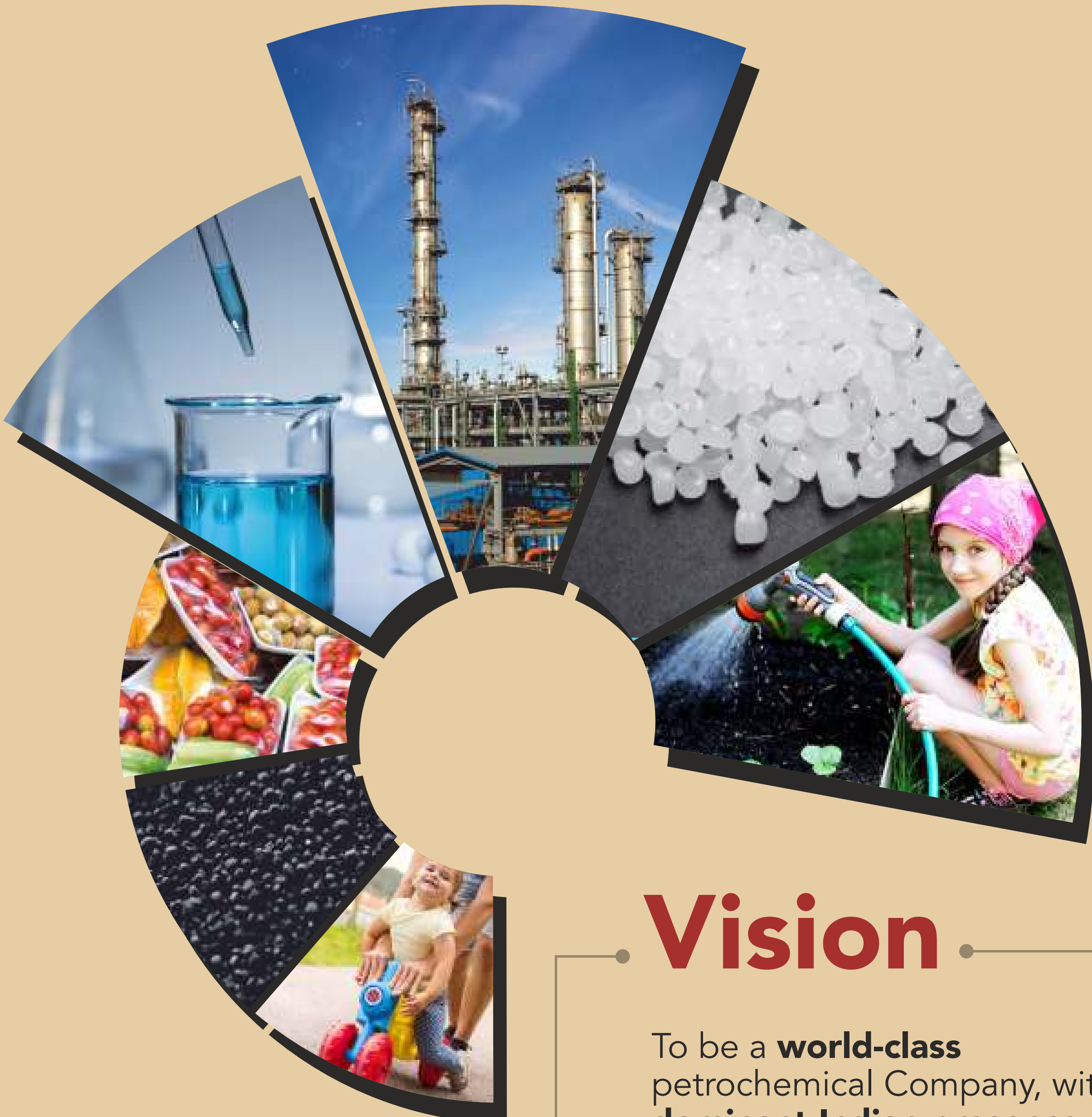
ONGC Petro additions Limited

14TH ANNUAL REPORT 2019-20

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

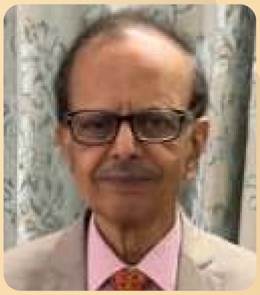
Board of Directors
& Company Secretary

Shri Shashi Shanker
Chairman

Shri Avinash Kumar Verma
Managing Director

Shri Subhash Kumar
Director

Shri Rajesh Kakkar
Director



Shri S. Balachandran
Independent Director

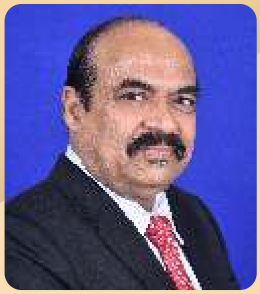
Shri Rajiv
Independent Director

Shri Aloke Kumar Banerjee
Independent Director

Shri Manoj R. Meshram
Director

Ms. Rekha Misra
Director

Shri Ashu Shinghal
Director



Shri Subodh Prasad Pankaj
Company Secretary & Compliance Officer

Corporate Information
Board of Directors as on 02.11.2020

ONGC Petro additions Limited

Board of Directors

Shri Shashi Shanker	Chairman
Shri Avinash Kumar Verma	Managing Director
Shri Subhash Kumar	Director
Shri Rajesh Kakkar	Director
Shri S. Balachandran	Independent Director
Shri Rajiv	Independent Director
Shri Aloke Kumar Banerjee	Independent Director
Shri Manoj R. Meshram	Director
Ms. Rekha Misra	Director
Shri Ashu Shinghal	Director

Key Managerial Personnel (KMP)

from Left to Right

Shri Pradosh Kumar Basu
Chief Finance Officer

Shri Avinash Kumar Verma
Managing Director

Shri Subodh Prasad Pankaj
Company Secretary & Compliance Officer

Shri Manoj Kumar Srivastava
President

BANKERS/LENDERS/DEBENTURE TRUSTEE

Allahabad Bank	IndusInd Bank
Andhra Bank	Karnataka Bank Limited
Axis Bank	Karur Vysya Bank
Bank of Baroda	Oriental Bank of Commerce
Bank of India	Punjab National Bank
Bank of Maharashtra	Punjab & Sind Bank
Canara Bank	State Bank of India
Central Bank of India	Syndicate Bank
Corporation Bank	The Federal Bank Limited
Dena Bank	The Jammu & Kashmir Bank
EXIM Bank	The South Indian Bank Limited
Housing and Urban Development Corporation Limited	UCO Bank
ICICI Bank Limited	Union Bank of India
IDBI Bank Limited	United Bank of India
Indian Bank	Vijaya Bank
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

ZONAL OFFICE - CHENNAI

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

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 14th 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, 2020 together with the Auditor's Report and comments on the accounts by the Comptroller and Auditor General (CAG) of India.

