remuneration to Key Managerial Personnel (KMP) (Rs. 5.54 million)	-	-

on behalf of the Board of Directors
for ONGC Petro additions Limited

(Subhash Kumar)
Chairman

Date : 2nd September, 2021
Place : New Delhi

Annexure-V

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

[In terms of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014]

A. CONSERVATION OF ENERGY:

Being responsible organization, ONGC Petro additions Limited ("OPaL" or "Company") has always given due importance to energy performance monitoring and optimization. Dedicated energy management cell has been assigned this activity and system has been established for complex energy performance monitoring. Also, various activities are being carried out to create awareness about energy conservation from time to time.

In financial year 2020-21, complex energy index has increased by ~1.75% against target value and best achieved value. Lower capacity utilization during first quarter and third quarter is due to COVID-19 pandemic and regulatory guidelines has resulted in higher energy index.

Initiatives and drives carried out during financial year 2020-21 to ensure energy conservation at site is listed as below.

Energy Management System

- In this financial year, OPaL received certification for prestigious Energy Management System i.e. ISO 50001:2018 from M/s Bureau Veritas (BVQI). This is multisite certification with validity up to December, 2023.
- To drive energy management system effectively at site, we have got 14 employees certified as Lead Auditors for ISO 50001:2018 duly accredited by CQI and IRCA, certified by M/s Bureau Veritas.
- Carbon footprint is being monitored on daily basis for monitoring of equivalent CO2 generation from plant daily operations.
- Energy Conservation Week was celebrated from 14^{th} December, 2020 to 20^{th} December, 2020 for the second time at OPaL site. Different events and competitions were organized and it received excellent interest & participation of more than 500 employees from cross functional teams.
- Training programs for contract staff is being conducted for inclusive participation in energy conservation drive from all levels and areas.

DFCU & AU Plant

- Implementation of Advanced Process Control (APC) in cracker unit has resulted in benefit through optimization of excess Oxygen in furnaces reducing Fuel Gas consumption, reduced steam usage in various units, saving of power for different pumps etc.

PP Plant

- Total 363 number of conventional lights were replaced by LED lights which has resulted in approximate power energy saving of ~ 62700.00 KWh annually.

HDPE Plant

- Steam condensate header redesigning and inline steam traps replacement with more efficient traps i.e. inverted bucket type traps done for energy saving. This has resulted in steam saving equivalent to ~ 5600 Tons in 3 months.
- With modification in blower rotors lobes and provisioning of rotary valve bypass line in Pneumatic Conveying System (PCS-1), overall capacity has improved by 2 TPH which helped in achieving 105% plant capacity utilization with savings of 1482 KWh annually.

Butene-1 Plant

- Total 150 number of conventional 36W tube rods replaced with LED 18W tube rods and 100 number of 18W tube rods replaced with LED 9W tube rods. It has resulted in annual energy savings of ~ 31500 KWh.

CPP

- Change in equipment operation philosophy resulted in savings of natural gas consumption by 2000 mmbtu per day and improvement in gas turbine heat rate.

U&O

- For improvement in energy conservation, cooling tower-2 fan blades replaced with high efficiency fan blades increasing the air flow through.
- Implementation of system for recovery of cooling water pump bearing flushing water has resulted in annual approx. saving of ~ 65500 M3 water from 13 number of operating cooling water pumps.

HR

- OPaL adopted Bicycles at workplace to promote 'Clean Energy, Green Energy' concept with objective to boost health awareness and reduce carbon footprint. Total 100 number of bicycles with latest app based control features have been placed across site for internal movement.

B. TECHNOLOGY ABSORPTION:

OPaL is determined to adopt latest technologies and innovations to make operations more efficient & competitive and is also looking forward to adopt advance tools and techniques for troubleshooting and reliability improvement.

Process technology

- Company is continually exploring new ways to make its operations more efficient through various initiatives.
- OPaL has installed latest process optimization and analysis tools such as Process Historian and Uniformance for developing edge towards continuous improvement.
- OPaL is planning for cracker plant benchmarking with global peers in coming year and has started activities towards the same.

Below are the different technologies and improvements in various units of OPaL:-

DFCU & AU Plant

- Upgradation of Distributed Control System (DCS) in DFCU and AU plant from version 4 to version 5 to enable fast trending and data history availability.

HDPE Plant

- Procedure developed for online grade transition from parallel to series and series to parallel grades to avoid shutdown. This has resulted in saving of around 3204 MT production loss per year giving significant cost savings in comparison to earlier practice for grade transition.
- Power silo return line hot insulation done to avoid oligomer condensation. Significant improvement achieved in PCS-1 guard filter run length, which increased from 7 days to 21 days.

PP Plant

- New grades commercial production established for peroxide grades RH25X, for Fibre/Tape/Raffia application & RH38, for fibre/Non-woven applications.
- Indigenous vendor developed for Mineral Oil sourcing and same gave monetary benefit and also reliability of material sourcing has improved.

Butene-1 Plant

- Practice established to carry out HP leak test with High pressure Nitrogen in place of Ethylene to eliminate HC Leakage risk during Leak test and reduced Ethylene loss to flare along with cost savings.

U&O

- Cooling Tower-1 cells internals replacement and CT fan blade angle increased by 3 degree to improve cooling tower overall performance. This has resulted in supply temperature reduction by 1°C in comparison to last year and due to this, propylene slippage from C3 splitter has reduced in comparison to last year at similar load operation.

PROCESS IMPROVEMENT PROJECTS:

DFCU & AU Plant

- Implementation of C4 hydrogenation project has been initiated. Technology is sourced from M/s Axens. EPC contract has been awarded and detail Engineering and construction job is under progress.

HDPE Plant

- Re-pelletizing system commissioned in June, 2020 to reduce Non-Prime generation. This has given significant cost savings with improvement in product quality.
- New PHE installed and commissioned in standby for Pellet Cooling Water system in August, 2020 to reduce the production loss of ~ 3400 MT per year during plates replacement and cleaning.
- Production losses minimized by around 16000 MT annually with changes in operating philosophy for 2nd reactor slurry coolers.

PE Swing Plant

- PE Swing unit off gas recovery with recycling of the same to DFCU plant established which gave good cost saving with recovery of hydrocarbon gases considering off-gas composition.

PP Plant

- Successfully established new practice to recover more than 90% of Hydrocarbon from both reactors during planned shutdown by recycling off-gases to DFCU instead of flaring.
- Actuators installation in both catalyst pump discharge HV and Instrumentation logic implementation for avoiding catalyst pump high discharge pressure tripping. Production losses has reduced by around 550 MT.
- Catalyst activity optimized by fine tuning reactor operating profile which resulted in less lumps and strings formation inside reactor and plant load could be increased to maximum. This has resulted in significant savings on account of plant capacity utilization.
- DIBDMS specific consumption reduced by maintaining high %XS in RH03 grade for quality improvement. This has resulted in material input cost savings.
- Installation of noncontact type limit switches carried out to avoid repeated malfunction and damage due to contact switches of cyclic ball valves in powder handling system. This has reduced production losses by increasing equipment reliability.

Butene-1 Plant

- Vent silencer provided in reactor pump around loop to reduce high noise generation from 125 dB to 75 dB during loop depressurization step in Nitrogen PDP activity.

U&O

- Hydrogen Generation Unit (HGU) commissioned.
- Vapour recovery system commissioned for Benzene and HPG vapour recovery in gantry area.
- C3 and LPG supply line from M/s GCPTCL to OPaL commissioned to ensure alternate supply of feed for cracker unit. This has improved feed reliability.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company has earned foreign exchange equivalent to Rs. 26,457.94 million (Previous Financial Year 2019-20 Rs. 19,623.82 million) on account of revenue from export sales and incurred foreign currency expenditure equivalent to Rs. 1,11,371.37 million (Previous Financial Year 2019-20 Rs. 36,321.60 million) during the accounting period ended 31st March, 2021.

on behalf of the Board of Directors
for ONGC Petro additions Limited

(Subhash Kumar)
Chairman

Date : 2nd September, 2021
Place : New Delhi

INDEPENDENT AUDITOR'S REPORT

To the Members of ONGC PETRO additions LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of ONGC PETRO additions LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, 2021, the profit/(loss) and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone 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 financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's 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 financial statements.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significant in our audit of financial statements of the current period. These matters were addressed in the context of our audit of 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 matter described below to be the key matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's approach
1A.	Extension of terms of Compulsory Convertible Debentures (CCD) of Face Value INR 56,150 Million. (Refer Note No.40 of the Financial Statements)	**Key Observations:** 1. During the year the Company has approved the extension of terms of CCD with end date being revised from 01.01.2021 and extended for further 18 months. 2. The transaction is accounted as extinguishment of existing liability because the terms are substantially different and the difference of Rs. 5,300.34 Million between existing and revised liability is recognized in P & L as exceptional loss. 3. Because of such extension the equity component is increased by Rs. 1,639.42 Million and impact of same is given in retained earnings.

Sr. No.	Key Audit Matter	Auditor's approach
2A.	Extension of terms of Compulsory Convertible Debentures (CCD) of Face Value INR 16,710 Million. (Refer Note No.40 of the Financial Statements)	**Key Observations:** 1. During the year the Company has approved the extension of terms of CCD with end date being revised from 17.05.2020 and extended for 18 months. 2. The transaction is accounted as extinguishment of existing liability because the terms are substantially different and the difference of Rs. 1,910.21 Million between existing and revised liability is recognized in P & L as exceptional loss. 3. Because of such extension the equity component is increased by Rs. 1,328.13 Million and impact of same is given in retained earnings.
3A.	Extension of terms of Compulsory Convertible Debentures (CCD) of Face Value INR 4,920 Million. (Refer Note No.40 of the Financial Statements)	**Key Observations:** 1. During the year the Company has approved the extension of terms of CCD with end date being revised from 27.03.2021 and extended for 18 months. 2. The transaction is accounted as extinguishment of existing liability because the terms are substantially different and the difference of Rs. 413.78 Million between existing and revised liability is recognized in P & L as exceptional loss. 3. Because of such extension the equity component is increased by Rs. 581.65 Million and impact of same is given in retained earnings.

Emphasis of Matter(s)

- We draw attention to the Note No. 41 to the Financial Statements, which describes the management's assessment of the impact of the outbreak of COVID-19 pandemic on the business operations of the Company and carrying value of the assets as at 31st March, 2021. Our report is not modified in respect of this matter.

- We draw attention to the Note No. 39 to the Financial Statements, which describes the management's preliminary assessment of the SEZ exit liability. As informed to us, the Company has already made an application for exit which is under consideration with the competent authority. The management believes that a decision on whether to exit or not, can only be taken based on the final terms and conditions which will be made available to the Company in the exit approval by the competent authority. Our report is not modified in respect of this matter.

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

The Company's Board of Directors is responsible for the preparation of 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 financial statements and our auditor's report thereon. Our opinion on the standalone 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 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 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.

The other information is expected to be made available to us after the date of this auditor's report. Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the relevant rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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; 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 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 financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone 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.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, 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.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- 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 standalone 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.

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- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone 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.

Report on Other Legal and Regulatory Requirements

I. As required by the companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanation given to us, we give in the **"Annexure A"**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

II. Based on verification of books of account of the Company and according to information and explanation given to us, we give below report on the directions/additional sub directions issued by the Comptroller and Auditors General of the India in terms of Section 143 (5) of the Companies Act, 2013:

Directions	Replies
Whether the Company has system in place to process all the accounting transactions through IT system? If yes, the implication on the integrity of the accounts along with the financial implications, if any, may be stated.	Yes, the Company has system in place to process all the accounting transactions through IT system, namely SAP. However, the Ind AS compliant Financial Statements required to be presented as per Schedule III Division II of the Act are prepared in MS Excel representing end to end link with SAP Trial balance. Based on the verification carried out by us during the course of our audit and based on the information and explanations given to us, we have not come across any instance having significant implications on the integrity of accounts.
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.	Based on the audit procedures carried out and as per the information and explanations given to us, there are no such cases of restructuring or waivers/write-off of debts/ loans/interest etc. by any lender to the Company due to the Company's inability to repay the loan during the year.
Whether funds received/receivable for specific schemes from Central/State agencies were properly accounted for/utilized as per its term and conditions? List the cases of deviation.	As per the information and explanations given to us the Company does not have any funds received/receivable for specific schemes from Central/State agencies.

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III. 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 it appears from our examination of those books;

c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account;

d) In our opinion, the aforesaid standalone financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Indian Accounting Standards) Rules, 2015 as amended;

e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B".** Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.

h) In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Amendment Rules, 2014:

i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements - Refer Note 39.1 to the Standalone Financial Statements;

ii. According to the information and explanations given to us, the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

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

For Parikh Mehta and Associates
Chartered Accountants
Firm's Registration No. 112832W

PARIKH MEHTA & ASSOCIATES BARODA Chartered Accountants

Ashish Parikh
Partner
Membership No.116745
Date: 12/05/2021
Place: Vadodara
UDIN: 21116745AAAAFO8550

Annexure – A to Independent Auditor's Report

The Annexure referred to in paragraph V(i) under "Report on Other Legal and Regulatory Requirements" in Independent Auditors' Report to the members of the Company on the Standalone Ind-AS Financial Statements for the year ended 31st March, 2021, we report that:

I. (a) The Company has in general maintained proper records showing full particulars, including quantitative details and situation of fixed assets {Property Plant & Equipment (PPE)}.

(b) According to information and explanation given to us, there is a regular programme of physical verification of the fixed assets by the management which in our opinion is reasonable having regard to the size of the Company and nature of its assets. As informed to us, no material discrepancies were noticed on such verification.

(c) As informed to us and as verified by us during the course of our audit the title deeds of immovable properties are held in name of the Company.

II. According to the information and explanations given to us, the inventories were physically verified during the year by the management at reasonable intervals (excluding inventory lying with third parties/consignment stock agent) and no material discrepancies were noticed on physical verification.

III. The Company has not granted any loan to companies, firms, limited liability partnership, or other parties covered in the register maintained under Section 189 of the Act.

IV. In our opinion and according to the information and explanation given to us, the Company has not granted any loans, investments, guarantees and the securities as envisaged under Section 185 and 186 of the Act.

V. In our opinion and according to information and explanations given to us, the Company has not accepted any deposits from the public and hence provisions of Sections 73 to 76 and other relevant provision of the Companies Act, 2013 & Companies (Acceptance of Deposits) Rules, 2014 are not applicable.

VI. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the Central Government under sub section (1) of Section 148 of the Act and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with the view to determine whether they are accurate or complete.

VII. According to the information and explanations given to us in respect of statutory dues;

(a) According to records of the Company and information and explanation given to us the Company has generally been regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess, Goods and Service Tax and any other statutory dues with the appropriate authorities. According to information and explanation given to us there are no outstanding statutory dues as referred above as at the last day of the financial year under audit for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us there were no dues in respect of Income Tax, duty of Excise, duty of Customs, Sales Tax, Service Tax, Value Added Tax, Goods and Service Tax Act which have not been deposited on account of any dispute except the following:

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(₹ in Million)

Name of Statute	Nature of Dues	Forum where dispute is pending	Period to which the amount relates (F.Y.)	Gross Amount involved	Amount paid under protest	Amount unpaid
Stamp Duty Act	Stamp Duty (Deficit Stamp Duty of Lease Deed)	Dy. Collector Office, Stamp Duty Valuation Department	2017-18	6.74	-	6.74
Income Tax Act	Interest on Non-Deduction of TDS	Income Tax CIT Appellate Authority	2017-18	3.81	-	3.81
Income Tax Act	Interest on Non-Deduction of TDS	Income Tax CIT Appellate Authority	2018-19	1.81	-	1.81
GST	Penalty on GST	GST Appellate Authority, Uttarakhand	2018-19	0.96	0.96	-
SEZ Act	Penalty (Non-achievement of Net Foreign Exchange Earnings)	Appellate Authority (DGFT)	2015-16 to 2019-20	850	850	-

VIII. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to financial institutions, bank and Government or dues to debenture holder.

IX. The Company has raised money by way of term loan and Non-convertible Debentures during the year and in our opinion and according to the information and explanations given to us the said funds were applied for the purposes for which those were raised. The company has not raised any money by way of Initial Public Offer or further public offer.

X. According to information and explanations given to us, no material fraud committed by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

XI. According to the information and explanations given to us and based on our examination of records of the company, the company has paid/provided for the managerial remuneration in accordance with the provision of Section 197 read with Schedule V to the Act.

XII. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the order is not applicable.

XIII. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with related parties are in compliance with Section 177 & 188 of the Act, where applicable and the details of such transactions have been disclosed in Standalone Ind-AS Financial Statement as required by applicable Indian accounting standards.

XIV. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures. However, the Board has approved the extension of the terms of the existing Compulsory Convertible Debentures ("CCD"). Since no fresh CCD was issued during the year, the provisions of Section 42 of the Companies Act, 2013 is not applicable to the Company.

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XV. According to the information and explanations given by the management, the Company has not entered into any non-cash transactions specified under Section 192 of the Act with directors or persons connected with him.

XVI. In our opinion and according to the information and explanations given to us the Company is not required to be registered u/s 45 IA of the Reserve Bank of India Act, 1934.

For Parikh Mehta and Associates
Chartered Accountants
Firm's Registration No. 112832W

PARIKH MEHTA & ASSOCIATES BARODA Chartered Accountants

Ashish Parikh
Partner
Membership No.116745
Date: 12/05/2021
Place: Vadodara
UDIN: 21116745AAAAFO8550

Annexure-B : Report on the Internal Financial Controls under Clause (i) of sub section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

(Referred to in paragraph III (f) under “Report on other Legal and Regulatory requirements” section of our report of even date.)

We have audited the internal financial controls over financial reporting of ONGC Petro additions Limited (“the Company”) as of 31st March, 2021 in conjunction with our audit of the Standalone Ind AS Financial Statements of the Company for the year ended on that 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 Act.

Auditors' 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, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and 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 Standalone Ind AS 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 controls system 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 standalone Ind AS 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 transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Ind AS financial statements in accordance with generally accepted accounting principle, and that receipts and expenditures of the Company are being made only in accordance with authorizations of 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 Standalone Ind AS financial statements.

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Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Parikh Mehta and Associates
Chartered Accountants
Firm's Registration No. 112832W

Ashish Parikh
Partner
Membership No.116745
Date: 12/05/2021
Place: Vadodara
UDIN: 21116745AAAAFO8550

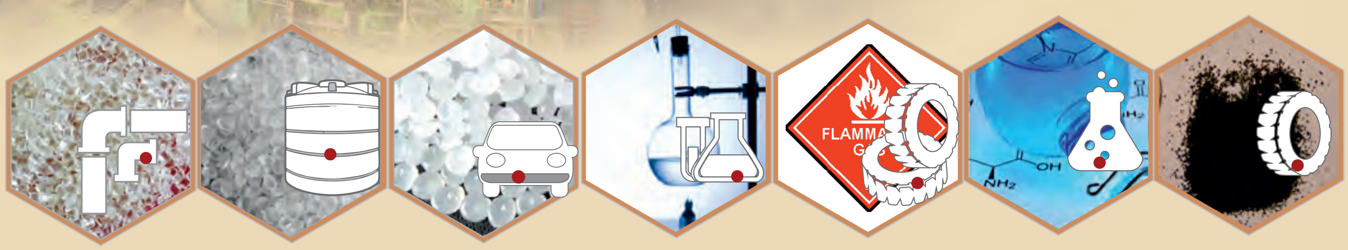
ONGC Petro additions Limited

A NEW ERA UNFOLDS

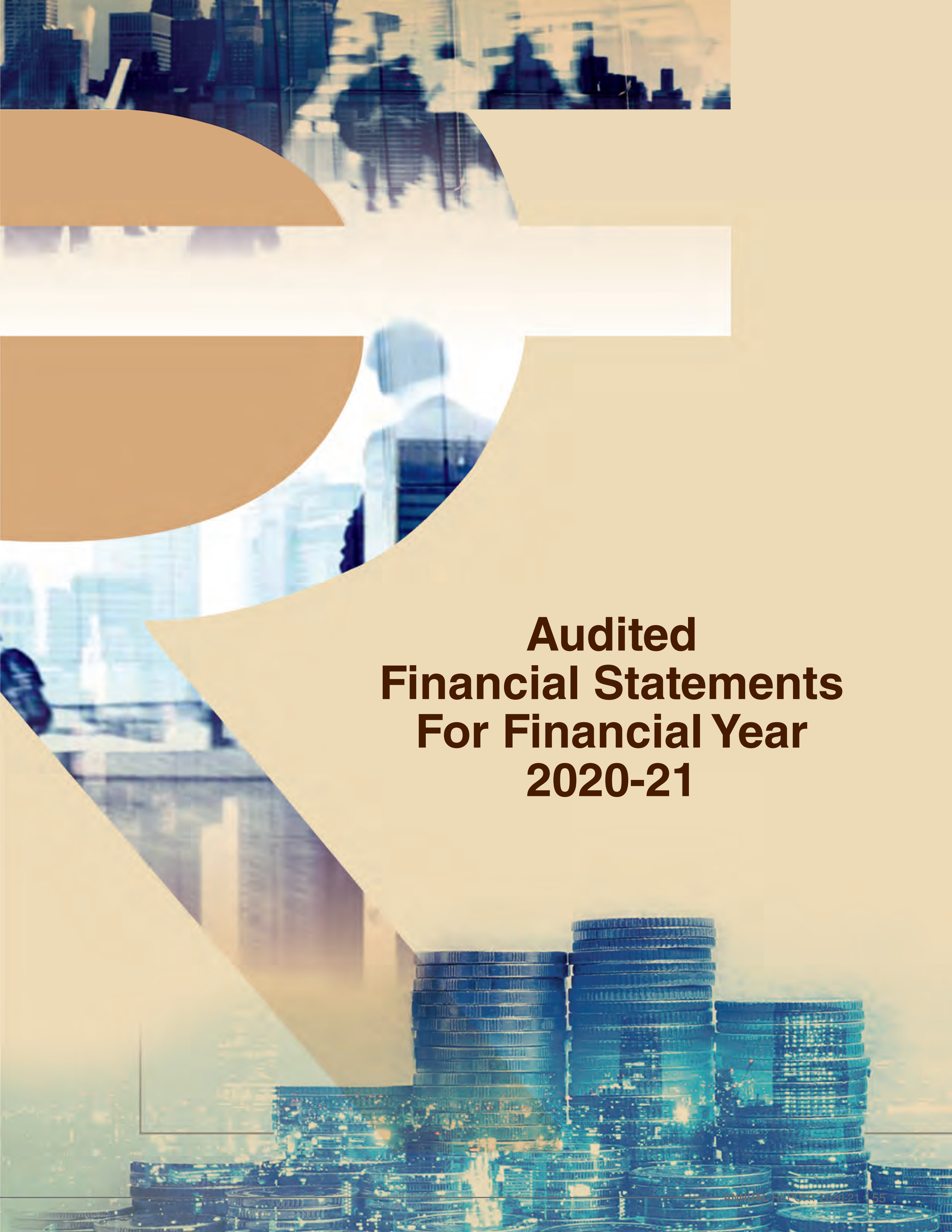
Petrochemicals for tomorrow

Benchmarks are achieved with visions that are beyond convention. Powered with state of the art Global technologies, ONGC Petro additions Limited (OPaL) produces petrochemicals that touch a billion lives across the globe - ranging from agriculture to automobiles, packaging to consumer durables, building and construction, healthcare, furniture, toys and a variety of end uses.

With production of variety of world standard products, we are heralding a new era of future ready petrochemicals that are fast becoming the preferred choice of customers in quality and value. We are committed to deliver the future ready "Petrochemicals for Tomorrow".



HDPE *Dedicated* (340 kTPA)	**HDPE / LLDPE** *Swing* (720 kTPA)	**POLYPROPYLENE** (340 kTPA)	**BENZENE** (150 kTPA)	**BUTADIENE** (115 kTPA)	**PYGAS** (165 kTPA)	**CBFS** (70 kTPA)



Audited Financial Statements For Financial Year 2020-21

Notes to the Financial Statements for the year ended March 31, 2021
(All amounts are in Rs. Millions unless otherwise stated)

1. Corporate information

ONGC Petro additions Limited ("OPaL" or "the Company") is a public limited Company domiciled and incorporated in India having its registered office at 4th Floor, 35, Nutan Bharat Society, R. C. Dutt Road, Alkapuri, Vadodara - 390007, Gujarat. The principal activity of the Company is to manufacture, purchase, sale and trade petrochemicals, petrochemical products and its byproducts.

OPaL was incorporated in 2006, as a Public Limited Company under the Companies Act, 1956, and is a joint venture Company promoted by Oil and Natural Gas Corporation Limited (ONGC) and co-promoted by GAIL and GSPC.

2. Summary of significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statement. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1. Basis of preparation

i) Compliance with Ind AS

These financial statements have been prepared in accordance with Indian Accounting Standards (referred to as "Ind AS") prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time.

ii) Historic cost convention

The financial statements have been prepared on the historical cost basis except for the following:

- Certain financial instruments which are measured at fair value or amortised cost at the end of each reporting period; and
- Define benefit plans - Plan assets measured at fair value

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Ind AS 1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013.

iii) New and amended standards adopted by the Company

The Company has applied the following amendments to Ind AS for the first time for their annual reporting period commencing 1st April, 2020:

- Definition of Material - amendments to Ind AS 1 and Ind AS 8
- Definition of a Business - amendments to Ind AS 103
- Interest Rate Benchmark Reform - amendments to Ind AS 109 and Ind AS 107
- COVID-19 related concessions - amendments to Ind AS 116

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.
- Level 3 inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants.

3. Significant accounting policies

3.1. Revenue Recognition

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

Company assess the goods or services promised in a contract with a customer and identifies the distinct performance obligations. Company's revenue comprises of sale of products and transportation services in case of sale of Chemical in the domestic markets.

In case of sale of product, Company recognize revenue when (or as) it satisfies the performance obligation by transferring a promised good to a customer by transferring the control of goods to the customer as per the sales terms of the contract with customer. In case of services, Company recognize revenue over the period of the services term as customer simultaneously receives and consumes the benefits provided by the Company's performance as it performs the service.

Shipping and handling charges related to FOB destination sales are recorded as a component of revenue because these charges are considered costs to fulfil the promise to transfer the related products.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues. A refund liability is recognized for post-sale discounts payable to customers in relations to sales made until the end of the reporting period.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceed one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

3.2. Government grant

The Government of India has introduced Merchandise Exports from India Scheme (MEIS) through the Foreign Trade Policy (FTP) 2015-20 (extended till 31st March, 2021), w.e.f. April 1, 2015. As per this policy, in case of certain items of exports, the Company is eligible to get export incentives in the form of Licenses which can be sold in the market on limited scale.

The Company recognizes such incentives in the books of accounts only when reasonable certainty is established as to the financial outcome/realizability of such incentives.

3.3. Leases

The Company as a lessee

Lease are recognized as right of use asset and corresponding liability at the date at which the lease asset is available for use by the Company. At inception or on reassessment of a contract that contains multiple lease or non-lease components, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. As a practical expedient, Ind AS 116 permits a lessee not to separate non-lease components when bifurcation of the payments is not available between the two components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has used this practical expedient and elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Company recognises a right-of-use ("ROU") asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use assets are depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying assets useful life. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability. The Company applies Ind AS 36, Impairment of Assets to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as per its accounting policy on 'Property, plant and equipment'. The ROU asset is presented as a separate line in the Balance Sheet.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. Contingent and variable rentals are recognized as expense in the periods in which they are incurred.

To determine the incremental borrowing rate, the Company:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received;and
- makes adjustments specific to the lease, e.g. term, country, currency and security.

Lease payments included in the measurement of the lease liability comprise the net present value of following:

- Fixed lease payments (including in-substance fixed payments) payable during the lease term and under reasonably certain extension options, less any lease incentives;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee;

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- The exercise price under a purchase option that the Company is reasonably certain to exercise; and
- Lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease if the lease term reflects the exercise of an option to terminate the lease.

Extension and termination options are included in many of the leases. In determining the lease term, the management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if the lease term has changed, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. It is remeasured by discounting the revised lease payments using a revised discount rate. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

<u>Short-term leases and leases of low-value assets</u>:

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases i.e. leases that have a lease term of 12 months or less and leases of low value assets, including IT assets, vehicles and factory equipment. The Company recognizes the lease payments associated with these leases as an operating expense on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

3.4. Foreign Exchange Transactions

The functional currency of the Company is Indian Rupees which represents the currency of the primary economic environment in which it operates.

Transactions in currencies other than the Company's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated using closing rate of exchange prevailing on the last day of the reporting period.

Exchange differences on monetary items are recognized in statement of profit and loss in the period in which they arise. Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other expenses/income.

3.5. Employee Benefits

Employee benefits include provident fund, gratuity and leave encashment.

<u>Defined contribution plans</u>

Employee benefit under defined contribution plans comprising of provident fund is recognized based on the amount of obligation of the Company to contribute to the plan. The same is paid to a Regional Provident Fund Commissioner, which is expensed during the year.

<u>Defined benefit plans</u>

The Company's gratuity plan is a defined benefit plan. The present value of defined benefit obligation is determined based on actuarial valuations using the projected unit credit method. Which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flow. The discount rate used for determining the present value of the obligation under defined benefit plans is based on the prevailing market yield on Government bond as at the balance sheet date.

Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest as defined above), is reflected immediately in the balance sheet with a charge or credit are recognized in other comprehensive income in the period in which they occur. Re-measurement recognized in the other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss, Past service cost is recognized in profit and loss in the period of a plan amendment or curtailment. Net interest is calculated by applying the discount rate at the beginning of the period is the net defined liability or asset. Defined benefit cost is categorized as follows:

- Service Cost (including current service cost, past service cost as well as gains and losses on curtailment and settlements);
- Net interest expense or income; and
- Re-measurement.

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The Company presents the first two components of defined cost in profit or loss in the line item 'Employee benefit expense'. Amount resulting from curtailment/plan amendment are accounted for as past service cost.

The Company contributes all ascertained liabilities to a gratuity fund 'ONGC Petro additions Employees Group Gratuity Trust' administered which is governed by board of trustees. The trust has taken the group policy with life Insurance Corporation of India (LIC) to meet its obligation towards gratuity.

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. Any surplus resulting from this calculation is limited to the present value of any economic benefit available in the form of refunds from the plan or reduction in future contribution to the plans.

Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized during the year when the employees render the service. These benefits include performance incentive and leave encashment which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term leave encashment is accounted as under:

(a) In case of accumulated leave encashment, when employees render the services that increase their entitlement of future leave encashment; and

(b) In case of non-accumulating leave encashment, when the absences occur.

Long-term employee benefits

Leave encashment which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognized as a liability at the present value of the obligation as at the balance sheet date.

3.6. Earnings Per Share

Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

Antidilutive options are not considered in computing dilutive earning per share.

3.7. Cash Flow Statement

Cash flows are reported using the indirect method, where by profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows are segregated into operating, investing and financing activities.

3.8. Taxation

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

i. Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

ii. Deferred tax

Deferred tax assets are recognised for all deductible temporary differences including the carry forward of unused tax credits and any unused tax losses. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary the carry forward of unused tax credits and unused tax losses differences can be utilized.

Deferred taxes are recognized in respect of temporary differences which originate during the tax holiday period but reverse after the tax holiday period. For this purpose, reversal of temporary difference is determined using first in first out method.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognized as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with asset will be realized.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

iii. Current and deferred tax for the year

Current and deferred tax expense are recognized in Statement of Profit and Loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax expense are also recognized in other comprehensive income or directly in equity respectively.

3.9. Property, plant and equipment

Freehold land is carried at historical cost. Property, plant and equipment held for use in the production or supply of goods, or for administrative purposes, are stated in the Balance Sheet at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Capital work-in-progress

Property, Plant and Equipment (PPE) in the course of construction for production, supply or administrative purposes are carried at cost, less any recognized impairment loss. The cost of an asset comprises its purchase price or its construction cost (net of applicable tax credits) and any cost directly attributable to bring the asset into the location and condition necessary for it to be capable of operating in the manner intended by the Management. It includes professional fees and, for qualifying assets, borrowing costs capitalized in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Parts of an item of PPE having different useful lives and material value and subsequent expenditure on PPE arising on account of capital improvement or other factors are accounted for as separate components.

Depreciation of these PPE commences when the assets are ready for their intended use.

Depreciation

Depreciation is provided on the cost of PPE less their residual values @ 2%, using the straight-line method over the useful life of PPE as specified in Schedule II to the Companies Act, 2013 or based on technical assessment by the Company. The estimated useful lives of the assets are as follows:

Sl. No.	Particulars	Useful lives (in years)
1.	Buildings - Temporary including Fences (in case of Temporary Installation, useful life taken 1 Year)	3-5
2.	Building others (in case of assets related to vehicle parking area, useful life taken 10 Years and in case of Monument, useful life taken 15 years)	30-60
3.	Roads and Culverts	3-30
4.	Plant and Machinery (including Equipment) (in case of Capital Spare items useful life taken 5 Years)	8-40
5.	Office equipment (in case of Medical Equipment useful life taken 15 Years) (in case of Electrical Installation useful life taken 10 Years) (in case of Mobile Phone Instruments useful life taken 40 months)	5
6.	Computer and Server	3-6
7.	Furniture and Fixtures	10
8.	Vehicles	8
9.	Leasehold improvements	Lease Term / useful lives whichever is earlier

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Depreciation on additions/deletions to PPE during the year is provided on pro rata basis with reference to the date of addition/deletions except for low value items not exceeding Rs. 5,000/- which are fully depreciated at the time of addition.

Expenditure on major overhaul and repairs on account of planned shutdown which are of significant value is capitalized as component of relevant items of PPE, if it meets the asset recognition criteria and is depreciated over the period till next shutdown on straight line basis.

Insurance spares received along with the plant or equipment and those purchased subsequently for specific machinery and having irregular use are capitalized.

Major capital spares are capitalized as property, plant and equipment, if it meets the asset recognition criteria given in Ind AS 16. Such spares capitalized as property, plant and equipment are depreciated over the period starting when it is brought into service and continuing over the shorter of its useful life and the remaining expected useful life of the asset to which it relates and carrying value of the spare is charged to the statement of profit and loss as and when replaced.

De-recognition

An item of PPE is de-recognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in statement of profit and loss.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

3.10. Intangible assets

i. Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over their estimated useful lives not exceeding five years from the date of capitalization. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on prospective basis.

ii. Internally generated intangible assets - research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Where no internally-generated intangible asset can be recognised, development expenditure is charged to the statement of profit and loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortization and accumulated impairment losses, on the same basis as intangible assets acquired separately.

iii. De-recognition of intangible assets

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognized in statement of profit and loss when the asset is derecognised.

iv. Useful lives of intangible assets

Estimated useful lives of Application Software and Other intangible assets is 5 Years.