The global pandemic of COVID-19, one of the biggest humanitarians and economic crisis of our times, has caused an unprecedented disruption in the financial well-being of nations, corporations and individuals alike.

1. COMMERCIAL OPERATIONS

During the financial year 2019-20, average plant capacity utilization was 88% (Previous financial year 2018-19 was 70%). The commercial operations were critically curtailed towards the end of the fiscal due to the onset of the pandemic. However, operations continued during the entire lockdown period, albeit at a reduced rate, duly augmented by channelization of market segments and supply chain for material placements across markets along with revamped inventory management. Average plant capacity utilization, therefore, was steadily ramped up to 72% during the period April-July, 2020.

2. FINANCIAL RESULTS

Key highlights of financial performance of your Company for the financial year ended 31st March, 2020 is summarized below:

Particulars	For the year ended on 31st March, 2020 (Amount Rs. in Million)	For the year ended on 31st March, 2019 (Amount Rs. in Million)
Revenue from Operations	101,828.69	97,387.20
Other Income	242.12	466.81
Expenses	126,363.05	119,577.63
Profit (Loss) before Exceptional Items & Tax	(24,292.24)	(21,723.62)
Exceptional Items	6,264.47	-
Profit (Loss) before Taxation	(30,556.71)	(21,723.62)
Tax Expenses:		
Current Tax	NIL	NIL
Earlier Years	37.64	NIL
Deferred Tax	(9,697.53)	(7,520.62)
Profit (Loss) for the Year	(20,896.82)	(14,203.00)
Other Comprehensive Income	(20.39)	6.65
Total Comprehensive Income	(20,917.21)	(14,196.35)

Cumulative Capital expenditure of Rs. 3,08,743.90 million (Previous Year Rs. 2,96,279.23 million) have been incurred up to 31st March, 2020 on cash basis.

3. MARKETING OUTLOOK

(i) GLOBAL OIL DEMAND:

Brent crude was averaging around $64 per barrel in calendar year 2019, which indicated a decline by about 9% compared with the previous year ($71 per barrel).

Global oil consumption was 100.9 mbpd indicating decline in demand growth by 0.8 mbpd in calendar year 2019. However, oil demand continued to grow in China, India and other Asian economies.

(ii) PETROCHEMICALS:

POLYMERS MARKET SCENARIO:

Financial year 2019-20 was the year full of challenges for the chemical and petrochemical industry in terms of pricing as well as demand. The global chemical industry (excluding pharmaceuticals) grew by only 1.8%, well below the 2018 figure of +2.8%.

Excess capacities, trade wars, geo political tensions etc. affected the market largely apart from the increased local regulatory compliance requirements. With onset of global pandemic of COVID-19, the petrochemical industry was severely affected by a structural demand collapse as countries implemented social and travel restrictions with resultant reduction in consumption across sectors, coupled with sharp supply side effects and truncations in operating rates/shutdowns. In the last quarter of financial year 2019-20, therefore, pandemic outbreak in China and other countries put pressure on general market sentiments across market segments suppressing the growth figures for entire petrochemical value chain.

Global demand for thermoplastics was reported to be 282 MMT in 2019. Polyethylene (PE) remains the largest polymer representing 37% of total demand while Polypropylene (PP) is the second highest with 28% share, followed by PVC (16%).

WORLD			
	2019	2018	Growth %
HDPE	47.3	45.9	3 %
LLDPE	33.8	32.3	5 %
PP	75.6	73.5	3 %

INDIA			
	FY 2019-20	FY 2018-19	Growth %
HDPE	2.5	2.5	2 %
LLDPE	2.5	2.2	14 %
PP	5.4	5.2	3 %

Global PE demand (including HDPE and LLDPE) was assessed at 81.1 MMT in 2019 indicating demand growth of 3.7% in 2019 versus 5.3% in 2018. The annual average growth rate between 2014-19 was observed at 4.3%. Global PE capacity addition during 2012-18 was about 24.7 MMT and it is expected that in next five years capacities close to 32 MMT would be added globally.

In India, HDPE and LLDPE demand growth were assessed at 2% and 14% respectively during financial year 2019-20. The major sectors contributing to the growth were packaging films, jars and containers for lube oil, edible oil and cosmetics apart from the irrigation pipes.

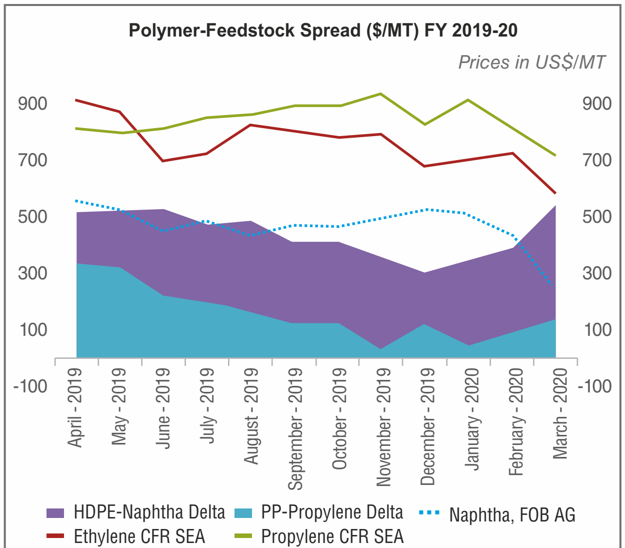
Global PP demand during 2019 was reported at 76 MMT up from 74 MMT in 2018. Global demand growth in PP was observed to 2.9% in 2019 versus 4.4% in 2018.

In India, PP demand for financial year 2019-20 grew by 3% over financial year 2018-19. The major sectors contributing to the growth were raffia bags for cement packaging, moulded household items, garment & food packaging and fibre & filaments.

The lower growth for PP in India could be attributed to the slow demand from automotive, home appliances sector and also to the Government regulation on single use plastics which affected the demand for packaging of food, garments and other items particularly during the H1 of financial year 2019-20.

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 the economies emerge from the COVID-19 crisis. It is also expected that the demand for hygiene markets such as PP fibre & filaments, sanitizers and PPEs would increase in near term.

FEEDSTOCK AND POLYMERS PRICE TRENDS:



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

Over the course of the year 2019, the key raw material Naphtha ranged from $447/MT to $563/MT. The annualized average price of naphtha for the calendar year 2019 stood at $505/MT; lower than in 2018 ($602/MT).

During financial year 2019-20, the Naphtha prices were down by 17% over financial year 2018-19, in line with the softening of crude oil prices. Ethylene prices in South East Asia were reported to be down by 29% over the previous year due to the new capacity additions as well the pressure on the downstream PE products. Propylene prices during the same period were down by 11% compared with the previous year.

Erosion of prices resulted in softening of overall polymer margins. On Y-o-Y basis, PP and PE margins contracted by a whopping 33%, putting lot of strain on the margins available.

(iii) CHEMICALS MARKET SCENARIO:

(a) BENZENE:

Global nameplate capacity for Benzene is around 71.0 MMT (Source: HIS Chemicals) with estimated consumption of 60 MMT, with average operating rate of 70-80%. Amongst the five regions (Asia-Pacific, Europe, North America, Middle East & Africa and South America), Asia Pacific region holds the largest volume share of global Benzene market.

Growth of Benzene market decelerated in late year 2019 on stringent measures on fuel consumption, sustainability pressure and global economic slowdown. This downturn was further exacerbated by falling prices of crude oil backed by sudden outbreak of Coronavirus in quarter four of financial year 2019-20, as economies around the world put up preventive measures such as lockdowns and curfews to contain the spread of virus. Moreover, due to diving demand, Benzene prices hit 18-year record low at the end of final quarter of financial year 2019-20.

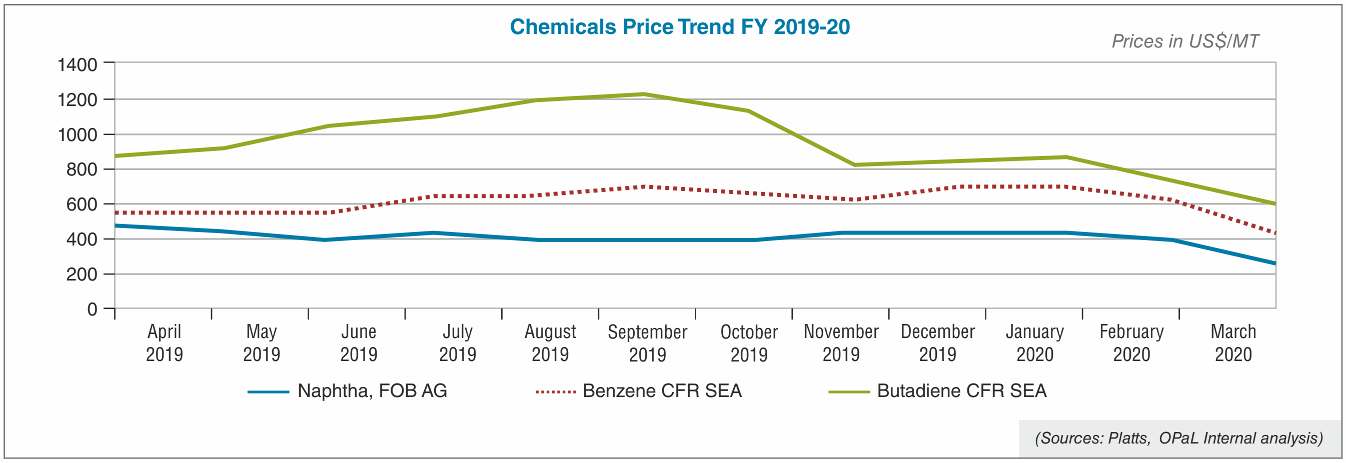
In financial year 2019-20, Benzene production in India was approximately 1.8 MMT. Benzene production in India increased due to improved operating rates of Reliance Industries Limited (RIL) Para-Xylene (PX) plant, OPaL cracker complex and ONGC Mangalore Petrochemicals Limited's (OMPL). On the other hand, domestic demand of Benzene has not increased that much except Deepak Phenolics plant which started in 2018. Capacity additions by HMEL & HRRL will result in additional Benzene of around 350 KT in next few years which will make India oversupplied in Benzene. Hence, there will be pressure on Benzene evacuation in next few years.

(b) BUTADIENE:

With global economic slowdown occurring in financial year 2019-20 across economies like Asia, Europe and US, the overall demand of Butadiene was lesser than anticipated. With automotive industries faring poorly in Asian markets led to substantial drop in Butadiene demand. The growth further decelerated by end of 2019 when Coronavirus hit China first and subsequently other economies which led to shutdowns in some automobile manufacturing plants in Asian markets. Due to sinking demand, Butadiene has seen 20-year low price in last quarter of financial year 2019-20.

In financial year 2019-20, Butadiene production in India was approximately 0.47 MMT with installed capacity of 0.57 MMT operating at 82% capacity utilization. Low domestic demand resulted in Butadiene being exported from India to South East Asia (SEA)/North East Asia (NEA).

However, additions of new capacities of around 0.5 MMT in SEA and NEA, amidst low Butadiene demand has put further pressure on price of this product.



(iv) OPaL MARKET SHARE:

(a) POLYMERS:

During financial year 2019-20, OPaL gained market share by 6% in PP, 19% in LLDPE and 21% in HDPE over financial year 2018-19 (Source: Industry Info).

Some new grades such as LLDPE high flow grade, LLDPE drip irrigation pipe grade, HDPE pipe grades and PP TQPP grade 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: Internal analysis based on domestic capacity & production). The rest is being exported through term contracts.