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3.11. Impairment of Non - Financial assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible, intangible and other non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset/cash generating unit is estimated in order to determine the extent of the impairment loss (if any). Recoverable amount is the higher of fair value less cost to sell and value in use. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pretax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit and loss.

Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit and loss.

3.12. Inventories

Inventories are valued at lower of cost or net realizable value. Cost of inventories (Raw material and Stores, Spares and Consumables) comprises of purchase cost and other costs incurred net of recoverable taxes for bringing inventories to their present location and condition. The cost has been determined as under:

Raw material	On first in first out (FIFO) basis Cost comprises cost of purchases and other costs incurred net of recoverable taxes for bringing inventories to their present location and condition.
Finished products	On weighted average cost basis Cost comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity.
Stock-in-process	On weighted average cost basis Cost comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity.
Stores and spares and Consumables (other than those capitalized as property, plant and equipment) and other trading goods	On weighted average cost basis

3.13. Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

3.14. Provisions, Contingent Liabilities and Contingent Assets

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

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Contingent assets are disclosed in the financial statements when an inflow of economic benefits is probable. Contingent liabilities are disclosed in the financial statements, unless possibility of an outflow of resources embodying economic benefits is remote.

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3.15. Financial instruments

Financial assets and financial liabilities are recognized when Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the statement of profit and loss.

Financial Assets

a) Classification

The Company classifies its financial assets in the following measurement categories: those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss) and those measured at amortised cost. The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

b) Measurement

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

(i) Financial assets at amortized cost

Financial assets are subsequently measured at amortized cost using the effective interest method if these financial assets are held within a business whose objective is to hold these assets 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.

(ii) Financial assets at fair value through other comprehensive income

Financial assets are subsequently measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both selling financial assets and collecting contractual cash flows, 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.

(iii) Financial assets at fair value through profit or loss

Financial assets are subsequently measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in the statement of profit and loss.

(iv) Impairment of Financial assets

The Company recognizes loss allowances using the Expected Credit Loss (ECL) model for the financial assets. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in the Statement of Profit and Loss.

(v) Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in statement of profit and loss.

(vi) Income recognition

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset.

Financial liabilities

(i) Financial liabilities are initially recorded at a fair value and subsequently financial liabilities are measured at amortized cost using effective interest method except for certain items of financial liabilities which are measured at fair value through profit & loss (FVTPL). For trade payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to short maturity of these instruments.

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

The fair value of the liability portion of a Compulsory Convertible Debentures is determined using a market interest rate for an equivalent non-convertible instrument. This amount is recorded as a liability on an amortised cost basis until extinguished on conversion or redemption of the financial liability. The remainder of the proceeds is attributable to the equity portion of the compound instrument. This is recognised and included in shareholders' equity, net of income tax effects, and not subsequently remeasured.

The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

(ii) Borrowing Costs

Borrowing costs specifically identified to the acquisition or construction or production of qualifying assets is capitalized as part of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use.

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

All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

(iii) Derecognition of financial liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognized in the statement of profit and loss.

3.16. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Board of Directors of the Company is responsible for assessing the financial performance and position of the Company, and makes strategic decisions. Therefore, the board has been identified as being the chief operating decision maker. The Company has only one reportable segment namely Plastic and Petro Chemical products.

3.17. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

3.18. Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest millions as per the requirement of Schedule III, unless otherwise stated.

PARIKH MEHTA & ASSOCIATES BARODA Chartered Accountants

ONGC Petro additions Limited

3.19. Critical judgements and estimates in applying accounting policies

Information about estimates and assumptions that have the significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may differ from these estimates.

a) Lease

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

b) Useful lives of property, plant and equipment and intangible assets

Management reviews its estimate of the useful lives of PPE and intangible assets at each reporting date, based on the future economic benefits expected to be consumed from the assets.

c) Impairment of Trade Receivables

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of counter party, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

d) Defined benefit obligation (DBO)

Management's estimate of the DBO is based on a number of critical underlying assumptions such as Standard rate of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increase, variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expense.

e) Recognition of revenue

Management estimate the transaction price in case of sale of products for any incentives, discounts, consideration paid to the customers at the contract inception. Judgement is involved in identification of distinct performance obligations and ascertaining standalone selling price.

f) Estimation of uncertainties relating to the global health pandemic from COVID-19

The Company has taken in to account the possible impacts of COVID-19 in preparation of the financial statements, including but not limited to its assessment of liquidity and going concern assumption, recoverable values of its financial and non-financial assets, impact on revenues and on cost budgets in respect of fixed price contracts and impact on leases. The Company has considered internal sources of information up to the date of approval of the financial statements and expects to recover the carrying amount of its assets. The impact of COVID-19 on the financial statements may differ from that estimated as at the date of approval of these financial statements.

g) Recognition of deferred tax assets for carried forward tax losses

Management estimate the recoverability of deferred tax assets for carried forward tax losses based on the estimate of future profits as per the approved projections by the board and based on the probability criteria as defined by Ind AS 12 - "Income Taxes".

h) Assessment of Loss Contingencies

Management has legal and other contingencies, which could result in significant losses upon the ultimate resolution of such contingencies. Company has provided for losses in situations where it has concluded that it is probable that a loss has been or will be incurred and the amount of the loss is reliably estimable. A significant amount of judgment is involved in determining whether a loss is probable and reliably estimable due to the uncertainty involved in determining the likelihood of future events and estimating the financial statement impact of such events. If further developments or resolution of a contingent matter are not consistent with our assumptions and judgments, we may need to recognize a significant charge in a future period related to an existing contingency.

ONGC Petro additions Limited

Balance Sheet

(All amounts are in Rs. Millions unless otherwise stated)

Sl. No.	Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
	ASSETS			
(I)	**Non-current assets**			
	(a) Property, plant and equipment	4	241,042.23	239,574.77
	(b) Right-of-use assets	5	2,799.80	2,712.87
	(c) Capital work-in-progress	6	4,815.85	16,887.28
	(d) Intangible assets	7	151.42	113.55
	(e) Intangible assets under development	8	-	4.87
	(f) Financial assets	9	280.69	281.29
	(g) Deferred tax assets (Net)	10	33,138.08	30,395.20
	(h) Other non-current assets	11	3,014.65	126.69
	Total non-current assets		**285,242.72**	**290,096.52**
(II)	**Current assets**			
	(a) Inventories	12	17,933.01	19,321.28
	(b) Financial assets			
	(i) Trade receivables	13	2,326.12	1,362.58
	(ii) Cash and cash equivalents	14	149.45	168.25
	(c) Other current assets	11	1,531.13	2,808.46
	Total current assets		**21,939.71**	**23,660.57**
	Total assets (I+II)		**307,182.43**	**313,757.09**
	EQUITY AND LIABILITIES			
(I)	**Equity**			
	(a) Equity share capital	15	20,219.30	20,219.30
	(b) Other equity	16		
	(i) Equity component of compound financial instrument		79,397.63	73,628.74
	(ii) Reserve & surplus		(82,585.57)	(71,070.74)
	(iii) Money received against share warrants		33,649.59	24,940.50
	Total equity		**50,680.95**	**47,717.80**
	Liabilities			
(II)	**Non-current liabilities**			
	(a) Financial liabilities			
	(i) Borrowings	17	161,147.26	190,712.83
	(ii) Lease liabilities	5.4	681.75	805.59
	(iii) Other financial liabilities	18	622.31	573.78
	Total non-current liabilities		**162,451.32**	**192,092.20**
(III)	**Current liabilities**			
	(a) Financial liabilities			
	(i) Borrowings	17	38,112.04	43,896.33
	(ii) Trade payable	20		
	- to micro and small enterprises		30.68	21.04
	- to other then micro and small enterprises		7,709.32	6,945.36
	(iii) Lease liabilities	5.4	203.69	176.43
	(iv) Other financial liabilities	18	47,007.61	21,504.80
	(b) Contract liabilities	22	447.63	1,000.12
	(c) Employee Benefit Obligations	19	317.45	267.22
	(d) Other current liabilities	21	221.74	135.79
	Total current liabilities		**94,050.16**	**73,947.09**
(IV)	**Total liabilities (II+III)**		**256,501.48**	**266,039.29**
	Total equity and liabilities (I+IV)		**307,182.43**	**313,757.09**

See accompanying notes to the financial statements **1-44**

For Parikh Mehta & Associates
Chartered Accountants

For and on behalf of the OPaL Board

(Ashish Parikh)
Partner
M. No. : 116745
FRN No. : 112832W

(Subodh Prasad Pankaj)
Company Secretary

(Rajendra Parakh)
Chief Financial Officer

(Manoj Kumar Srivastava)
President

(Rekha Misra)
Director

(Avinash Kumar Verma)
Managing Director

Place : New Delhi
Date : 12th May, 2021

ONGC Petro additions Limited

Statement of Profit and Loss

(All amounts are in Rs. Millions unless otherwise stated)

Sl. No.	Particulars	Note No.	For the year ended March 31, 2021	For the year ended March 31, 2020
I.	Revenue from operations	23	114,859.85	101,828.69
II.	Other income	24	477.10	242.12
III.	**Total Income (I+II)**		**115,336.95**	**102,070.81**
IV.	**EXPENSES**			
	Cost of raw materials consumed	25	59,746.26	71,195.07
	Changes in inventories of finished goods, WIP, stock in trade	26	3,580.57	(3,966.21)
	Employee benefit expense	27	1,530.75	1,442.14
	Finance costs	28	16,551.68	20,575.36
	Depreciation and amortisation expense	29	12,951.10	12,453.77
	Other expenses	30	21,651.15	24,662.92
	Total expenses (IV)		**116,011.51**	**126,363.05**
V.	**Profit (Loss) before exceptional items and tax (III-IV)**		**(674.56)**	**(24,292.24)**
VI.	Exceptional Items	40	7,624.33	6,264.47
VII.	**Profit (Loss) before tax (V-VI)**		**(8,298.89)**	**(30,556.71)**
VIII.	Tax expense:	31		
	(1) Current tax relating to			
	- Current year		-	-
	- Earlier years		-	37.64
	(2) Deferred tax expense/(benefit)		(321.13)	(9,697.53)
	Total tax expense (VIII)		**(321.13)**	**(9,659.89)**
IX.	**Profit (Loss) for the year (VII-VIII)**		**(7,977.76)**	**(20,896.82)**
X.	**Other Comprehensive income**			
	Items that will not be reclassified to profit or loss			
	(a) Remeasurement of the defined benefit plans	33.6	12.13	(20.39)
	Total other comprehensive income (X)		**12.13**	**(20.39)**
XI.	**Total comprehensive Income (Loss) for the year (IX+X)**		**(7,965.63)**	**(20,917.21)**
XII.	Earnings per equity share (Face value of Rs. 10/- each):			
	Basic & Diluted (in Rs.)	32	**(0.81)**	**(2.13)**

See accompanying notes to the financial statements **1-44**

For Parikh Mehta & Associates
Chartered Accountants

(Ashish Parikh)
Partner
M. No. : 116745
FRN No. : 112832W

Place : New Delhi
Date : 12th May, 2021

PARIKH MEHTA & ASSOCIATES BARODA Chartered Accountants

ONGC Petro additions Limited OPaL

For and on behalf of the OPaL Board

(Subodh Prasad Pankaj)
Company Secretary

(Rajendra Parakh)
Chief Financial Officer

(Manoj Kumar Srivastava)
President

(Rekha Misra)
Director

(Avinash Kumar Verma)
Managing Director

Financial Statements

ONGC Petro additions Limited

Statement of Cash Flows

(All amounts are in Rs. Millions unless otherwise stated)

Particulars	For the year ended March 31, 2021		For the year ended March 31, 2020	
A. CASH FLOWS FROM OPERATING ACTIVITIES:				
Loss before income tax		**(8,298.89)**		**(30,556.71)**
Adjustments for:				
Exceptional Items	7,624.33		6,264.47	
Depreciation and amortisation expense	12,951.10		12,453.77	
Finance costs	16,551.68		20,575.36	
Interest Income	(30.52)		(44.76)	
Net Foreign Exchange Loss/(Gain)	26.81		2,011.62	
Profit on sale of Property plant & equipment	(0.12)	**37,123.28**	(0.11)	**41,260.35**
Operating Profit before working capital changes		**28,824.39**		**10,703.64**
Adjustment for :				
Inventories	1,388.27		(3,533.41)	
Trade and other receivables	(962.44)		829.60	
Other assets	(1,610.04)		1,821.13	
Trade Payable and other liabilities	666.78		1,115.98	
Provisions	50.23	**(467.20)**	107.53	**340.83**
Cash generated from operation		**28,357.19**		**11,044.46**
Income Tax paid		**-**		**(20.25)**
Net cash generated by operating activities "A"		**28,357.19**		**11,024.21**
B. CASH FLOWS FROM INVESTING ACTIVITIES:				
Payments for property, plant and equipment including intangible assets		(1,651.05)		(7,279.53)
Interest received		30.52		44.76
Proceeds from disposal of property, plant and equipment		0.45		0.56
Net cash (used in) investing activities "B"		**(1,620.08)**		**(7,234.21)**
C. CASH FLOWS FROM FINANCING ACTIVITIES:				
Proceeds from Borrowings		63,822.10		89,917.17
Repayments of Borrowings		(73,549.64)		(66,559.16)
Proceeds from issue of Share warrants		8,709.09		-
Payment of lease liabilities (net of interest)		(189.39)		(156.30)
Interest expense on lease liabilities		(85.75)		(85.74)
Interest paid		(25,448.86)		(26,918.99)
Net cash generated by/(used in) financing activities "C"		**(26,742.45)**		**(3,803.02)**
Net increase/(decrease) in cash and cash equivalents (A+B+C)		**(5.34)**		**(13.01)**
Cash and cash equivalents at the beginning of the year		**168.25**		**154.50**
Effects of exchange rate changes on cash and cash equivalents		**(13.46)**		**26.76**
Cash and cash equivalents at the end of the year		**149.45**		**168.25**

Notes:

1. Cash and cash equivalents represents Bank Balances with Scheduled Bank as per Note No. 14

For Parikh Mehta & Associates
Chartered Accountants

(Ashish Parikh)
Partner
M. No. : 116745
FRN No. : 112832W

Place : New Delhi
Date : 12th May, 2021

For and on behalf of the OPaL Board

(Subodh Prasad Pankaj)
Company Secretary

(Rajendra Parakh)
Chief Financial Officer

(Manoj Kumar Srivastava)
President

(Rekha Misra)
Director

(Avinash Kumar Verma)
Managing Director

ONGC Petro additions Limited

Statement of Cash Flows

(All amounts are in Rs. Millions unless otherwise stated)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Non cash financing and investing activity		
Right-of-use assets	356.26	173.28

Reconciliation of liabilities arising from financing activities 2020-21

(All amounts are in Rs. Millions unless otherwise stated)

Particulars	Opening Balance 01.04.2020	Cash Flow	Non Cash Flows-Exchange Loss / (Gain) & Amortisation	Closing Balance 31.03.2021
Compulsory Convertible Debentures	3,615.10	-	1,738.34	5,353.44
Rupee Term Loan-Secured	1,02,330.15	(9,233.87)	(526.74)	92,569.54
Short Term Loan	40,281.23	(11,086.06)	(36.27)	29,158.90
External Commercial Borrowings	7,066.29	(1,944.24)	(207.03)	4,915.02
Non Convertible Debentures	30,000.00	2,600.00	-	32,600.00
Rupee Term Loan-Unsecured	65,000.00	3,000.00	-	68,000.00
Commercial Paper	-	6,936.62	-	6,936.62
Lease Liability	982.02	(189.39)	92.80	885.44
Total	**2,49,274.79**	**(9,916.93)**	**1,061.09**	**2,40,418.96**

Reconciliation of liabilities arising from financing activities 2019-20

(All amounts are in Rs. Millions unless otherwise stated)

Particulars	Opening Balance 01.04.2019	Cash Flow	Non Cash Flows-Exchange Loss / (Gain) & Amortisation	Closing Balance 31.03.2020
Compulsory Convertible Debentures	3,318.99	-	296.11	3,615.10
Rupee Term Loan-Secured	1,10,545.10	(9,330.46)	1,115.51	1,02,330.15
Short Term Loan	24,094.07	14,091.58	2,095.58	40,281.23
External Commercial Borrowings	9,525.38	(3,203.11)	744.02	7,066.29
Non Convertible Debentures	8,200.00	21,800.00	-	30,000.00
Rupee Term Loan-Unsecured	65,000.00	-	-	65,000.00
Lease Liability	-	(156.30)	1,138.32	982.02
Total	**2,20,683.54**	**23,201.71**	**5,389.54**	**2,49,274.79**

Statement of Changes in Equity

(All amounts are in Rs. Millions unless otherwise stated)

(a) Equity share capital

Particulars	Amount
Balance as at April 1, 2019	**20,219.30**
Changes during the year	-
Balance as at March 31, 2020	**20,219.30**

Particulars	Amount
Balance as at April 1, 2020	**20,219.30**
Changes during the year	-
Balance as at March 31, 2021	**20,219.30**

(b) Other equity

(All amounts are in Rs. Millions unless otherwise stated)