4. PUBLIC DEPOSITS

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

5. DIVIDEND

In the absence of profits during the financial year 2019-20, your Directors do not recommend any dividend.

6. TRANSFER TO RESERVES

In view of absence of profits during the financial year 2019-20, your Directors are unable to transfer any amount to the General Reserve Account.

7. SHARE CAPITAL

During financial year 2019-20 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 2019-20. They have audited the Financial Statements for the financial year ended 31st March, 2020 and submitted their report which forms part of this report.

The Statutory Auditors were paid a remuneration of Rs. 2.49 million (previous year Rs. 2.00 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 2019-20, pursuant to Section 143 (12) of the Companies Act, 2013.

The report given by the Comptroller & Auditor General of India (CAG) on the financial statements of the Company forms part of the Annual Report.

The Nil comment report of Comptroller & Auditor General of India (CAG) form part of this report and are attached as **Annexure-I** to this Report.

II. 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 2019-20. M/s Kumar Naresh Sinha & Associates, Company Secretaries have submitted the Secretarial Audit Report dated 19th August, 2020 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.

III. 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 2019-20. 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 2019-20, Company has issued following securities:

(i) Non-Convertible Debentures (NCDs)

Your Company has raised total fund of Rs. 2,180 crore in the financial year 2019-20 through issuance of NCDs.

The NCDs issues was backed by Letter of Comfort (LoC) of Oil and Natural Gas Corporation Limited (ONGC) in tranches under different series 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	Tenor/Period	Annual Coupon Rate	Amount (Rs. in Crore)	Date of Allotment	Redemption Date
Series III	3 Years 3 Months	8.45 %	435.00	26.09.2019	26.12.2022
Series IV-Option A	3 Years 3 Months	8.45 %	371.10	10.12.2019	10.03.2023
Series IV-Option B	5 Years 3 Months	8.83 %	465.50	10.12.2019	10.03.2025
Series V-Option A	3 Years	7.98 %	433.40	11.02.2020	10.02.2023
Series V-Option B	5 Years 2 Months	8.00 %	475.00	11.02.2020	11.04.2025
		TOTAL	**2,180.00**		

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

(ii) Warrants

During the financial year 2019-20 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 offered for subscription to the eligible Investors i.e. existing holders of Equity Shares whose names appear in the Register of Members of the Company at the close of business hours on the Record Date i.e. 18th March, 2020. Letter of Offer (Notice) was sent to all the Shareholders on 19th March, 2020. The Warrants issue was opened on 23rd March, 2020 and closed on 6th April, 2020.

Further, 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/-

Highlights of key terms of Warrant is as under:

Infusion Methodology	Particulars	Period
Warrant Subscription Price	Rs. 9.75 per Warrant	At the time of subscription
Warrant Exercise Price	Rs. 0.25 per Warrant	Within 36 months from the date of Allotment of Warrants

(iii) Commercial Paper (CP)

During the financial year 2019-20 your Company has issued Commercial Paper as per details given below:

Sl. No.	Nature of Instrument	Date of Allotment	Rate of Interest	Amount (Rs. in Crore)
1.	Commercial Paper (CP)	23-05-2019	7.38 %	200
2.	Commercial Paper (CP)	07-11-2019	5.35 %	300
			Total	**500**

Further, your Company has also issued Commercial Paper of Rs. 200 crore on 30.06.2020 at a coupon rate of 3.55%. Afterward, CPs have been listed at stock exchange i.e. BSE Limited (BSE) for secondary trades.

The purpose of the issues was for funding the working capital fund base requirement with low cost funding from Debt market.

11. HUMAN RESOURCE (HR)

'Employees' are the most valuable asset and are prime accelerators of organization's growth. We are committed to foster a dynamic workforce with focus on overall capability development and superior performance.

In the financial year 2019-20, our main focus was on accelerating our talent acquisition efforts. As on 31st March, 2020 total numbers of employees on the Company rolls were 982 and total numbers of employees working on deputation basis was one. Further 124 employees were successfully on-boarded during the financial year 2019-20.

In the financial year 2019-20 OPaL had accelerated it's efforts in the area of Capability Development, along with major focus was on Leadership Development, Culture Building through value workshops, skill enhancement through various technical and functional training programs and motivational talk for boosting moral of employees.

OPaL believes in fostering a productive work environment where team efforts and Individual performances are valued and recognized. Employees' performance and contribution have been recognized through 'Excellence Awards'. For fostering the culture of team bonding events like OPaL's Foundation Day Celebration, Sports Activities, Movie Screening, Navararti Celebration, Customized Team Building Workshops, Employee Birthday Celebration, Open House Communication etc. have been organized.

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 S. Balachandran was re-appointed as an Independent Director of the Company pursuant to provisions of Section 149, Section 150, Section 152, Schedule IV of the Companies Act, 2013 for another term of two consecutive years commencing from 1st April, 2019 to 31st March, 2021 with the approval of members on 12th Extraordinary General Meeting held on 14th June, 2019.

ii) Shri Avinash Kumar Verma was appointed as an Additional Director and Managing Director of the Company with effect from 15th April, 2019 pursuant to provisions of Section 161, Section 196 and Section 197, Schedule V and all other applicable provisions, if any of the Companies Act, 2013 and on the recommendations of Nomination and Remuneration Committee (NRC) and approval of the Board and with the further approval of members on 12th Extraordinary General Meeting held on 14th June, 2019.

iii) Shri Rajiv was appointed as an Independent Director of the Company for a term of five consecutive years commencing from 18th April, 2019 to 17th April, 2024 pursuant to provisions of Section 149, Section 150, Section 152, Section 161 and Schedule IV of the Companies Act, 2013 and further with the approval of members on 12th Extraordinary General Meeting held on 14th June, 2019.

iv) Ms. Pomila Jaspal, (Nominee ONGC) was appointed as a Woman Director and Additional Director pursuant to provisions of Section 149(1) and Section 161, of the Companies Act, 2013 and Articles of Association of the Company with effect from 29th April, 2019.