Particulars	Reserves & Surplus	Money received against share warrants	Equity component of compound financial instrument	Total
	Retained earnings			
Balance as at April 1, 2019	**(43,942.05)**	**24,940.50**	**65,550.31**	**46,548.76**
Loss for the year	(20,896.82)	-	-	(20,896.82)
Other comprehensive income	(20.39)	-	-	(20.39)
Total comprehensive income (loss) for the year	**(20,917.21)**	**-**	**-**	**(20,917.21)**
Extension of compound financial instrument	(6,211.48)	-	6,211.48	-
Deferred tax impact on Equity component of compound financial instrument	-	-	2,095.85	2,095.85
CCD issue cost	-	-	(228.90)	(228.90)
Balance as at March 31, 2020	**(71,070.74)**	**24,940.50**	**73,628.74**	**27,498.50**
Balance as at April 1, 2020	**(71,070.74)**	**24,940.50**	**73,628.74**	**27,498.50**
Loss for the year	(7,977.76)	-	-	(7,977.76)
Other comprehensive income	12.13	-	-	12.13
Total comprehensive income (loss) for the year	**(7,965.63)**	**-**	**-**	**(7,965.63)**
Issue of share warrants	-	8,709.09	-	8,709.09
Extension of compound financial instrument	(3,549.20)	-	3,549.20	-
Deferred tax impact on Equity component of compound financial instrument	-	-	2,421.75	2,421.75
CCD issue cost	-	-	(202.06)	(202.06)
Balance as at March 31, 2021	**(82,585.57)**	**33,649.59**	**79,397.63**	**30,461.65**

See accompanying notes to the financial statements **1-44**

For Parikh Mehta & Associates
Chartered Accountants

(Ashish Parikh)
Partner
M. No. : 116745
FRN No. : 112832W

Place : New Delhi
Date : 12th May, 2021

For and on behalf of the OPaL Board

(Subodh Prasad Pankaj)
Company Secretary

(Rajendra Parakh)
Chief Financial Officer

(Manoj Kumar Srivastava)
President

(Rekha Misra)
Director

(Avinash Kumar Verma)
Managing Director

4. Property, plant and equipment (PPE)

4.1 Gross Carrying Amount

(All amounts are in Rs. Millions unless otherwise stated)

Gross Carrying Amount	Factory Buildings	Other Buildings	Plant & Equipments	Furniture and Fixtures	Vehicles	Office Equipments	Road, Culverts	Computers	Leasehold Improvement	Freehold Land	Total
Balance at April 1, 2019	6,238.34	911.91	2,54,951.29	493.36	254.42	70.62	842.44	141.58	6,980.18	-	2,70,884.14
Additions/adjustment during the year	1,372.18	-	7,389.33	0.21	0.73	4.96	-	2.37	-	-	8,769.78
Disposal during the year	-	-	-	-	-	1.69	-	0.46	-	-	2.15
Balance at March 31, 2020	**7,610.52**	**911.91**	**2,62,340.62**	**493.58**	**255.15**	**73.88**	**842.44**	**143.50**	**6,980.18**	-	**2,79,651.77**
Balance at April 1, 2020	7,610.52	911.91	2,62,340.62	493.58	255.15	73.88	842.44	143.50	6,980.18	-	2,79,651.77
Additions/adjustment during the year	356.28	129.02	8,170.43	4.86	1.40	7.83	5,373.63	32.52	-	25.14	14,101.11
Disposal during the year	-	-	-	-	-	2.50	-	0.71	-	-	3.21
Balance at March 31, 2021	**7,966.79**	**1,040.93**	**2,70,511.05**	**498.43**	**256.55**	**79.21**	**6,216.07**	**175.31**	**6,980.18**	**25.14**	**2,93,749.68**

Addition includes borrowing cost capitalised Rs. 5,582.51 Million (FY 2019-20 Rs. 1,996.56 Million) and Incidental Expenditure during construction period Rs. 2,202.92 Million (FY 2019-20 Rs. 1,158.79 Million).

Refer Note no. 6.1 to 6.2 relating to capitalisation of tangible PPE.

4.2 Rupee Term Loan and ECB are secured by first rank pari-passu charge over all immovable properties present and future relating to the Company and first charge by way of hypothecation on all movable properties present and future relating to the Company.

PARIKH MEHTA & ASSOCIATES BARODA Chartered Accountants

ONGC Petro additions Limited

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4.3 Accumulated Depreciation

(All amounts are in Rs. Millions unless otherwise stated)

Accumulated Depreciation	Factory Buildings	Other Buildings	Plant & Equipments	Furniture and Fixtures	Vehicles	Office Equipments	Road, Culverts	Computers	Leasehold Improvement	Freehold Land	Total
Balance at April 1, 2019	574.11	117.06	25,678.33	157.75	96.00	12.90	269.89	101.91	931.50	-	27,939.45
Depreciation expense for the year	220.30	39.21	11,557.96	53.36	31.01	6.56	83.87	24.44	122.73	-	12,139.43
Disposal during the year	-	-	0.17	-	-	1.33	-	0.38	-	-	1.88
Balance at March 31, 2020	**794.41**	**156.27**	**37,236.12**	**211.11**	**127.01**	**18.13**	**353.76**	**125.97**	**1,054.23**	-	**40,077.00**
Balance at April 1, 2020	794.41	156.27	37,236.12	211.11	127.01	18.13	353.76	125.97	1,054.23	-	40,077.00
Depreciation expense for the year	256.88	15.60	11,886.74	53.79	31.17	6.92	236.17	23.32	122.73	-	12,633.33
Disposal during the year	-	-	-	-	-	2.26	-	0.63	-	-	2.88
Balance at March 31, 2021	**1,051.29**	**171.87**	**49,122.86**	**264.90**	**158.18**	**22.79**	**589.93**	**148.67**	**1,176.96**	-	**52,707.44**

4.4 Net carrying Amount

(All amounts are in Rs. Millions unless otherwise stated)

Net carrying Amount	Factory Buildings	Other Buildings	Plant & Equipments	Furniture and Fixtures	Vehicles	Office Equipments	Road, Culverts	Computers	Leasehold Improvement	Freehold Land	Total
Balance at March 31, 2020	6,816.11	755.64	2,25,104.50	282.47	128.15	55.75	488.68	17.52	5,925.95	-	2,39,574.77
Balance at March 31, 2021	6,915.50	869.06	2,21,388.19	233.53	98.37	56.42	5,626.15	26.64	5,803.22	25.14	2,41,042.23

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ONGC Petro additions Limited

5. Right of Use Assets

5.1 Gross Carrying Amount

(All amounts are in Rs. Millions unless otherwise stated)

Gross Carrying Amount	Leasehold Land	Storage Facility	Leasehold Building	Vehicle and Equipment	Total
Balance at April 1, 2019	1,868.05	738.91	180.54	3.90	2,791.40
Additions during the year	-	22.35	-	150.92	173.28
Balance at March 31, 2020	**1,868.05**	**761.26**	**180.54**	**154.82**	**2,964.67**
Balance at April 1, 2020	1,868.05	761.26	180.54	154.82	2,964.67
Additions during the year	262.84	-	-	93.42	356.26
Adjustment during the year	-	(2.79)	-	-	(2.79)
Balance at March 31, 2021	**2,130.89**	**758.47**	**180.54**	**248.24**	**3,318.13**

5.2 Accumulated Depreciation

(All amounts are in Rs. Millions unless otherwise stated)

Accumulated Depreciation	Leasehold Land	Storage Facility	Leasehold Building	Vehicle and Equipment	Total
Balance at April 1, 2019	-	-	-	-	-
Additions during the year	36.08	160.42	35.94	19.37	251.81
Balance at March 31, 2020	**36.08**	**160.42**	**35.94**	**19.37**	**251.81**
Balance at April 1, 2020	36.08	160.42	35.94	19.37	251.81
Additions during the year	36.08	125.68	35.94	68.84	266.53
Balance at March 31, 2021	**72.16**	**286.10**	**71.87**	**88.21**	**518.34**

5.3 Net carrying amount

(All amounts are in Rs. Millions unless otherwise stated)

Net carrying amount	Leasehold Land	Storage Facility	Leasehold Building	Vehicle and Equipment	Total
Balance at March 31, 2020	1,831.97	600.84	144.61	135.45	2,712.87
Balance at March 31, 2021	2,058.73	472.36	108.67	160.03	2,799.80

5.4 Leases

This note provides information for leases where the Company is a lessee. The Company leases various buildings, land, storage facilities, vehicles and equipment. In case of Land lease period is 50-90 years and in other cases it is 1 to 7 years, but may have extension options as described in (a) below.

i) The details of Lease Liability of the Company is as follows:

(All amounts are in Rs. Millions unless otherwise stated)

Particulars	Net carrying amount as at March 31, 2021	Net carrying amount as at March 31, 2020
Current	203.69	176.43
Non-current	681.75	805.59
Total	**885.44**	**982.02**

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ii) Amounts recognized in Statement of Profit and Loss

The Statement of Profit and Loss shows the following amounts relating to Ind AS 116

(All amounts are in Rs. Millions unless otherwise stated)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Interest expense (included in finance cost)	85.75	85.74
Expense relating to short-term leases (included in other expenses)	2.59	93.94
Expense relating to leases of low-value assets that are not shown above as short-term leases (included in other expenses)	7.32	10.62

The total cash outflow for leases for the year was Rs. 285.05 Million (March 31, 2020 Rs. 346.60 Million).

(a) Extension and termination options

Certain leases have extension options and termination options; extension options are only included in the lease term and lease liability if the lease is reasonably certain to be extended. Potential future cash outflows related to renewal options which are not reasonably certain to be extended have not been included in lease liabilities and such options are not material. Where practicable, the Company seeks to include extension options in new lease agreements to provide operational flexibility. The extension options held are exercisable only by the Company and not by the lessors. The Company assesses at lease commencement whether it is reasonably certain to exercise the extension and termination options. The Company reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant change in circumstances within its control and affects whether the Company is reasonably certain to exercise an option not previously included in its determination of the lease term, or not to exercise an option previously included in its determination of the lease term.

6. Capital Work-in-Progress

(All amounts are in Rs. Millions unless otherwise stated)

Particulars	As at April 1, 2019	Additions & Adjustments during Financial Year 2019-20	Deduction during the Financial Year 2019-20	Transfer to PPE & Intangible Assets	As at March 31, 2020
Integrated Utilities & Offsites (IU & O)	7,107.10	354.04	-	1,140.37	6,320.77
Captive Power Plant (CPP)	1,277.53	68.50	-	649.47	696.56
Hazira Dahej Naphtha Pipeline	795.79	2,879.78	-	3,675.57	-
LPG project - Pipeline & terminal work	311.71	156.11	-	-	467.82
Atali Township	6.78	-	-	-	6.78
Finance and Interest Charges	6,816.64	1,324.33	-	1,996.56	6,144.41
Incidental Expenses During Construction Including Consultancy	3,941.04	117.28	-	1,158.79	2,899.52
Other Capital Inventory	39.27	82.21	-	-	121.48
Equity component of compound financial instrument	(391.62)	391.62	-	-	-
Other Capital Work-in-Progress	127.30	102.64	-	-	229.94
Carrying amount of Capital Work-in-Progress	**20,031.54**	**5,476.50**	-	**8,620.76**	**16,887.28**

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(All amounts are in Rs. Millions unless otherwise stated)

Particulars	As at April 1, 2020	Additions & Adjustments during Financial Year 2020-21	Deduction during the Financial Year 2020-21	Transfer to PPE & Intangible Assets	As at March 31, 2021
Integrated Utilities & Offsites (IU & O)	6,320.77	105.73	-	5,134.78	1,291.71
Captive Power Plant (CPP)	696.56	245.27	-	941.83	-
LPG project - Pipeline & terminal work	467.82	256.61	-	-	724.43
Hazira Dahej Naphtha Pipeline	-	406.86	-	406.86	-
Atali Township	6.78	-	-	-	6.78
Finance and Interest Charges	6,144.41	816.33	-	5,582.51	1,378.23
Incidental Expenses During Construction Including Consultancy	2,899.52	-	-	2,202.92	696.60
Other Capital Inventory	121.48	303.44	-	164.51	260.41
Other Capital Work-in-Progress	229.94	265.48	-	37.73	457.69
Carrying amount of Capital Work-in-Progress	**16,887.28**	**2,399.71**	**-**	**14,471.14**	**4,815.85**

6.1 Integrated Utilities & Offsites (IU&O) and LPG Pipeline are under capital work in progress as at 31st March, 2021.

The capitalization is carried out based on the contract value including modification in orders value, if any. The capitalization exclude the delay payment change where commercial invoices is not received. The management expects that the liability will not exceed more than the cost recorded in the books of accounts significantly in respect of these LSTK assets. The assets are taken over by the Company from LSTK contractors are duly certified by the management of the Company. The insurance cover, where ever applicable, has been undertaken by the Company.

6.2 Free supplies received from various LSTK contractors under Contract are taken in books of account with a value provided by LSTK contractors / at realistic value. These free supplies are considered as Inventory (Spares/Chemicals) and the value has been reduced from particular Capital work in progress/Fixed Assets. The value of Spares/Chemicals reduced from CWIP/Fixed Assets is Rs. 348.50 Million (for FY 2019-20 Rs. 63.30 Million).

7. Intangible assets

(All amounts are in Rs. Millions unless otherwise stated)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Application Software	Other Intangible	Application Software	Other Intangible
Gross Carrying Amount				
Opening balance	286.91	48.19	274.65	48.19
Additions during the year	81.06	2.12	12.26	-
Transfer from intangible assets under development	5.92	-	-	-
	373.89	**50.32**	**286.91**	**48.19**
Less: Accumulated amortization				
Opening balance	204.46	17.09	151.55	7.47
Amortisation charge for the year	41.53	9.71	52.91	9.62
	245.98	**26.80**	**204.46**	**17.09**
Net carrying amount of Intangible assets	**127.91**	**23.52**	**82.45**	**31.10**

8. Intangible assets under development

(All amounts are in Rs. Millions unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Opening balance	4.87	3.67
Expenditure during the year	1.05	1.20
Less: Transfer to Intangible assets	5.92	-
Carrying amount of Intangible assets under development	**-**	**4.87**

9. Financial assets

(All amounts are in Rs. Millions unless otherwise stated)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Non-current	Current	Non-current	Current
Security deposits	280.69	-	281.29	-
Total	**280.69**	**-**	**281.29**	**-**

10. Deferred tax assets / (Liability)

The following is the analysis of deferred tax assets/(liabilities) presented in the Balance Sheet:

(All amounts are in Rs. Millions unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred tax assets	70,177.13	65,439.77
Deferred tax liabilities	(39,309.73)	(36,667.55)
Equity component of compound financial instrument	2,270.68	1,622.98
Total	**33,138.08**	**30,395.20**

(All amounts are in Rs. Millions unless otherwise stated)

Particulars	Opening Balance April 1, 2019	Recognised in profit or loss	Recognised in other Equity	Closing Balance March 31, 2020
Tax effect items constituting deferred Tax liability				
Property Plant & Equipments	26,208.37	9,607.78	-	35,816.15
Other assets	6.49	(1.51)	-	4.98
Right-of-use assets	-	846.42	-	846.42
Total	**26,214.86**	**10,452.69**	**-**	**36,667.55**
Tax effect items constituting deferred Tax Assets				
Financial and other assets	7.35	9.01	-	16.36
Defined Benefit Obligation	40.44	31.82	-	72.26
Lease Liability	-	306.39	-	306.39
Equity component of compound financial instrument	862.94	(1,335.82)	2,095.86	1,622.98
Carry forward Business Loss	43,905.94	21,138.82	-	65,044.76
Total	**44,816.67**	**20,150.22**	**2,095.86**	**67,062.75**
Deferred Tax Assets / (Liabilities) Net	**18,601.81**	**9,697.53**	**2,095.86**	**30,395.20**

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(All amounts are in Rs. Millions unless otherwise stated)

Particulars	Opening Balance April 1, 2020	Recognised in profit or loss	Recognised in other Equity	Closing Balance March 31, 2021
Tax effect items constituting deferred Tax liability				
Property Plant & Equipments	35,816.15	2,616.29	-	38,432.44
Other assets	4.98	(1.23)	-	3.75
Right-of-use assets	846.42	27.12	-	873.54
Total	**36,667.55**	**2,642.18**	**-**	**39,309.73**
Tax effect items constituting deferred Tax Assets				
Financial and other assets	16.36	(5.47)	-	10.89
Defined Benefit Obligation	72.26	25.22	-	97.48
Lease Liability	306.39	(30.13)	-	276.26
Equity component of compound financial instrument	1,622.98	(1,774.05)	2,421.75	2,270.68
Carry forward Business Loss	65,044.76	4,747.74	-	69,792.50
Total	**67,062.75**	**2,963.31**	**2,421.75**	**72,447.81**
Deferred Tax Assets / (Liabilities) Net	**30,395.20**	**321.13**	**2,421.75**	**33,138.08**

Management continues to consider virtual certainty that future taxable profits would be available against which the tax losses can be recovered and therefore, the related deferred tax asset can be realised.