Further, She ceased to be Director with effect from 12th March, 2020. The Board of Directors places on record the excellent guidance, support and contribution received from Ms. Pomila Jaspal during her tenure as a member of OPaL Board.

v) Pursuant to provisions of Section 149, Section 150, Section 152, Section 161 and Schedule IV of the Companies Act, 2013 Shri Aloke Kumar Banerjee was appointed as an Independent Director of the Company for a term of five consecutive years commencing from 7th May, 2019 to 6th May, 2024 with the approval of members on 12th Extraordinary General Meeting held on14th June, 2019.

vi) Pursuant to provisions of Section 161 and Section 149(1) of the Companies Act, 2013 and Articles of Association of the Company Ms. Rekha Misra (Nominee ONGC) was appointed as an Additional Director and Woman Director of the Company with effect from 16th March, 2020.

vii) Shri P. K. Gupta (Nominee GAIL) ceased to be Director with effect from 1st July, 2020. The Board of Directors places on record their deep appreciation for the valuable advice and guidance provided by him during his tenure as Director.

viii) 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.

As on date of this report and during the financial year 2019-20, there was no change in the composition of the Board other than appointment of Shri Avinash Kumar Verma, Shri Rajiv, Ms. Pomila Jaspal, Shri Aloke Kumar Banerjee, Ms. Rekha Misra and Shri Ashu Shinghal and re-appointment of Shri S. Balachandran as Independent Director of the Company and cessation of Shri P. K. Gupta and Ms. Pomila Jaspal.

In accordance with the provisions of the Companies Act and the Articles of Association of the Company Shri Rajesh Kakkar, 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)

Pursuant to provisions of 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 act as Key Managerial Personnel (KMP) of the Company :-

i) Shri Avinash Kumar Verma, Managing Director has been appointed as a Key Managerial Personnel (KMP) of the Company 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 appointed as Company Secretary and a Key Managerial Personnel (KMP) of the Company 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 has been appointed as Chief Finance Officer (CFO) and a Key Managerial Personnel (KMP) of the Company with effect from 6th February, 2018.

15. INDEPENDENT DIRECTORS

I. Declaration by Independent Directors

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

During the year under review, an Independent Directors meeting was held on 2nd January, 2020 at New Delhi, in accordance with the provisions of Section 149 (8) of the Companies Act, 2013 read with Schedule IV of the Companies Act, 2013, wherein all Independent Directors were present. Such meeting was conducted to enable Independent Directors to discuss matter pertaining to the Company's affairs. 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 practices followed by the Company, forms an integral part of this Report and is attached herewith as **Annexure-III** to this report.

18. BOARD AND COMMITTEES OF THE BOARD

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

19. SECRETARIAL STANDARDS

The Company is in compliance with the applicable Secretarial Standards 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. EXTRACT OF ANNUAL RETURN

The extract of Annual Return in **Form No. MGT-9** pursuant to the provisions of Section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is attached herewith as **Annexure-IV** to this Report.

Further, 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.**

21. RELATED PARTY TRANSACTIONS

During the financial year 2019-20 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-V** to this Report.

22. RISK MANAGEMENT

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

The Company truly believes that business has and will always involve risks. These risks are constantly evolving and changing, in terms of their impact, the probability of occurrence and more importantly the velocity with which they can occur. The Company constantly scans the external environment to identify the emerging risks and also assesses them for their impact on the Company's objectives. The Company continuously monitors and analyses internal risks link to operations, safety and commercial matrix and takes appropriate measures for minimizing/mitigating the same to 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 Company has framed a Risk Management Policy. There is a Risk Management Committee to recognize and evaluate various kinds of risks associated with the running of business, suggesting/implementing ways and means for eliminating/minimizing risks to the business of the Company. 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 existence of the Company. Risk management process has been designed to identify, assess and frame a response to risks that affect the achievement of its objectives. Risk Management Policy which is approved by the Board is available on the website of the Company at **www.opalindia.in.**

23. 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 Policy can be used regularly as a tool to voice concerns on irregularities, malpractices and other misdemeanors. 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 2019-20, no case of Whistle Blower has been reported in the Company. The Whistleblower Policy is available on Company's website at **www.opalindia.in.**

24. 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.

CSR initiatives in the wake of COVID-19

Near the end of the financial year 2019-20, the Company took various initiatives towards medical, Food Packet distribution to local villagers & Migrant Workers, round the clock Fumigation and community support to fight against COVID-19 pandemic.

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 Company's website at **www.opalindia.in.**

Your Company has spent an amount of Rs. 0.65 million (Previous Year Rs. 3.37 million) in CSR activities during the financial year 2019-20.

25. 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.

26. BOARD EVALUATION

Board Evaluation provides an opportunity to remind Directors of the importance of group dynamics and effective Board and Committee processes in fulfilling Board and Committee responsibilities. The evaluation sets the standards of performance and improves the culture of collective action by Board. It also improves teamwork by creating better understating of Board dynamics, board-management relations and thinking as a group within the Board. In your Company the Board Evaluation Policy has been framed in compliance with the requirements under the Companies Act, 2013. Nomination & Remuneration Committee constituted under Section 178 of the Companies Act, 2013 has defined the evaluation criteria of performance of Director, Key Managerial Personnel (KMP) and Senior Management Personnel yearly or at such intervals as may be considered necessary.

To review the efficiency of the Board, Committees and each individual director, a formal Board review has been undertaken by the Independent Directors in their meeting held on 2nd January, 2020.

27. 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 2019-20 there were three Independent Directors in the Company. The Independent Directors have been paid sitting fees of Rs. 15,000/- per meeting of the Board and Committees of the Board from 1st April, 2019 to 15th July, 2019. Further, Board in its 81st meeting held on 16th July, 2019 increased the existing sitting fees payable to the Independent Directors/Non-Executive Directors, not related to Promoters Companies i.e. ONGC, GAIL and GSPC, from Rs. 15,000/- to Rs. 35,000/- for every meeting of the Board of Directors and Rs. 25,000/- for Committee meetings of the Board.

During the financial year 2019-20, no director has received any commission from the Company.

Further, all elements of remuneration package of all the Directors have been given in Form No. MGT-9 (Annexure-IV) of this report.

28. 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 2019-20 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

29. 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, 2020, 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, 2020 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;

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.