11. Other assets

(All amounts are in Rs. Millions unless otherwise stated)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Non-current	Current	Non-current	Current
(Unsecured, considered good unless otherwise stated)				
(a) Advances (including Capital advances)				
Secured, considered good	43.03	-	67.55	-
Unsecured, considered good	-	881.89	-	2,210.92
(b) Advances to employees	-	0.12	-	1.15
(c) Prepayment				
Prepaid expenses	-	95.97	-	102.50
Prepaid Rent & Gas transmission charges	8.36	3.66	12.15	3.80
(d) Security deposits-Unsecured	22.83	-	29.26	-
(e) Other				
Custom duty advance	-	305.62	-	318.57
Insurance Claim receivable	-	-	-	0.25
Payment made under protest *	2,900.13	-	-	-
Service tax recoverable	-	15.83	-	32.60
Vat credit receivable	-	0.10	-	0.10
Income tax receivable	40.30	15.67	17.73	-
GST receivable	-	212.27	-	138.57
Total	**3,014.65**	**1,531.13**	**126.69**	**2,808.46**

***Note :** *Payment made under protest majorly includes followings:-*

1. *Amount remitted to contractor (for which equivalent amount of bank guarantee received) as per direction of High court to set aside arbitral award passed against Company.*
2. *In the matter of non achievement of positive Net Foreign Exchange, amount paid to concerned authority for which Company has filed appeal.*
3. *The above matters disclosed as contingent liabilities, refer note 39.1*

12. Inventories

(All amounts are in Rs. Millions unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Raw materials	3,560.29	1,954.73
Work-in-progress	1,697.45	1,522.30
Finished goods	5,864.24	9,619.96
Stores, spares and consumable	6,811.03	6,224.29
Total	**17,933.01**	**19,321.28**

12.1 Finished goods includes goods in transit value Rs. 149.82 Million (31^{st} March, 2020 - Rs. 233.49 Million). Raw material includes goods in transit value Rs. Nil (31^{st} March, 2020 - Rs. 477.02 Million)

12.2 The mode of valuation of inventories has been stated at note 3.12.

12.3 Write-down of finished goods inventories to net realisable value amount Rs. Nil (31^{st} March, 2020 Rs.71.05 Million). This is recognised as an expense during the year and included in changes in inventories of finished goods, work-in-progress and stock-in-trade in statement of profit and loss account.

13. Trade Receivables

(All amounts are in Rs. Millions unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Secured, considered good	2,296.22	1,332.68
Trade Receivables which have significant increase in Credit Risk	50.91	50.91
	2,347.13	**1,383.59**
Less: Loss allowance	(21.01)	(21.01)
Total	**2,326.12**	**1,362.58**

Provision has been created for loss allowance in case of one of the Consignment Sale Agent (CSA) who defaulted on the outstanding. The total receivable from him is Rs. 50.91 Million out of which Company has Rs. 29.90 Million by way of security and incentives (in form of discounts & commissions) payable to him under various marketing schemes. Accordingly, net amount of Rs. 21.01 Million has been provided as loss allowance. The Company has invoked arbitration proceedings and criminal compliant against him.

14. Cash and cash equivalents

(All amounts are in Rs. Millions unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Balances with Banks		
Current Account	125.19	71.83
Imprest	0.34	0.43
Bank deposits for original maturity upto 3 months	23.92	95.99
Total	**149.45**	**168.25**

14.1 The deposits maintained by the Company with banks comprise Time Deposits, which can be withdrawn by the Company at any point without prior notice or penalty on the principal.

14.2 There are no repatriation restriction with respect to Cash & Cash Equivalents at the end of reporting period and prior period.

15. Equity share capital

(All amounts are in Rs. Millions unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Authorised: 15,000,000,000 equity shares of Rs.10 each (as at March 31, 2020 : 15,000,000,000 equity shares of Rs. 10 each)	1,50,000.00	1,50,000.00
	1,50,000.00	1,50,000.00
Issued: 2,021,929,671 equity shares of Rs. 10 each (as at March 31, 2020 : 2,021,929,671 equity shares of Rs. 10 each)	20,219.30	20,219.30
	20,219.30	20,219.30
Subscribed and paid up: 2,021,929,671 equity shares of Rs. 10 each (as at March 31, 2020 : 2,021,929,671 equity shares of Rs. 10 each)	20,219.30	20,219.30
Total	**20,219.30**	**20,219.30**

15.1 Reconciliation of equity shares outstanding at the beginning and at the end of the reporting period:

(All amounts are in Rs. Millions unless otherwise stated)

Particulars	Number of shares in Million	Share capital
Balance at 1st April, 2020	2,021.93	20,219.30
Changes during the year	-	-
Balance at March 31, 2021	**2,021.93**	**20,219.30**

15.2 Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

15.3 Details of shareholders holding more than 5% shares in the Company are as under:

(All amounts are in Rs. Millions unless otherwise stated)

Name of equity share holder	As at March 31, 2021		As at March 31, 2020	
	No. in Million	% holding	No. in Million	% holding
Oil and Natural Gas Corporation Limited	997.98	49.36	997.98	49.36
GAIL (India) Limited	994.94	49.21	994.94	49.21

16. Other equity

16.1 Equity component of compound financial instrument

(All amounts are in Rs. Millions unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Equity component of compound financial instrument	69,815.91	66,468.77
Deferred tax impact on Equity component of compound financial instrument	9,581.72	7,159.97
Balance at end of year	**79,397.63**	**73,628.74**

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16.2 Retained earnings

(All amounts are in Rs. Millions unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Balance at beginning of year	(71,070.74)	(43,942.05)
Loss after tax for the year	(7,977.76)	(20,896.82)
Extinguishment of Compulsory convertible debenture	(3,549.20)	(6,211.48)
Add: Other comprehensive income arising from re-measurement of defined benefit obligation	12.13	(20.39)
Balance at end of year	**(82,585.57)**	**(71,070.74)**

16.3 Money received against share warrants

(All amounts are in Rs. Millions unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Balance at beginning of year	24,940.50	24,940.50
Add : Issue of share warrants	8,709.09	-
Balance at end of year	**33,649.59**	**24,940.50**

16.4 Disclosures in relation to money received against share warrants:

(i) Money received against share warrant represent amounts received towards warrants which entails the warrant holders, the option to apply for and be allotted equivalent number of equity shares of the face value of Rs. 10 each.

(ii) Against issue of 1,922,000,000 no. of warrants the balance amount receivable from holder of warrant towards warrant exercise price is Rs. 480.50 Million (Rs. 0.25 per share warrants). The holder of the warrant would need to exercise the right by paying warrant exercise price on or before 24th August, 2021.

(iii) Against issue of 636,000,000 no. of warrants the balance amount receivable from holder of warrant towards warrant exercise price is Rs. 159.00 Million (Rs. 0.25 per share warrants). The holder of the warrant would need to exercise the right by paying warrant exercise price on or before 12th December, 2021.

(iv) Against issue of 893,240,000 no. of warrants the balance amount receivable from holder of warrant towards warrant exercise price is Rs. 223.31 Million (Rs. 0.25 per share warrants). The holder of the warrant would need to exercise the right by paying warrant exercise price on or before 6th April, 2023.

(v) The equity shares to be issued up on the exercise of the warrant shall be subject to Memorandum of Association and Articles of Association of the Company and shall rank pari-pasu in all respect with the existing equity shares including the right with respect to dividend.

(vi) The warrant exercise ratio is 1 (one) equity share for each warrant.

(vii) Neither warrant nor the equity shares to be issued on exercise of the warrants shall be listed on any stock exchange.

(viii) The warrant subscription price will not be adjusted towards the warrant exercise price, if warrant is not exercised the warrant subscription price will stand forfeited.

17. Borrowings

(All amounts are in Rs. Millions unless otherwise stated)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Non-current	Current	Non-current	Current
Secured - at amortised cost				
Term loans				
Rupee loan from banks	69,714.47	-	79,412.53	-
Rupee loan from others	2,352.92	-	2,624.41	-
Foreign currency loan from bank	20,502.15	-	20,293.21	-
External commercial borrowings	4,915.02	-	7,066.29	-
Working Capital Loan	-	4,202.00	-	5,791.66
Unsecured - at amortised cost				
Debentures				
Liability component of compound financial instrument				
- Compulsory Convertible Debentures (CCDs)	3,336.92	2,016.52	-	3,615.10
Non Convertible Debentures (NCDs)	32,600.00	-	30,000.00	-
Loan repayable on demand from banks	-	24,956.90	-	34,489.57
Rupee Term Loan from banks	68,000.00	-	65,000.00	-
Commercial Paper	-	6,936.62	-	-
Sub Total	**2,01,421.48**	**38,112.04**	**2,04,396.44**	**43,896.33**
Less : Current maturity of Long term Debts	40,274.22	-	13,683.61	-
Total	**1,61,147.26**	**38,112.04**	**1,90,712.83**	**43,896.33**

17.1 Long term Loan-Secured

(All amounts are in Rs. Millions unless otherwise stated)

Particulars	As at March 31, 2021	Rate of Interest	As at March 31, 2020	Rate of Interest
Rupee Loan				
LTL-I (Various Banks)	51,083.71	8.15%	60,724.65	9.25%
LTL-II (Various Banks)	20,983.69	8.15%	21,312.29	9.25%
Foreign currency Loan				
LTL-I State Bank of India	16,710.08	3.05%	19,853.85	4.28%
LTL-I Union Bank of India	3,384.33	3.25%	-	-
LTL-II State Bank of India	407.74	3.05%	439.36	4.28%
Total	**92,569.54**		**102,330.15**	

OPaL has LTL-I & LTL-II borrowings in INR under consortium banking led by State Bank of India (SBI). The rate of Interest is 1 year MCLR plus spread of 0.75 bps.

Terms of Repayment

(i) Facility 1 : Repayable in 41 equal quarterly installments Rs. 2,765.98 Million starting in Q4 FY 2016-17 and ending in Q2 FY 2027-28. (PY Q4 FY 2016-17 and ending in Q4 FY 2026-27)

(ii) Facility II : Repayable in 43 structured quarterly installments starting in Q2 FY 2018-19 and ending in Q2 FY 2029-30. (PY Q2 FY 2018-19 and ending in Q4 FY 2028-29)

a) SBI has rolled over FCNRB (TL) facility in August 2020 to the tune of Rs.18,789.20 Million under LTL-I and Rs. 415.80 Million under LTL-II totalling Rs. 19,205.00 Million @ 3.05% p.a. linked with 1 year LIBOR for the period of 12 months.

As a result of the roll over these rupee loans of SBI was carved out of total INR outstanding amount of LTL-I & LTL-II in August, 2020 under consortium and were converted into equivalent dollar denominated loans of USD 258.83 Million. (USD 253.23 Million & USD 5.60 Million). The FCNRB (TL) facilities were roll over w.e.f. 26.08.2020 and valid for 12 months period.

All the other terms monthly interest payment, quarterly installment payment, remains same as agreed for LTL-I & LTL-II facilities in INR. However, at the end of 12 months on Company's request, SBI may consider to rollover the FCNRB (TL) facility, at its discretion, on the terms as may be stipulated by them or may be converted again into equivalent INR term loan for outstanding USD liability.

b) Rupee Term Loan (RTL) borrowing from Union Bank of India has been converted in to Foreign Currency Term Loan (FCTL) facility in October 2020. OPaL exercised FCTL facility to the tune of Rs. 3,620 Million under @ 3.25% p.a. linked with 6 month LIBOR for the period of 12 /6 months.

As a result of this RTL was carved out of INR outstanding amount in October, 2020 and was converted into equivalent dollar denominated loan of USD 49.31 Million. This FCTL facility was availed w.e.f. 14.10.2020 and valid for 12/6 months period.

All the other terms monthly interest payment, quarterly installment payment, remains same as agreed for RTL facility in INR. However, at the end of 12/6 months on Company's request, Union Bank may consider to rollover the FCTL facility, at its discretion, on the terms as may be stipulated by them or may be converted again into equivalent INR term loan for outstanding USD liability.

c) Company had exercised option of Loan installment and Interest deferment in March 2020 for three months as per relaxation announced by Reserve Bank of India as Covid-19 regulatory package. The moratorium period was further extended till 31st August, 2020. The Loan installment and Interest were paid in due course after completion of moratorium period.

17.2 External Commercial Borrowings (ECB)

(All amounts are in Rs. Millions unless otherwise stated)

Particulars	As at March 31, 2021	Rate of Interest	As at March 31, 2020	Rate of Interest
Facility - I	4,915.02	6 month USD LIBOR + 250bps	7,066.29	6 month USD LIBOR + 250bps
Total	**4,915.02**		**7,066.29**	

Security

Rupee Term Loans and ECB:

a) First ranking pari-passu mortgage/charge on immovable and movable properties and assets, both present and future except current assets;

b) First ranking pari-passu mortgage/assignment on intangible assets relating to project both present and future; and

c) Second ranking pari-passu charge on any current asset with working capital lenders on reciprocal basis.

Repayment terms of ECB

a) Facility I : USD 190 Million

4 half yearly installments of USD 9.50 Million (USD 12.50 Million) each commencing from March 2016

4 half yearly installments of USD 11.40 Million (USD 15.00 Million) each commencing from March 2018

4 half yearly installments of USD 13.30 Million (USD 17.50 Million) each commencing from March 2020

2 half yearly installments of USD 17.10 Million (USD 22.50 Million) each commencing from March 2022

Last installment of USD 19.00 Million (USD 25.00 Million) in March 2023

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17.3 Unsecured - Compulsory Convertible Debentures

(All amounts are in Rs. Millions unless otherwise stated)

Particulars	Face Value (Gross)	Coupon Rate	Terms of Repayment	Effective Interest Rate	As at March 31, 2021			As at March 31, 2020		
					Equity component of convertible debenture	Non current Liability component of convertible debenture	Current Liability component of convertible debenture	Equity component of convertible debenture	Non current Liability component of convertible debenture	Current Liability component of convertible debenture
CCD I (July 2016) Series A / B	56,150.00	6.73%	74 months from pay in date	6.58%	50,721.78	1,863.07	2,315.77	49,203.62	-	3,093.31
CCD II (May 2017)	16,710.00	8.60%	54 months from pay in date	6.97%	14,625.98	-	756.13	13,369.69	-	160.17
CCD III (March 2018)	4,920.00	6.43%	54 months from pay in date	6.72%	4,468.15	153.45	265.03	3,895.46	-	361.62
Total	**77,780.00**				**69,815.91**	**2,016.52**	**3,336.92**	**66,468.77**	-	**3,615.10**

The equity component of convertible debenture has been presented on the face of the balance sheet including deferred tax of Rs. 9,581.72 Million for 31st March, 2021 and Rs. 7,159.97 Million for 31st March, 2020.

(i) CCDs I of Rs. 56,150 Million was issued in July 2016 for the tenure of 36 months and elongated twice for further period of 18 months each. The tenure of the CCDs stands modified to 72 months from deemed date of allotment of first tranche i.e. 02.07.2016 at a coupon rate of 6.73% p.a. payable semi-annually. The CCDs will be compulsorily convertible at par into equity share of the Company at the end of 72nd month from the deemed dated of allotment. (Impact has been disclosed in Note No. 40 Exception Item)

Unconditional and irrevocable mandatory put option on ONGC shifted at the end of 71st month for CCDs of Rs. 56,150 Million.

Buy out option available to ONGC at the end of 56th month, 59th month, 62nd month, 65th month & 68th month from deemed date of allotment of first tranche for CCDs of Rs. 56,150 Million.

(ii) CCDs II of Rs. 16,710 Million was issued on May 18, 2017 for the tenure of 36 months which is due for conversion in Quarter-I of FY 2020-21 and Company has elongated the tenure of the same for further period up to 18 months.

The tenure of the CCDs stands modified to 54 months from deemed date of allotment i.e. 18.05.2017 at a coupon rate of 8.60% p.a. payable semi-annually. The CCDs will be compulsorily convertible at par into equity share of the Company at the end of 54th month from the deemed dated of allotment (Impact has been disclosed in Note No. 40 Exception Item).

Unconditional and irrevocable mandatory put option on ONGC to purchase the debentures on the expiry of 35th month i.e. 18th April, 2020 which has shifted to the end of 53rd month for CCDs of Rs. 16,710 Million.

Buy out option available to ONGC at the end of 41st month, 44th month, 47th month & 50th month for CCDs of Rs.16,710 Million.

(iii) CCDs III of Rs. 4,920 Million was issued on March 28, 2018 for the period of 36 month at a coupon rate of 8.00% p.a. payable annually and would be due for conversion in March 2021 and Company has elongated the tenure of the same for further period up to 18 months.

The tenure of the CCDs stands modified to 54 months from deemed date of allotment i.e. 28.03.2018 at coupon rate of 6.43% p.a. payable semi-annually. The CCDs will be compulsory convertible at par in equity share of the Company at the end of 54th month from the deemed dated allotment (Impact has been disclosed in Note No. 40 Exception Item).

Unconditional and irrevocable mandatory put option on ONGC shifted at the end of 53rd month for CCDs of Rs. 4,920 Million.

Buy out option available to ONGC at the end of 38th month, 41st month, 44th month, 47th month, 50th month and 53rd month, for CCDs of Rs. 4,920 Million.

(iv) The conversion of CCDs into equity shares will be as per conversion formula set out in Debenture Trust Deed i.e. (A+B+C) divided by D. A = Rs. 10,000,000, B = Coupon accrued and remaining unpaid on the date of conversion on each debenture, C = any coupon amounts/fee (if any) reimbursed / paid by the Sponsor to the Issuer / Inventor and D = Rs. 10.

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17.4 Working Capital Loans

(All amounts are in Rs. Millions unless otherwise stated)

Name of Bank	As at March 31, 2021	Rate of Interest	As at March 31, 2020	Rate of Interest
Bank of Baroda Cash Credit	2,660.27	7.25%	1,833.39	8.40%
Allahabad Bank Cash Credit	0.020	7.30%	607.52	8.65%
Canara Bank Cash Credit	0.071	7.45%	-	-
Andhra Bank Cash Credit	-	-	0.001	8.20%
Indian Bank Cash Credit	-	-	0.023	8.45%
Allahabad Bank*	293.80	7.10%	-	-
Andhra Bank*	400.00	6.70%	-	-
Canara Bank*	173.43	6.70%	-	-
Bank of Baroda*	-	-	850.00	7.55%
Bank of Baroda FCNRB**	-	-	1,849.72	3.84%
Bank of Baroda LC***	674.41	0.648% - 1.003%	651.01	1.42% - 2.41%
Total	**4,202.00**		**5,791.66**	

** Availed as Working Capital Demand Loan (WCDL) upto one month tenure.*
*** Availed facility terms in USD, Maturity is 3 months from drawdown, part payment is allowed.*
**** Working capital based bill discounting facility, tenure is six months from bill date.*

Security

(a) First pari-passu charge on the current assets of the Borrower comprising of stocks, stores and spares, stock in progress, finished goods and material in transit and book debts. Term Loan lenders to have second charge over current assets.