30. 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, 2020 and the date of this report.

31. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES COMPANIES

Your Company does not have any Subsidiary and Joint Venture Company during financial year 2019-20 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.

32. 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 ONGC.

33. 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 crossed 18 million safe man hours till 31.03.2020 without any Lost Time Injury since commissioning. As a major milestone, your Company has commissioned around 99 km Hazira Dahej Naphtha cross country pipeline from ONGC Hazira up 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) and participated in PSM conference & training during the financial year 2019-20.

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.

34. PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED UNDER SECTION 186 OF THE COMPANIES ACT, 2013

During the year under review Company has not made any loan, investment and guarantee.

35. INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY

Your Company's internal control systems appropriate with the nature of Petrochemicals business, the size and density of its operations.

The internal control are supplemented by extensive program of internal audits, review by Audit Committee and Board of the Company. The system has been designed to ensure that financial and other records are reliable for preparing financial information and for maintaining accountability of assets. All financial and audit control systems are also reviewed by the Audit Committee of the Board of the Company.

The internal control are routinely tested and verified by Statutory and Internal Auditors.

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 reports to the Audit Committee.

36. 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 -VI** to this report.

37. AWARDS AND ACCOLADES

- ONGC Petro additions Limited is the proud winner of the Economic Times Best Brand in Plastics & Polymer Industry award for 2019.
- ONGC Petro additions Limited has been conferred with the coveted *"Certificate of Merit for excellence in Environment Management"* by Indian Chemical Council. The award was conferred to OPaL in a glittering ceremony held on 27.09.2019.

38. ACKNOWLEDGEMENTS & 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, Ministry of Corporate Affairs (MCA), 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 all State Governments in India along with Share Transfer Agent, Debenture Trustees, Depositories (NSDL & CDSL), Dahej SEZ, Rupee Loan Lenders, ECB Lenders, Debentures holders, Correspondent Banks and vendors, suppliers, 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. ONGC, GAIL and GSPC.

Together, we will continue to benefit from, and contribute to, one of the fastest-growing economies in the world and add value for our shareholders.

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

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

(Shashi Shanker)
Chairman

Date : 2nd November, 2020
Place : New Delhi

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

Office of the Principal Director 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 पीडीसीए/ओपीएल/लेखों/19-20/t-1781/ 168 12अक्टूबर 2020

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 2020 को समाप्त लेखों पर भारत के नियंत्रक-महालेखापरीक्षक की टिप्पणियां।

महोदय,

मैं ओएनजीसी पेट्रो एडिशन लिमिटेड के 31 मार्च 2020 को समाप्त लेखों पर कंपनी के अधिनियम 2013 के धारा 143(6)(b) के अधीन भारत के नियंत्रक-महालेखापरीक्षक की टिप्पणियां प्रेषित कर रही 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।

भवदीया,

तनुजा मित्तल

प्रधान निदेशक 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 2020

The preparation of financial statements of ONGC Petro additions Limited for the year ended 31 March 2020 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 Revised Audit Report dated 25 September 2020 which supersedes their earlier Audit Report dated 8 June 2020.

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 2020 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.

In view of the revision made in the statutory auditor's report, to give effect to some of my audit observations raised during supplementary audit, I have no further comments to offer upon or supplement to the statutory auditors' report under section 143(6)(b) of the Act.

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

Tanuja Mittal

Tanuja Mittal
Principal Director of Commercial Audit, Mumbai

Place: Mumbai
Date: 12 October 2020

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, 2020

[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, 2020** 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, 2020** 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)**

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

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

(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

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 issued by The Institute of Company Secretaries of India;

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

(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. 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.

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 2019-20, the Company has issued Non-Convertible Debentures as per details given below:

Sl. No.	Name of Debenture	Date of Allotment	Amount (Rs. in Crore)
1.	Non-Convertible Debentures (NCDs)	26-09-2019	435.00
2.	Non-Convertible Debentures (NCDs)	10-12-2019	371.10
3.	Non-Convertible Debentures (NCDs)	10-12-2019	465.50
4.	Non-Convertible Debentures (NCDs)	11-02-2020	433.40
5.	Non-Convertible Debentures (NCDs)	11-02-2020	475.00
Total			**2180.00**

We further report that during the audit period i.e. Financial Year 2019-20, the Company has issued Commercial Paper as per details given below:

Sl. No.	Name of Instrument	Date of Allotment	Amount (Rs. in Crore)
1.	Commercial Paper (CP)	23-05-2019	200.00
2.	Commercial Paper (CP)	07-11-2019	300.00
Total			**500.00**

Date : 19.08.2020
Place : Noida

For Kumar Naresh Sinha & Associates
Company Secretaries

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

Naresh Kumar Sinha
(Proprietor)
FCS No. : 1807; CP No. : 14984
PR: 610/2019
UDIN: F001807B000593926

*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 laws.

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 emerging out 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, 2020 and the documents/information required by us were provided through electronic Mode.

Date : 19.08.2020
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: F001807B000593926

Annexure-III

CORPORATE GOVERNANCE REPORT

1. Corporate Governance

Our Company stresses on total transparency, truthfulness and righteousness which constitute the key elements of Corporate Governance.

The Company's Governance framework is based on the following principles:

- Appropriate composition having Executive, Non-executive, Woman and Independent Directors on the Board and below that efficient Management Teams/Committees, with each member bringing in expertise in their respective domains;
- Availability of information to the members of the Board and Board Committees to enable them to discharge their fiduciary duties;
- Timely disclosure of material, operational and financial information to the stakeholders;
- Disclosures of corporate announcements/information to the Regulators, Stock Exchanges, Securities & Exchange Board of India and Ministry of Corporate Affairs (MCA) etc. in prescribed manner and time;
- Systems and processes in place for internal control;
- Stakeholder's Relationships, Investor's Grievances, Corporate Social Responsibility, Risk Management and Vigil Mechanism;
- Managerial and KMP Remuneration policies;
- Proper business conduct by the Board, Senior Management and Employees.

COVID-19 pandemic is making a significant impact on the business and economy including your Company. During these times of adversity, OPaL is vigilant and is keeping its ethics and values at the highest level.

Since it is a tough time for most of the businesses to keep their financial wheels running, OPaL acts responsibly and plays a vital role towards their stakeholders in taking immediate steps to stabilize the business operation in this situation of slower business activity.

Further OPaL supports suppliers and vendors by paying on time and re-looking the feasibility of business considering the constant change in market condition. OPaL believes that it is important to stay transparent with the client about the current state of affairs.

2. Shareholders

Shareholders are entitled to the rights like attending General Meetings and voting on key issues; transferring ownership; receiving Company's reports, announcements, other financial and non-financial distributions; and participating in corporate actions etc. These rights and powers exemplifies the Company's vigorous practice to guarantee that utmost transparency is upheld and the shareholders decisions are well informed and are of paramount significance.

2.1 Shareholding Pattern

Shareholding pattern of the Company as on 31st March, 2020 and up to date of this report is given below:

Sl. No.	Name of Shareholders/Member	No. 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 during financial year 2019-20 and up to date of this report. However individual shareholding pattern of OPaL changed with effect from 8th June, 2020. There were 3 individual shareholders namely Shri A. Satish Kumar, Shri Ashok Kumar Mishra and Shri K. Gopal who were holding only 1 share at the end of financial year 2019-20. These shares have been transferred to Shri Ratnesh Kumar, Shri Chinmoy Saha Roy and Shri Rishikesh Sonthalia respectively on 8th June, 2020.

3. Board of Directors

The Board of Directors of the Company is the highest governance authority within the management structure of the Company. Further, the Board of Directors of the Company is totally committed to the best practices for effective Corporate Governance.

The directors have expertise in the fields of strategy, management and governance, finance, operations, technology and human resources. Such expertise enables the board to steer the Company in the right direction.

The Board critically evaluates the Company's strategic direction, management policies and their effectiveness. The agenda for the Board reviews include strategic review from each of the Board committees, which covers a detailed analysis and review of annual strategic & operating plans and capital allocation and budgets. Frequent and detailed interaction sets the agenda and provides the strategic roadmap for the Company's future growth.

Each Director informs the Company on an annual basis about the Board and Board Committee positions she/he occupies in other companies, and notifies it of any changes regarding their directorships and committee positions.

3.1 Composition

The following were the members of the Board as on 31st March, 2020:

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.	Shri P. K. Gupta	Director	Non-Executive
9.	Shri Manoj R. Meshram	Director	Non-Executive
10.	Ms. Rekha Misra	Woman Director	Non-Executive

Composition of Board of Directors of the Company during the financial year 2019-20 i.e. from 1st April, 2019 to 31st March, 2020 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	Continue
2.	Shri Avinash Kumar Verma	Managing Director	15/04/2019	Continue
3.	Shri Subhash Kumar	Director	06/02/2018	Continue
4.	Shri Rajesh Kakkar	Director	24/03/2018	Continue
5.	Shri S. Balachandran	Independent Director	29/11/2010	Continue
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	Continue
10.	Ms. Pomila Jaspal	Woman Director	29/04/2019	12/03/2020
11.	Ms. Rekha Misra	Woman Director	16/03/2020	Continue
12.	Shri Ashu Shinghal	Director	01/07/2020	Continue

3.2 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 %**

4. Board/Committees Meetings and Procedures

4.1 Board meetings are characterised by high attendance, active participation either in person or by video conference and constructive & open discussions.

4.2 The Board meeting agenda is set by the Chairman in consultation with the Managing Director, Chief Finance Officer and the Company Secretary & Compliance Officer. Board/Committee meeting agenda as well as accompanying papers are distributed to the Directors/Committee members well in advance of each meeting, and each Director/Committee member may request adding items to the agenda.

4.3 OPaL has automated the process of paperless Board meeting and bring the OPaL Board into the Digital era. 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.

4.4 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 subject to confidentiality unless there is a specific decision or legal requirement to make disclosure. Draft/final minutes are circulated to all Board/Committee members for their comment/records within a reasonable time after the meeting is held.

4.5 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.

4.6 President, Chief Finance Officer, 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.

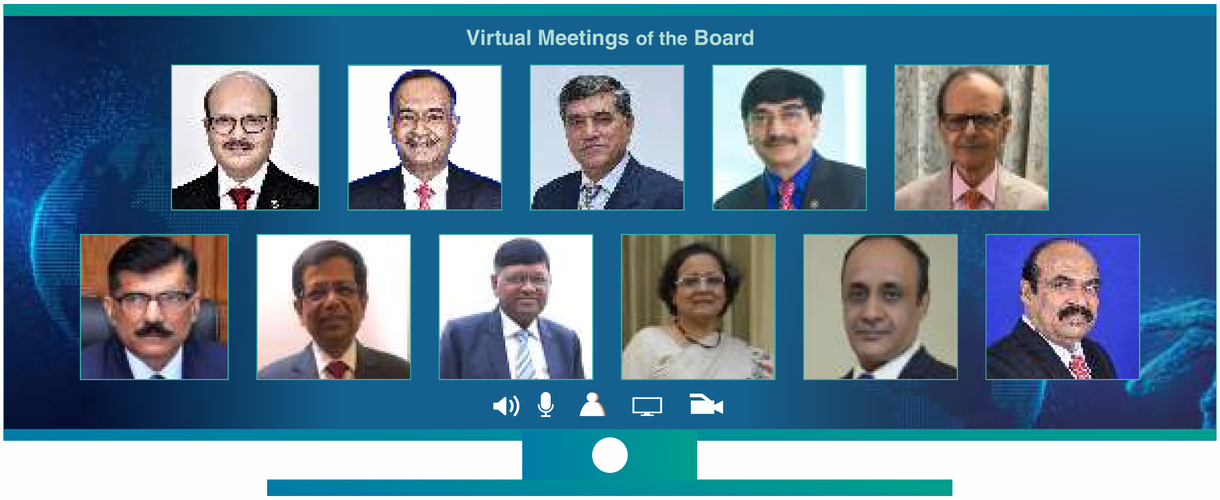
4.7 The Board ensures that Directors, especially Non-executive Directors, are provided with sufficient resources in the furtherance of their duties as Board/Committee members, including access to independent professional advice, if necessary.

4.8 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.