(b) Second pari-passu charge along with other working capital lenders on the Borrower's fixed assets on which the long term lenders have the first charge.

(c) First charge on the Trust and Retention Accounts (except DSRA) on pari-passu basis along with the long term lenders.

17.5 Repayment Schedule - Unsecured Loan

(All amounts are in Rs. Millions unless otherwise stated)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Amount	Repayment	Amount	Repayment
Canara Bank	8,050.00	Q1& Q3 2021-2022	-	-
Bank of Maharashtra	5,000.00	Q-2 2021-2022	-	-
Andhra Bank	-	-	10,000.00	Q-1 2020-2021
Bank of Baroda	-	-	8,170.00	Q-2 2020-2021
Punjab National Bank*	11,906.90	Q-2 2021-2022	12,828.17	Q-1 2020-2021
Axis Bank*	-	-	3,491.40	Q3 & Q4 2020-21
Total	**24,956.90**		**34,489.57**	

* Foreign Currency Loan (FCL) facility opted during the year, term in USD.
Rate of interest for INR Loan range from 4.75% to 6.70%.
Rate of interest for Foreign currency loan 6 Month USD LIBOR +2.60% minimum 2.95%.

17.6 Non Convertible Debentures (NCDs)

(All amounts are in Rs. Millions unless otherwise stated)

Particulars	As at March 31, 2021	Rate of Interest	As at March 31, 2020	Rate of Interest
NCDs Series - I	3,350.00	8.60%	3,350.00	8.60%
NCDs Series - II	4,850.00	8.85%	4,850.00	8.85%
NCDs Series - III	4,350.00	8.45%	4,350.00	8.45%
NCDs Series - IV Option A	3,711.00	8.45%	3,711.00	8.45%
NCDs Series - IV Option B	4,655.00	8.83%	4,655.00	8.83%
NCDs Series - V Option A	4,334.00	7.98%	4,334.00	7.98%
NCDs Series - V Option B	4,750.00	8.00%	4,750.00	8.00%
NCDs Series - VI	2,600.00	7.98%	-	-
Total	**32,600.00**		**30,000.00**	

Issuance of private placement of Unsecured, Listed, Rated, Taxable, Redeemable, Non-Cumulative Non-Convertible Debentures ("NCDs") made for face value of Rs. 1.00 Million each for cash at par.

NCDs were issued for general corporate purposes including pre-payment/repayment of existing indebtedness. NCD Series I to V are backed by irrevocable & unconditional Letter of Comfort (LoC) from one of the promoter ONGC for principal amount and coupon payment to protect the interest of the NCDs Holders. However, NCDs Series VI is issued by the Company on standalone basis.

NCDs Series - I

Company has allotted 3350 NCDs in December 2018 of Rs. 1.00 Million each under NCDs Series-I at cut-off coupon rate of 8.60% payable annually for tenure of 3 Year 3 Months with issue size up to Rs. 2,500 Million and green shoe option up to Rs. 850 Million which is redeemable on 11th March, 2022.

NCDs Series - II

Company has allotted 4850 NCDs in March 2019 of Rs. 1.00 Million each under NCDs Series-II at cut-off coupon rate of 8.85% payable annually for tenure of 3 Year 1 Month with issue size up to Rs. 2,000 Million and green shoe option up to Rs. 2,850 Million which is redeemable on 19th April, 2022.

NCDs Series - III

Company has allotted 4350 NCDs in September 2019 of Rs. 1.00 Million each under NCDs Series-III at cut-off coupon rate of 8.45% payable annually for tenure of 3 Year 3 Month with issue size up to Rs. 2,100 Million and green shoe option up to Rs. 2,250 Million which is redeemable on 26th December, 2022.

NCDs Series - IV

Company has allotted aggregate up to 8366 NCDs in December 2019 of Rs. 1.00 Million each. Out of which 3711 NCDs under Series-IV option A at cut-off coupon rate of 8.45% payable annually for tenure of 3 Year 3 Month which is redeemable on 10th March, 2023 and 4655 NCDs under Series-IV option B at cut-off coupon rate of 8.83% payable annually for tenure of 5 Year 3 Month which is redeemable on 10th March, 2025.

NCDs Series - V

Company has allotted aggregate up to 9084 NCDs in February 2020 of Rs. 1.00 Million each. Out of which 4334 NCDs under Series-V option A at cut-off coupon rate of 7.98% payable annually for tenure of 3 Year which is redeemable on 10th February, 2023 and 4750 NCDs under Series-V option B at cut-off coupon rate of 8.00% payable annually for tenure of 5 Year 2 Month which is redeemable on 11th April, 2025.

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NCDs Series - VI

Company has allotted 2600 NCDs in September 2020 of Rs. 1.00 Million each on standalone basis under NCDs Series-VI at cut-off coupon rate of 7.98% payable annually for tenure of 3 Year 1 Month with issue size up to Rs. 1,050 Million and green shoe option up to Rs. 1,550 Million which is redeemable on 25th October, 2023.

All above the series of NCDs has already been listed on Wholesale Debt Market (WDM) segment of Bombay Stock Exchange Ltd. and available for secondary trade.

17.7 Long term Rupee Term Loan - Unsecured

(All amounts are in Rs. Millions unless otherwise stated)

Particulars	As at March 31, 2021	Rate of Interest	As at March 31, 2020	Rate of Interest
ICICI Bank (Facility-I)	45,000.00	7.90%	45,000.00	8.90%
ICICI Bank (Facility-II)	20,000.00	7.90%	20,000.00	8.90%
Punjab National Bank	3,000.00	6.70%	-	-
Total	**68,000.00**		**65,000.00**	

A - ICICI Bank

(i) Unsecured Rupee Term Loan (RTL) facilities tied-up with ICICI Bank Limited for replacement of existing debt, normal capital expenditure & long term working capital purposes. Details are mentioned as below:

a) Rupee Term Loan-1 Rs. 45,000 Million for 12 years tenure, repayable in 36 equal quarterly installments starting in Q3 FY2021-22 and ending Q2 FY 2030-31.

b) Rupee Term Loan-2 Rs. 20,000 Million for 3 years tenure, repayable in 2 equal installments starting in Q2 FY 2021-22 and Q3 FY 2021-22 respectively.

(ii) Both the RTL facilities from ICICI Bank are backed by Letter of Comfort from one of the promoters ONGC Limited for interest and repayment of installments.

(iii) Effective Interest rate will be derived by sum of 1 year MCLR of bank plus 0.55% spread and effective interest rate shall be reset at the end of every year from the date of first drawdown.

(iv) Prepayment is allowed without prepayment premium if it is done through equity / quasi equity / internal accruals/ promoter loans / debt arranged by Strategic Investor.

B - Punjab National Bank

(i) During the year Company has availed Rs. 3,000 Million unsecured corporate term loan facility from Punjab National Bank for general capital expenditure and general corporate purposes. Details are as follow:

(ii) This facility has tenor of 5 years including moratorium period of 3 years.

(iii) The loan is repayable on quarterly basis after completion of moratorium period of 3 years in eight equated installments at the end of every quarter during next 2 years.

(iv) Interest rate is linked with MCLR of the bank.

17.8 Commercial Paper

(All amounts are in Rs. Millions unless otherwise stated)

Particulars	As at March 31, 2021	Rate of Interest	As at March 31, 2020	Rate of Interest
Commercial Paper (Maturity - May 2021)	6,936.62	3.58% - 3.82%	-	-
Total	**6,936.62**	-	-	-

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18. Other financial liabilities

(All amounts are in Rs. Millions unless otherwise stated)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Non-current	Current	Non-current	Current
Amount with held from Contractors	-	940.70	-	821.72
Liability for capital goods and services	-	2,126.27	-	2,159.21
Interest accrued but not due on borrowings	-	2,680.94	-	3,989.44
Current maturities of long-term debts	-	40,274.22	-	13,683.61
Liability for employees	-	3.76	-	4.84
Security deposit from customers	622.31	-	573.78	-
Security deposit from vendors	-	55.92	-	82.82
Refund liabilities	-	864.76	-	667.59
Other liabilities	-	61.04	-	95.57
Total	**622.31**	**47,007.61**	**573.78**	**21,504.80**

19. Employee Benefit Obligations

(All amounts are in Rs. Millions unless otherwise stated)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Non-current	Current	Non-current	Current
Leave encashment	-	312.42	-	231.59
Gratuity	-	5.03	-	35.63
Total	**-**	**317.45**	**-**	**267.22**

19.1 Leave encashment

The leave obligation cover the Company liability for earned leave which is classified as other long-term benefit. The entire amount of provision of Rs. 312.42 Million (31st March, 2020, Rs. 231.59 Million) is presented as current. Since the Company does not have an unconditional right to defer the settlement for any of obligation. However, based on past experience, the Company does not expect all employees to avail the full amount of accrued leave or require payment for such leave within the next 12 months.

(All amounts are in Rs. Millions unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Leave obligation not expected to be settled within the next 12 months	303.95	226.26

20. Trade payables

(All amounts are in Rs. Millions unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Trade payables : micro and small enterprises	30.68	21.04
Trade payables - others	4,679.99	4,952.74
Trade payables to related parties (Note 35.2)	3,029.33	1,992.62
Total	**7,740.00**	**6,966.40**

20.1 Payment of trade payables is made as per the terms and conditions of the contract/purchase orders. The average credit period is 30 days. Thereafter, interest is chargeable as per the terms and conditions of the contract/purchase orders.

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20.2 Trade payables - Total outstanding dues of Micro & Small enterprises

(All amounts are in Rs. Millions unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
a) Principal & Interest amount remaining unpaid but not due as at year end	16.01	6.44
b) Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	184.74	288.37
c) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	-	-
d) Interest accrued and remaining unpaid as at year end	3.20	8.47
e) 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	-	-

21. Other liabilities

(All amounts are in Rs. Millions unless otherwise stated)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Non-current	Current	Non-current	Current
Liability for statutory payments	-	221.74	-	135.79
Total	**-**	**221.74**	**-**	**135.79**

22. Contract liabilities

(All amounts are in Rs. Millions unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Balance at the beginning of the year	1,000.12	198.48
Revenue recognised that was included in the advance from customer at the beginning of the period	(1,000.12)	(198.48)
Advance from customer during the period, excluding amounts recognised as revenue during the period	447.63	1,000.12
Balance at the end of the year	**447.63**	**1,000.12**

23. Revenue From Operations

(All amounts are in Rs. Millions unless otherwise stated)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Sale of products	1,14,859.85	1,01,828.69
Total	**1,14,859.85**	**1,01,828.69**

23.1 Revenue disaggregation as per industry vertical and geography has been included in segment information. (Refer Note No. 34.2)

23.2 Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligations related disclosures for contracts where revenue recognized corresponds directly with value to the customer of the entity's performance completed to date.

23.3 Reconciliation of Revenue recognised with the contract price is as follows:

(All amounts are in Rs. Millions unless otherwise stated)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Contract price	1,19,180.12	1,08,074.23
Reduction towards cash discount	711.36	850.20
Reduction towards post sales discount	3,608.91	5,395.34
Revenue recognised	1,14,859.85	1,01,828.69

24. Other Income

(All amounts are in Rs. Millions unless otherwise stated)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Interest on Deposits with Banks	1.94	6.48
Interest on others	28.58	38.28
Other non-operating income		
Recovery from Contractor	25.49	52.62
Sale of MEIS License	122.67	118.70
Miscellaneous Income	61.09	26.04
Recovery of Insurance claim	169.61	-
Net Foreign Exchange gain	67.72	-
Total	**477.10**	**242.12**

25. Raw Material Consumption

(All amounts are in Rs. Millions unless otherwise stated)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Consumption of Raw Material	59,746.26	71,195.07
Total	**59,746.26**	**71,195.07**

26. Changes in inventories

(All amounts are in Rs. Millions unless otherwise stated)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Closing Stock:-		
Finished Goods including stock-in-trade	5,864.24	9,619.96
Work-in-Progress	1,697.45	1,522.30
	7,561.69	**11,142.26**
Opening Stock:-		
Finished Goods including stock-in-trade	9,619.96	5,732.26
Work-in-Progress	1,522.30	1,443.79
	11,142.26	**7,176.05**
Decrease/(increase) in Inventories	**3,580.57**	**(3,966.21)**

27. Employee benefit expense

(All amounts are in Rs. Millions unless otherwise stated)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Salaries and other allowances	1,252.55	1,146.22
Contribution to Provident Fund	56.08	52.04
Gratuity	25.44	54.53
Leave compensation	86.91	81.94
Staff Welfare Expenses	109.77	107.41
Total	**1,530.75**	**1,442.14**

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28. Finance costs

(All amounts are in Rs. Millions unless otherwise stated)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Interest :		
Borrowings from Banks and Others	18,058.12	19,875.90
Interest on Lease	85.75	85.74
Exchange differences regarded as an adjustment to borrowing costs	(775.86)	1,938.05
Total	**17,368.01**	**21,899.69**
Less : Transferred to Incidental Expense During Construction Period	816.33	1,324.33
	16,551.68	**20,575.36**

The capitalisation rate used to determine the amount of borrowing cost to be capitalised is the weighted average interest rate calculated on general borrowings

Reserve Bank of India vide circular RBI/2021-22/17 dt. 7th April, 2021 directed all lending institutes to put in place Board approved policy to refund Interest on Interest charged to borrowers during moratorium period 1st March, 2020 to 31st August, 2020. Accordingly, OPaL lodged claim with respective banks to get the amount of refund which is approximately Rs. 59.97 Million. This shall be accounted for in books of account as and when claim approved by respective banks.

29. Depreciation and amortisation expense

(All amounts are in Rs. Millions unless otherwise stated)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Depreciation on property, plant and equipment	12,633.33	12,139.43
Depreciation on Right-of-use assets	266.53	251.81
Amortisation of intangible assets	51.24	62.53
Total	**12,951.10**	**12,453.77**

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30. Other expenses

(All amounts are in Rs. Millions unless otherwise stated)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Rates, duties and taxes	238.28	155.30
Consumption of spares, stores and consumables	4,253.34	5,606.43
Travel and Conveyance	13.19	103.43
Insurance expenses	411.01	399.25
Power and fuel	8,934.14	9,011.52
Rent	135.69	114.72
Repairs and maintenance - Building	43.21	52.03
Repairs and maintenance - Machinery	141.67	205.29
Repairs and maintenance - Others	58.87	54.44
Repair - IT Services	83.95	100.49
Operation & Maintenance Expenses	863.86	1,028.45
Statutory audit fees	1.20	1.20
Professional expenses	368.20	137.30
Selling and Distribution expenses	4,703.12	4,425.93
Sponsorship	0.87	3.28
Security expenses	148.06	130.82
Water and electricity charges	591.37	468.26
Printing and Stationery	4.09	6.56
Caretaking expenses	41.80	40.79
CSR expenditure	10.07	0.65
Storage rental for naphtha	472.75	549.26
Licensesor fees	33.38	82.85
Net Foreign Exchange Loss	-	1,846.21
Allowance for doubtful debt	-	21.01
Miscellaneous expenses	99.03	117.45
Total	**21,651.15**	**24,662.92**

30.1 As per Companies Act, 2013, the Company has formed a Corporate Social Responsibility (CSR) Committee. In absence of profits, the Company is not required to spend any amount towards the same. However, the Company has spent Rs.10.07 Million for donation activity during the year (Year ended March 31, 2020 Rs.0.65 Million).

30.2 Statutory Auditors Remuneration as under:

(All amounts are in Rs. Millions unless otherwise stated)

Payment to Auditors	Year ended March 31, 2021	Year ended March 31, 2020
Audit Fees	1.20	1.20
Tax Audit Fees	0.30	0.30
Other Services	0.75	0.99
Total	**2.25**	**2.49**

31. Income taxes

(All amounts are in Rs. Millions unless otherwise stated)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Current tax relating to previous year	-	37.64
Deferred tax	(321.13)	(9,697.53)
Total	**(321.13)**	**(9,659.89)**

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31.1 One of the litigation matters pending with Income Tax authorities pertaining to AY 2015-16 (FY 2014-15), the Company had opted to take benefit under Vivad se Vishwas Scheme introduced in Finance Bill 2020. The Company has paid tax Rs. 20.25 Million during FY 2019-20. During current financial year Company has filed application under VSVS which is under progress.

32. Earnings per share

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Basic and Diluted earnings per equity share (in Rs.)	**(0.81)**	**(2.13)**
Face value per equity share (in Rs.)	**10.00**	**10.00**

32.1 Basic & Diluted earnings per Share

The earning attributable to equity share holders and weighted average number of equity shares used in calculation of basic & diluted earnings per share are as follows:

(All amounts are in Rs. Millions unless otherwise stated)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Profit (Loss) for the year attributable to equity shareholders	**(7,977.76)**	**(20,896.82)**

(No. of shares in Million)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Weighted average number of equity shares for the purposes of basic earnings per share	2,021.93	2,021.93
Adjustment :		
Compulsory Convertible Debentures (CCDs)	7,778.00	7,778.00
Weighted average number of equity shares and potential equity shares for calculating of basic & diluted earnings per share	**9,799.93**	**9,799.93**

32.2 Anti-dilutive EPS

As at 31st March, 2021, 3451 numbers of Share warrants (31st March, 2020, 2558 numbers) were excluded from the diluted weighted average numbers of ordinary shares for calculation their effect would have been anti-dilutive.

33. Employee benefit plans

33.1 Defined contribution plans:

Provident Fund

The Company is registered under Provident Fund Act and monthly contributions are made by employees as per terms of the Act. Matching contribution is made by the Company and the amount is deposited with provident fund authority. On retirement or separation, the contributions made are payable by the Provident Fund authority to the respective employees.

The total expense recognised Rs. 56.08 Million (for the year ended March 31, 2020 Rs. 52.04 Million) represents contributions payable to these plans by the Company at rates specified in the rules of the plan.

33.2 Defined benefit plans

Gratuity

15 days salary (15/26 x last drawn basic salary) for each completed year of service.

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Scheme is funded through own Gratuity Trust "ONGC Petro additions Employees Group Gratuity Trust". The liability for gratuity as above is recognised on the basis of actuarial valuation.

33.3 Other long term benefits

Brief description: A general description of the type of other long term benefits are as follows:

Earned Leave (EL) Benefit

Accrual - 30 days per year

Encashment while in service - 75% of Earned Leave balance subject to a maximum of 90 days per calendar year

Encashment on retirement/resignation - maximum 300 days

Good Health Reward (Half pay leave)

Accrual - 20 days per year

Encashment while in service - Nil

Encashment on retirement/death - 50% of Half Pay Leave balance.

The liability for the same is recognized annually on the basis of actuarial valuation.

33.4 These plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on Government Bonds. When there is a deep market for such bonds; if the return on plan asset is below this rate, it will create a plan deficit. Investments are made in LIC Group Gratuity Cash Accumulation Plan.
Interest risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

No other post-retirement benefits are provided to these employees.

In respect of the above plans, the most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at March 31, 2021 by M/s Charan Gupta Consultants Private Limited Fellow firm of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

33.5 The principal assumptions used for the purposes of the actuarial valuations were as follows:

Sl. No.	Particulars	As at March 31, 2021	As at March 31, 2020
	Gratuity		
I.	Discount rate	6.80%	6.80%
II.	Annual increase in salary	10.00%	10.00%
III.	Expected future life of employee (Years)	25.95	26.72

The discount rate is based upon the market yield available on Government Bonds at the accounting date with a term that matches. The salary growth takes into account inflation, seniority, promotion and other relevant factors on long-term basis.

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33.6 Amounts recognised in the financial statements before allocation in respect of these defined benefit plans are as follows:

Gratuity:

(All amounts are in Rs. Millions unless otherwise stated)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Service cost :		
Current service cost	36.86	35.37
Net interest expense	2.31	0.20
Components of defined benefit costs recognised in employee benefit expenses	**39.17**	**35.57**
Re-measurement on the net defined benefit liability:		
Return on plan assets (excluding amounts included in net interest expense)	(2.07)	(0.07)
Actuarial (gains)/losses arising from changes in demographic assumptions	-	0.07
Actuarial (gains)/losses arising from changes in financial assumptions	-	23.43
Actuarial (gains)/losses arising from experience adjustments	(10.06)	(3.04)
Components of Re-measurement	**(12.13)**	**20.39**
Total	**27.03**	**55.96**

The components of re-measurement of the net defined benefit liability recognised in other comprehensive income is Rs. (-12.13) Million (Previous Year Rs. 20.39 Million).

33.7 Movements in the present value of the defined benefit obligation are as follows:

Gratuity:

(All amounts are in Rs. Millions unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Opening defined benefit obligation	148.76	93.27
Current service cost	36.86	35.38
Interest cost	10.12	7.25
Re-measurement (gains)/losses:		
Actuarial gains and losses arising from changes in demographic assumptions	-	0.07
Actuarial gains and losses arising from changes in financial assumptions	-	23.43
Actuarial gains and losses arising from experience adjustments	(10.06)	(3.04)
Benefits paid	(1.81)	(7.60)
Closing defined benefit obligation	183.87	148.76
Current obligation	2.32	2.14
Non-current obligation	181.55	146.61

33.8 Movements in the fair value of the plan assets are as follows:

Gratuity:

(All amounts are in Rs. Millions unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Opening fair value of plan assets	114.83	90.67
Interest income	7.81	7.05
Re-measurement (gains)/losses:		
Return on plan assets (excluding amounts included in net interest expense)	2.07	0.07
Contributions from the employer	57.76	24.64
Benefits paid	(1.81)	(7.60)
Closing fair value of plan assets	180.66	114.83

Expected contribution with respect to Gratuity for next financial year is Rs. 40.30 Million .

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33.9 The amount included in the Balance Sheet arising from the entity's obligation in respect of its defined benefit plan is as follows:

Gratuity:

(All amounts are in Rs. Millions unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Present value of funded defined benefit obligation	183.87	148.76
Fair value of plan assets	180.66	114.83
Net funded liability arising from defined benefit obligation	(3.20)	(33.92)

33.10 The fair value of the plan assets at the end of the reporting period for each category, are as follows:

(All amounts are in Rs. Millions unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Fair value of plan asset of Gratuity Trust:		
Managed through LIC	180.66	114.83
Total	**180.66**	**114.83**

The actual return on plan assets of gratuity was Rs. 10.72 Million (As at March 31, 2020 Rs. 7.89 Million).

33.11 Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected salary increase. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

33.12 Sensitivity analysis as at March 31, 2021

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

(All amounts are in Rs. Millions unless otherwise stated)

Significant actuarial assumptions	Gratuity
Discount rate	
- Impact due to increase of 50 basis points	(15.64)
- Impact due to decrease of 50 basis points	17.51
Salary increase	
- Impact due to increase of 50 basis points	13.67
- Impact due to decrease of 50 basis points	(13.32)
Life expectancy rate	
- Impact due to increase of 100 basis points	0.34
- Impact due to decrease of 100 basis points	(0.33)

33.13 Sensitivity analysis as at March 31, 2020

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

(All amounts are in Rs. Millions unless otherwise stated)

Significant actuarial assumptions	Gratuity
Discount rate	
- Impact due to increase of 50 basis points	(12.96)
- Impact due to decrease of 50 basis points	14.54
Salary increase	
- Impact due to increase of 50 basis points	14.02
- Impact due to decrease of 50 basis points	(12.66)
Life expectancy rate	
- Impact due to increase of 100 basis points	0.28
- Impact due to decrease of 100 basis points	(0.26)

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The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Sensitivity due to mortality and withdrawals are not material and hence impact of change not calculated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

33.14 Maturity Profile of Defined Benefit obligation

(All amounts are in Rs. Millions unless otherwise stated)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
0 to 1 Year	2.32	2.14
1 to 2 Year	3.98	3.39
2 to 3 Year	4.82	2.80
3 to 4 Year	4.38	3.84
4 to 5 Year	4.00	3.31
5 to 6 Year	4.82	3.10
6 Year onwards	159.55	130.18

Weighted average duration of defined benefit obligation for March 2021, 19.93 years and for March 2020, 20.32 years.

The Company ensures that the investment positions are managed within an asset-liability matching (ALM) framework that has been developed to achieve long-term investments that are in line with the obligations under the employee benefit plans. The Company actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the employee benefit obligations.

34. Segment reporting

34.1 Business Segment:

The Company is having only one reportable segment i.e. Plastic and Petro Chemicals products.

34.2 Geographic Segment:

(All amounts are in Rs. Millions unless otherwise stated)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Revenue from operation		
At the point in time		
Within India	88,401.91	82,204.86
Outside India	26,457.94	19,623.83
Total	**1,14,859.85**	**1,01,828.69**

Significant revenue is recognized at the point in time.

Non - Current assets *

(All amounts are in Rs. Millions unless otherwise stated)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Within India	2,51,823.95	2,59,420.03
Outside India	-	-

* Other than financial assets and deferred taxes

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34.3 Information about customers:

(All amounts are in Rs. Millions unless otherwise stated)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Major Customers *	-	-
Others	1,14,859.85	1,01,828.69

* Represents 10% or more of Company's sales revenue.

35. Related party disclosures

35.1 Name of related parties and description of relationship:

A. Joint Venture Partner

1. Oil & Natural Gas Corporation Limited (ONGC)
2. Gail (India) Limited (GAIL)
3. Gujarat State Petroleum Corporation Limited (GSPC)

B. Under Common Control

1. Dahej SEZ Limited (DSL)
2. Mangalore Refinery & Petrochemical Limited (MRPL)
3. Petronet LNG Ltd. (PLL)
4. Hindustan Petroleum Corporation Limited (HPCL)

C. Key Management Personnel (KMP)

1. Mr. Shashi Shanker (Chairman)
2. Mr. Avinash Kumar Verma (Managing Director)
3. Mr. S. Balachandran (Independent Director)
4. Mr. P. K. Gupta (Director) (up to 01.07.2020)
5. Mr. Manoj R. Meshram (Director)
6. Mr. Subhash Kumar (Director)
7. Mr. Rajesh Kakkar (Director)
8. Mr. Rajiv (Independent Director)
9. Mr. Aloke Kumar Banerjee (Independent Director)
10. Ms. Rekha Misra (Director)
11. Mr. Ashu Shinghal (Director) (w.e.f. 01.07.2020)
12. Mr. Subodh Prasad Pankaj (Company Secretary)
13. Mr. Pradosh Basu (Chief Financial Officer) (up to 14.04.2021)
14. Mr. Rajendra Parakh (Officiating Chief Financial Officer) (w.e.f. 15.04.2021)

D. Trust

1. ONGC Petro additions Employees Group Gratuity Trust

35.2 Details of transactions:

The transaction entered between Company and its related party during the year and outstanding balance at period end in the ordinary course of business.

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35.2.1 Transactions with joint ventures

(All amounts are in Rs. Millions unless otherwise stated)

Name of related party	Nature of transaction	Year ended March 31, 2021	Year ended March 31, 2020
A. Reimbursement of expenses on behalf of OPaL:			
a) ONGC	Manpower Deputation, Interest and Reimbursement of expense	0.32	4.63
b) GAIL	Manpower Deputation and Transmission charges	293.98	193.39
B. Reimbursement of expenses by ONGC:			
a) ONGC	Reimbursement of expense by ONGC	-	4.98
C. Reimbursement of expenses by GAIL:			
a) GAIL	Interest on Security deposit	-	0.26
D. Purchase:			
a) ONGC	Purchase of Feed Stock	43,193.68	52,730.36
b) ONGC	Purchase of Fix Assets	-	1,362.19
c) GAIL	Purchase of Gases	2,179.21	1,267.93
d) GSPC	Purchase of Gases	2,109.99	2,802.15
E. Security Deposit:			
a) GAIL	Security Deposit refunded	-	5.93
F. Share Warrants:			
a) ONGC	Money received against share warrants	8,709.09	-

35.2.2 Outstanding balances with joint venture Partner

(All amounts are in Rs. Millions unless otherwise stated)

Name of related party	Nature of transaction	As at March 31, 2021	As at March 31, 2020
A. Amount payable:			
a) ONGC	Reimbursement of expense	1.17	1.17
b) ONGC	Purchase of Feed Stock	2,508.09	1,751.13
c) ONGC	Purchase of Fix Assets	-	1,362.19
d) GAIL	Transmission charges	12.10	13.11
e) GAIL	Purchase of Gas	213.13	111.84
f) GSPC	Purchase of Gas	273.89	93.08
B. Share warrant:			
a) ONGC	Share warrant pending allotment	33,649.59	24,940.50
C. Amount receivable : unsecured			
a) ONGC	Reimbursement of expense	6.56	9.61
b) GAIL	Security deposit	1.60	1.60
c) GAIL	Other advances	0.13	0.13

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35.2.3 Transactions with common control

(All amounts are in Rs. Millions unless otherwise stated)

Name of related party	Nature of transaction	Year ended March 31, 2021	Year ended March 31, 2020
A. Reimbursement of expenses:			
a) MRPL	Reimbursement for Manpower Deputation	-	0.35
b) DSL	Lease Rent & Service Charges	132.36	131.60
c) DSL	Land Purchase	260.53	-
d) PLL	Purchase of Gas	1,748.45	1,756.80
e) PLL	Sale of MEIS License	-	118.70
f) HPCL	Purchase of Consumables/Spares	1.29	1.55
g) HPCL	Purchase of Feed Stock	499.19	-

35.2.4 Outstanding balances with common control

(All amounts are in Rs. Millions unless otherwise stated)

Name of related party	Nature of transaction	As at March 31, 2021	As at March 31, 2020
A. Amount payable:			
a) DSL	Lease rent	20.92	22.26
b) HPCL	Purchase of Consumables/Spares	0.02	0.02
B. Amount receivable : unsecured			
a) DSL	Advance rent paid for ROU	0.73	0.73
b) DSL	Security Deposit	0.85	0.85
c) PLL	Purchase of Gas	80.48	282.33
d) HPCL	Purchase of Feed Stock	174.80	-

35.2.5 Transactions with Trust

(All amounts are in Rs. Millions unless otherwise stated)

Name of related party	Nature of transaction	As at March 31, 2021	As at March 31, 2020
A. Contribution to trust:			
a) OPaL Gratuity Trust	Contribution	57.76	24.64
B. Reimbursement of Gratuity payment made on behalf of Trust:			
a) OPaL Gratuity Trust	Reimbursement	1.81	7.60

35.2.6 Compensation of key management personnel

(All amounts are in Rs. Millions unless otherwise stated)

Particulars	Yeas ended March 31, 2021	Year ended March 31, 2020
Short term employee benefits	18.14	17.40
Director Sitting Fees	1.70	1.15
Post-employment benefits (includes provision for leaves, gratuity and other post-retirement benefits)	4.54	3.08
Other long-term benefits (includes contribution to provident fund)	0.88	0.87
Total	**25.26**	**22.50**

Financial Statements

36. Capital management

The Company's objective when managing capital is to safeguard its ability to continue as going concern so that the Company is able to provide maximum return to stakeholders and benefits for other stakeholders; and maintain an optimal capital structure to reduce the cost of capital.

The Company maintains its financial framework to support the pursuit of value growth for shareholders, while ensuring a secure financial base. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Company's management reviews the capital structure on a regular basis. As part of this review, the management considers the cost of capital, risks associated with each class of capital requirements and maintenance of adequate liquidity.

36.1 Gearing Ratio

The gearing ratio at the end of the reporting period is as follows:

(All amounts are in Rs. Millions unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Debt *	2,40,418.96	2,49,274.79
Cash and bank balances	149.45	168.25
Net debt	2,40,269.51	2,49,106.54
Total equity	50,680.95	47,717.80
Net debt to equity ratio	**4.74**	**5.22**

* Debt includes current and non current borrowings and current maturity of long term debt as mentioned at note 17.

37. Financial instruments & disclosures

37.1 Categories of financial instruments

(All amounts are in Rs. Millions unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Financial assets		
Measured at amortised cost		
(a) Trade receivables	2,326.12	1,362.58
(b) Cash and cash equivalents	149.45	168.25
(c) Security deposits	280.69	281.29
Financial liabilities		
Measured at amortised cost		
(a) Borrowings	1,99,259.30	2,34,609.16
(b) Trade payable	7,740.00	6,966.40
(c) Other financial liabilities	47,629.92	22,078.58

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37.2 Fair value hierarchy

(All amounts are in Rs. Millions unless otherwise stated)

Assets and Liability which are measured at amortised cost for which fair values are disclosed at 31st March, 2021	Leval 1	Leval 2	Leval 3	Total
Financial assets				
Measured at amortised cost				
(a) Trade receivables	-	-	2,326.12	2,326.12
(b) Cash and cash equivalents	-	-	149.45	149.45
(c) Security deposits	-	-	280.69	280.69
Financial liabilities				
Measured at amortised cost				
(a) Borrowings	-	-	1,99,259.30	1,99,259.30
(b) Trade payable	-	-	7,740.00	7,740.00
(c) Other financial liabilities	-	-	47,629.92	47,629.92

Assets and Liability which are measured at amortised cost for which fair values are disclosed at 31st March, 2020	Leval 1	Leval 2	Leval 3	Total
Financial assets				
Measured at amortised cost				
(a) Trade receivables	-	-	1,362.58	1,362.58
(b) Cash and cash equivalents	-	-	168.25	168.25
(c) Security deposits	-	-	281.29	281.29
Financial liabilities				
Measured at amortised cost				
(a) Borrowings	-	-	2,34,609.16	2,34,609.16
(b) Trade payable	-	-	6,966.40	6,966.40
(c) Other financial liabilities	-	-	22,078.58	22,078.58

Level 1 - Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 - Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

Fair value of financial assets and financial liabilities that are not measured at fair value.

Fair value of financial assets and financial liabilities at amortised cost : The carrying amount of trade receivable, cash and cash equivalents, other bank balances, loans, trade payable, other financial liabilities are considered to be same as there fair value. Also the carrying amount of borrowing approximate its fair value as majority of borrowings are at floating rate of interest.

38. Financial risk management objectives

While ensuring liquidity is sufficient to meet Company's operational requirements, the Company's management also monitors and manages key financial risks relating to the operations of the Company by analysing exposures by degree and magnitude of risks. These risks include market risk (including currency risk and interest rate risk), credit risk and liquidity risk.

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38.1 Market Risk

Market risk is the risk or uncertainty arising from possible market price movements and their impact on the future performance of a business. The major components of market risk are foreign currency exchange risk and interest rate risk.

38.1a Price Risk

Company exposure to equity securities price risk arises from investments held by the Company and classified in the balance sheet either as fair value through OCI or at fair value through profit or loss.

Since Company does not hold any equity securities it is not exposed to any price risk.

38.1b Foreign currency risk management

The Company undertakes transactions denominated in foreign currencies, for procurement of some of the materials and exports sales and has borrowings denominated in foreign currency; consequently, exposures to exchange rate fluctuations arise. Significant carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period expressed in Rs. (Million), are as follows :-

(All amounts are in Rs. Millions unless otherwise stated)

Particulars	USD	EURO	GBP	SGD
As at March 31, 2021				
Financial assets				
Trade receivables	137.24	0.71	-	-
Bank balance in EEFC accounts	61.83	-	-	-
Total	**199.08**	**0.71**	**-**	**-**
Financial liabilities				
Foreign currency loan	37,998.48	-	-	-
Trade payables	206.49	192.40	9.01	-
Total	**38,204.96**	**192.40**	**9.01**	**-**
As at March 31, 2020				
Financial assets				
Trade receivables	498.86	0.71	-	-
Bank balance in EEFC accounts	41.68	-	-	-
Total	**540.54**	**0.71**	**-**	**-**
Financial liabilities				
Foreign currency loan	46,179.80	-	-	-
Trade payables	222.70	182.87	2.07	0.17
Total	**46,402.50**	**182.87**	**2.07**	**0.17**

The aggregate net foreign exchange gain (loss) (including exchange difference presented as part of finance cost) recognised in statement of profit and loss is Rs. 843.58 Million. {31st March, 2020 Rs. (-3,784.26 Million)}.

Foreign currency sensitivity analysis

The Company is mainly exposed to the currency United States Dollar (USD). Sensitivity of profit or loss arises mainly from USD denominated receivables and payables.

As per management's assessment of reasonable possible changes in the exchange rate of +/- 5% between USD-INR and USD-EURO currency pair, sensitivity of profit or loss only on outstanding foreign currency denominated monetary items at the period end is presented below:

(All amounts are in Rs. Millions unless otherwise stated)

USD sensitivity at year end	As at March 31, 2021	As at March 31, 2020
Financial assets:		
Weakening of INR by 5%	9.95	27.03
Strengthening of INR by 5%	(9.95)	(27.03)
Financial liabilities:		
Weakening of INR by 5%	(1,910.25)	(2,320.13)
Strengthening of INR by 5%	1,910.25	2,320.13

(All amounts are in Rs. Millions unless otherwise stated)

EURO sensitivity at year end	As at March 31, 2021	As at March 31, 2020
Financial assets:		
Weakening of INR by 5%	0.04	0.04
Strengthening of INR by 5%	(0.04)	(0.04)
Financial liabilities:		
Weakening of INR by 5%	(9.62)	(9.14)
Strengthening of INR by 5%	9.62	9.14

38.1c Interest rate risk management

The Company has availed borrowings at fixed and floating interest rates, hence is exposed to interest rate risk. The Company has not entered into any of the interest rate swaps and hence the Company is exposed to interest rate risk.

Interest rate risk exposure

The exposure of the Company borrowings to interest rate changes at the end of reporting period are included in the table below. As at the end of reporting period, the Company had following variable rate borrowings.

(All amounts are in Rs. Millions unless otherwise stated)

Particulars	Weighted average interest rate %	Balance	% of total loans
As at March 31, 2021			
Bank Loans	6.75 %	2,00,924.28	83.88 %
As at March 31, 2020			
Bank Loans	7.88 %	2,14,051.09	86.21 %

Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates at the end of the reporting period. For floating rate borrowings, the analysis is prepared assuming the amount of the borrowings outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used for disclosing the sensitivity analysis.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Company's profit for the year ended March 31, 2021 would decrease/increase by Rs. 1,556.84 Million (for the year ended March 31, 2020 decrease/increase by Rs. 1,609.16 Million). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

38.2 Credit risk management

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises from cash and cash equivalents, deposits with banks as well as customers including receivables. Credit risk management considers available reasonable and supportive forward-looking information including indicators like external credit rating (as far as available), macro-economic information (such as regulatory changes, Government directives, market interest rate).

Only high rated banks are considered for placement of deposits. Bank balances are held with reputed and creditworthy banking institutions.

Security - The Company is selling products through channel partners against their security deposit and to direct customers backed by advance or Letter of Credits.

38.2.1 Impairment of trade receivable

The Company assesses impairment loss due from Plastic and Petrochemical companies on facts and circumstances relevant to each transaction. Usually, Company collects all its receivables from Plastic and Petrochemical companies against advance payments / Letter of Credits / Security Deposits.

The Company assesses and manages credit risk based on Company credit policy. Under Company credit policy each new customer is analysed individually for credit worthiness before the Company standard payment and delivery terms and conditions are offered.

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. For trade receivables, the Company applies the simplified approach permitted by Ind AS 109 Financial Instrument, which requires expected lifetime losses to be recognised from initial recognition of the receivables. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company historical experience and informed credit assessment and including forward looking information.

Our accounts receivable are geographically dispersed. We do not believe there are any particular customer or Company of customers that would subject us to any significant credit risks in the collection of our accounts receivable.

Payment towards trade receivables is received as per the terms and conditions of the contract/sales orders. In case of Domestic polymer sale credit period allowed for cash sale is T+2 days and for credit sale it is T+14 days subject to available credit limits of the channel partners. For any delay in payment, delay interest is levied as per the terms and conditions of the contract/sales orders.

In case of domestic chemicals sale, majority of sales is made against advance. However credit sales is made against security.

Exports sales of the Company is made against advance/letter of credit.

The Company is selling products through channel partners against security deposit and to direct customers backed by advance or Bank Guarantee. There are no significant concentrations of credit risk, whether through exposure to individual customers, specific industry sectors and/or regions.

38.3 Liquidity risk management

The Company manages liquidity risk by maintaining sufficient cash and cash equivalents including bank deposits and availability of funding through an adequate amount of committed credit facilities to meet the obligations when due. Management monitors rolling forecasts of liquidity position and cash and cash equivalents on the basis of expected cash flows. In addition, liquidity management also involves projecting cash flows considering level of liquid assets necessary to meet obligations by matching the maturity profiles of financial assets & liabilities and monitoring balance sheet liquidity ratios. The Company manages liquidity risk by maintaining adequate reserves and continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities.

Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of reporting period:

(All amounts are in Rs. Millions unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Floating Rate		
Expiring within one year (Bank loans and working capital facilities)	16,705.00	20,228.18
Total	**16,705.00**	**20,228.18**

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Maturities of financial liabilities

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The contractual maturity is based on the earliest date on which the Company may be required to pay.

(All amounts are in Rs. Millions unless otherwise stated)

Particulars	1 month - 1 year	1 year - 3 years	More than 3 years	Total	Carrying amount
As at March 31, 2021					
External Commercial Borrowings	2,246.86	2,668.15	-	4,915.02	4,915.02
Term Loan-Secured	12,177.29	25,699.07	54,711.80	92,588.16	92,569.54
Rupee Term Loan-Unsecured	22,500.00	10,000.00	35,500.00	68,000.00	68,000.00
Non Convertible Debentures	3,350.00	19,845.00	9,405.00	32,600.00	32,600.00
Compulsory Convertible Debentures (CCDs)	5,531.44	2,042.02	-	7,573.46	5,353.44
Working Capital Loan	4,202.00	-	-	4,202.00	4,202.00
Short Term Loan	24,956.90	-	-	24,956.90	24,956.90
Commercial Paper	6,936.62	-	-	6,936.62	6,936.62
Trade Payable	7,740.00	-	-	7,740.00	7,740.00
Lease Liabilities	274.96	465.45	503.65	1,244.06	885.44
Other Financial Liabilities	6,733.39	622.31	-	7,355.70	7,355.70
Total	**96,649.47**	**61,342.00**	**1,00,120.45**	**2,58,111.92**	**2,55,514.66**
As at March 31, 2020					
External Commercial Borrowings	2,018.94	5,047.35	-	7,066.29	7,066.29
Term Loan-Secured	11,664.67	25,682.35	65,007.56	1,02,354.58	1,02,330.15
Rupee Term Loan-Secured	-	27,500.00	37,500.00	65,000.00	65,000.00
Non Convertible Debentures	-	20,595.00	9,405.00	30,000.00	30,000.00
Compulsory Convertible Debentures (CCDs)	5,383.50	-	-	5,383.50	3,615.10
Working Capital Loan	5,791.66	-	-	5,791.66	5,791.66
Short Term Loan	34,489.57	-	-	34,489.57	34,489.57
Trade Payable	6,966.40	-	-	6,966.40	6,966.40
Lease Liabilities	257.29	651.46	491.39	1,400.14	982.02
Other Financial Liabilities	7,821.19	573.78	-	8,394.97	8,394.97
Total	**74,393.22**	**80,049.94**	**1,12,403.95**	**2,66,847.11**	**2,64,636.16**

38.4 Fair value measurement

The management considers that the carrying amounts of financial assets and financial liabilities recognized in the financial statements approximate their fair values.

39. Contingent liabilities, Contingent Assets and commitments

Contingent liabilities:

39.1 Claims against the Company/disputed demands not acknowledged as debt:

(All amounts are in Rs. Millions unless otherwise stated)

Sl. No.	Particulars	As at March 31, 2021	As at March 31, 2020
1.	In the matter of Professional charges with regard to transaction and non-adherence to milestone requirements for which Invoice not raised regarding claim.	43.50	43.50
2.	Civil matters filed against OPaL by Sub-contractors/employee of LSTK contractor for recovery of unpaid Invoices / Salary-Gratuity payments.	713.78	720.59
3.	Matter with regard to LSTK contractor for damages on account of alleged losses and other declarations against OPaL. Arbitral award pronounced in favour of LSTK contractors, OPaL filed application before Honourable Delhi High Court for setting aside the award.	1,974.06	1,909.70
4.	Matter handed over to Company by JV Partner.	481.49	-
5.	Matter of dispute w.r.t. Stamp duty with Deputy Collector office Vadodara	6.74	6.74
6.	Claim of arrears of Lease Rent w.r.t. Lease Deed executed for office premises	2.64	2.64
7.	Claim raised by contractor towards outstanding of their unpaid invoices and PBG amount	0.59	-
8.	Income Tax (TDS) Demand w.r.t. Interest on non-deduction of tax for AY 2018-19 and AY 2019-20	5.63	-
9.	Matter of Penalty imposed under SEZ Act w.r.t. non achievement of Net Foreign Earning for which amount paid under protest and appeal filed.	850.00	-
10.	Matter of Penalty imposed under GST Act w.r.t. incorrect particulars in E-way bill for which amount paid under protest and appeal filed.	0.96	-
11.	Demand for stamp duty by Deputy Commissioner of Revenue & Stamps for foreign bank guarantee submitted by M/s Linde AG (Germany) which is considered as bond eligible for payment of stamp duty.	-	1.00
12.	Notice by EPFO, Gurgaon w.r.t. remittance of EPF dues to employees of contractor.	-	2.89
13.	Liability on SEZ Exit *	-	-
	Total	**4,079.39**	**2,687.06**

PARIKH MEHTA & ASSOCIATES BARODA Chartered Accountants

ONGC Petro additions Limited OPaL

* The Company has set up Petrochemical Complex in Special Economic Zone (SEZ), situated at Dahej, State of Gujarat. The perspective of the Company at the inception was to export the products. However, over the period, due to excess capacities in global markets, the netbacks in exports were lower to the realizations in domestic market and hence sale of its products in the domestic market became a necessity. The existing duty structure is relevant for reviewing the decision. On the basis of preliminary assessment made, if the Company exit from SEZ, there can be a significant improvement in margins based on direct savings on Basic custom duty; which would benefit the Company consistently for years. Further, netbacks of Company in domestic markets are better than exports. Therefore, Board of directors has accorded exploratory approval to exit from the SEZ. The amount of liability as preliminary worked out may vary based on the terms of approval. The gross liability according to current estimate is Rs. 23,510 Million.

Though, the Company has already made an application for exit which is under consideration with the competent authority, management believes that a final decision on exit or not to exit can only be taken based on the terms and conditions which are required to be mentioned in the exit approval. Accordingly, it is considered prudent by not recognizing the financial impact in the books of account.

39.2 Contingent Assets - Claims lodged by the Company :

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. During the normal course of business, several unresolved claims are currently outstanding. The inflow of economic benefits, in respect of such claims cannot be measured due to uncertainties that surround the related events and circumstances.

39.3 Guarantees and commitments executed by the Company (to the extent not provided for)

39.3.1 Guarantees executed for financial obligations:

(All amounts are in Rs. Millions unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Guarantee		
*The Company has executed a Performance Bond-cum-Legal undertaking in favour of the President of India acting through the Development Commissioner of Kandla, Special Economic Zone and the Specified Officer, binding itself to follow and accept the Special Economic Zone Act and Rules provided there under and also the terms, as prescribed in Development Commissioner's Letter of Approval No. KASEZ/P&C/6/28/07-08/7722 Dated 16.10.2007.	23,000.00	23,000.00
Guarantees execution for financial obligation in form of comfort Letters issued to vendors	31.34	31.34
Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided as liability	4,089.45	2,922.42

40. Exceptional Item

Extension of CCDs (Tranche 1)

14th Annual General meeting approved the extension of the terms of Compulsory Convertible Debenture ("CCD") of face value Rs. 56,150 Million with the end date of 01.01.2021 and extended for further 18 months. The amendment agreement was executed dated 28.11.2020 with the existing Investors.

This transaction is accounted as extinguishment of existing liability by the Company because the terms are substantially different and the difference between the carrying amount of the existing financial liability and the new finance liability of Rs. 5,300.34 Million is recognised in profit or loss as exceptional loss on extinguishment of CCD. The fair value of the new liability portion of a CCD is determined by using a market interest rate for an equivalent non-convertible bond. On Account of extension of CCD the equity component increased by Rs.1,639.42 Million and corresponding impact is given in retained earning.

Extension of CCDs (Tranche 2)

14th Extra Ordinary General meeting approved the extension of the terms of Compulsory Convertible Debenture ("CCD") of face value Rs. 16,710 Million with the end date of 17.05.2020 and extended for 18 months. The amendment agreement was executed dated 16.04.2020 with the existing Investors.

This transaction is accounted as extinguishment of existing liability by the Company because the terms are substantially different and the difference between the carrying amount of the existing financial liability and the new finance liability of Rs.1,910.21 Million is recognised in profit or loss as exceptional loss on extinguishment of CCD. The fair value of the new liability portion of a CCD is determined by using a market interest rate for an equivalent non-convertible bond. On Account of extension of CCD the equity component increased by Rs.1,328.13 Million and corresponding impact is given in retained earning.

Extension of CCDs (Tranche 3)

14th Annual General meeting approved the extension of the terms of Compulsory Convertible Debenture ("CCD") of face value Rs. 4,920 Million with the end date of 27.03.2021 and extended for 18 months. The amendment agreement was executed dated 27.02.2021 with the existing Investors.

This transaction is accounted as extinguishment of existing liability by the Company because the terms are substantially different and the difference between the carrying amount of the existing financial liability and the new finance liability of Rs. 413.78 Million is recognised in profit or loss as exceptional loss on extinguishment of CCD. The fair value of the new liability portion of a CCD is determined by using a market interest rate for an equivalent non-convertible bond. On Account of extension of CCD the equity component increased by Rs. 581.65 Million and corresponding impact is given in retained earning.

41. Covid-19

The outbreak of Corona virus (COVID-19) pandemic globally and in India has caused significant disturbance and slowdown of economic activity. Company's operations during 1st quarter were impacted as Plant was operated at significant low capacity and domestic off take was also suspended for some time due to nationwide lockdown by the Government of India. However, the management believes that no material adjustments are required in the financial results. In view of the various preventive measures taken and highly uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve. The Company is monitoring the situation closely and analysing the impact on the operations of the Company.

On the basis of evaluation and current indicator of future economic condition, the Company expects to recover the carrying amount of these assets and does not anticipate impairment of its financial and non-financial assets.

42. Going concern

The Company has incurred a net loss for the year ended March 31, 2021 of Rs. 7,966 Million (year ended March 31, 2020 Rs. 20,917 Million) and cumulative loss up to March 31, 2021 reached to Rs. 82,586 Million. There is negative working capital as at March 31, 2021 of Rs. 72,110 Million (March 31, 2020 Rs. 50,860 Million). In spite of this situation, Company do not doubt its sustainability as it constantly reviewing its operations to improve margins. It has taken following measures which will improve profitability: -

Operating measures:

1) Production ramp up year on year basis.
2) Exploring option of exit from SEZ area.
3) Improvement in Product mix.
4) Further steps are being evaluated to improve the net back and reduce the cost to improve overall profitability.

Financial measures:

1) Finance cost reduction through Forex loan.
2) Procedure for equity tie up.

Keeping above measure these financial statements have therefore been prepared on a going concern basis.

43. Previous year figures have been regrouped wherever necessary.

44. Approval of financial statements

The Financial Statements were approved for issue by the board of directors on 12th May, 2021.

Nurturing a GREENER tomorrow

The OPaL Green Belt is home to 48,000 trees. The mega plantation will now include 31,000 trees making it a orchard that is rich in Oxygen.

Mega plantation drive of 31000 trees

OPaL GREEN BELT EXPANSION

40
HECTARES LAND COVERED WITH 49000 TREES

11.3
HECTARES LAND FURTHER EXPANDED WITH 31000 TREES

51
HECTARES LAND OF GREEN BELT

ONGC Petro additions Limited

CIN : U23209GJ2006PLC060282

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