4.9 The guidelines for Board/Committee meetings facilitate an effective post meeting follow-up, review and reporting process for decisions taken by the Board and Committees thereof.

4.10 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



During the financial year 2019-20, five (5) Board meetings were held and the maximum time gap between two consecutive meetings did not exceed one hundred and twenty (120) days. The dates of the Board meetings and other details are as follows:

Sl. No.	Serial Number of Board Meeting	Date of Board Meeting	Place of Board Meeting
1.	80th	10-05-2019	Board Room of ONGC, 5th Floor, Deendayal Urja Bhawan, 5, Nelson Mandela Marg, Vasant Kunj, New Delhi - 110070
2.	81st	16-07-2019	Board Room of ONGC, 5th Floor, Deendayal Urja Bhawan, 5, Nelson Mandela Marg, Vasant Kunj, New Delhi - 110070
3.	82nd	03-09-2019	Board Room of ONGC, 5th Floor, Deendayal Urja Bhawan, 5, Nelson Mandela Marg, Vasant Kunj, New Delhi - 110070
4.	83rd	31-10-2019	Board Room of ONGC, 5th Floor, Deendayal Urja Bhawan, 5, Nelson Mandela Marg, Vasant Kunj, New Delhi - 110070
5.	84th	28-01-2020	Board Room of ONGC, 5th Floor, Deendayal Urja Bhawan, 5, Nelson Mandela Marg, Vasant Kunj, New Delhi - 110070

The necessary quorum was present for all the above Board Meetings.

The details of Director's attendance in the Board Meetings during the financial year 2019-20 i.e. from 1st April, 2019 to 31st March, 2020 are as follows:

Sl. No.	Name of Directors	Category	Number of Meetings Held	Number of Meetings Attended
1.	Shri Shashi Shanker (DIN : 06447938)	Chairman & Non-Executive Director	5	4
2.	Shri Avinash Kumar Verma[1] (DIN : 06990114)	Managing Director	5	5
3.	Shri Subhash Kumar (DIN : 07905656)	Non-Executive Director	5	5
4.	Shri Rajesh Kakkar (DIN : 08029135)	Non-Executive Director	5	4
5.	Shri S. Balachandran[2] (DIN : 01962996)	Independent & Non-Executive Director	5	4
6.	Shri Rajiv[3] (DIN : 08256137)	Independent & Non-Executive Director	5	3
7.	Shri Aloke Kumar Banerjee[4] (DIN : 05287459)	Independent & Non-Executive Director	5	5
8.	Shri P. K. Gupta[5] (DIN : 01237706)	Non-Executive Director	5	4
9.	Shri Manoj R. Meshram (DIN : 08195079)	Non-Executive Director	5	4
10.	Ms. Pomila Jaspal[6] (DIN : 08436633)	Woman & Non-Executive Director	5	5
11.	Ms. Rekha Misra[7] (DIN : 08725208)	Woman & Non-Executive Director	0	0

Note:

1. *Shri Avinash Kumar Verma appointed as the Managing Director with effect from 15th April, 2019.*
2. *Shri S. Balachandran has been re-appointed as an Independent Director with effect from 1st April, 2019.*
3. *Shri Rajiv has been appointed as an Independent Director with effect from 18th April, 2019.*
4. *Shri Aloke Kumar Banerjee has been appointed as an Independent Director with effect from 7th May, 2019.*
5. *Shri P. K. Gupta ceased to be Director with effect from 1st July, 2020.*
6. *Ms. Pomila Jaspal appointed as a Woman Director with effect from 29th April, 2019 and further, ceased to be Director with effect from 12th March, 2020.*
7. *Ms. Rekha Misra appointed as a Woman Director with effect from 16th March, 2020.*

6. Board Committees

The Board Committees play a vital role in the governance structure of the Company and have been constituted to deal with specific areas/activities as mandated by applicable regulations, which concern the Company and need a closer review. The Chairman of the respective Committee(s) briefs the Board about the summary of the discussions held in the Committee Meetings. The minutes of the meetings of all Committees are placed before the Board for noting. The Board Committees can request special invitees to join the meeting, as and when appropriate.

During the year, all recommendations of the Committees of the Board which were mandatorily required have been generally accepted by the Board. The terms of reference of the Committees are in line with the provisions of the applicable Listing Regulations, Companies Act, 2013 and the Rules issued thereunder.

There were 9 (nine) Committees of the Board from 1st April, 2019 to 11th September, 2019, however due to reconstitution of Committees, the Company currently has 6 (six) Committees of the Board, namely, Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Risk Management Committee, Marketing & Operation Review Committee and Security Allotment Committee. In each such Committee Independent Director is one of the member. Normally, all Committees meet regularly on need basis during the year. The Board or its Committees also take decision by circular resolutions in case of business exigency or urgency.

Shri Subodh Prasad Pankaj, Company Secretary & Compliance Officer of the Company acts as a Coordinator & Secretary to all the following Committees of the Board:

(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;
(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 2019-20 i.e. from 1st April, 2019 to 31st March, 2020 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	Independent & Non-Executive Director	Chairman
2.	Shri Subhash Kumar	Non-Executive Director	Member
3.	Shri Rajiv [1]	Independent & Non-Executive Director	Member
4.	Shri Aloke Kumar Banerjee [2]	Independent & 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 Rajiv appointed as an Independent Director with effect from 18th April, 2019 and Member of the Audit Committee with effect from 6th May, 2019.*
2. *Shri Aloke Kumar Banerjee appointed as an Independent Director with effect from 7th May, 2019 and Member of the Audit Committee with effect from 7th May, 2019.*
3. *Shri P. K. Gupta appointed as a Member of the Audit Committee with effect from 11th September, 2019 and due to cessation as a Director, he ceased to be a member of Audit Committee with effect from 1st July, 2020.*
4. *Shri Ashu Shinghal appointed as a Director with effect from 1st July, 2020 and Member of the Audit Committee with effect from 29th September, 2020.*

Audit Committee met seven times during the financial year 2019-20. These meetings were held on 10th May, 2019, 15th July, 2019, 3rd September, 2019, 31st October, 2019, 3rd January, 2020, 28th January, 2020 and 31st March, 2020. All the above members have adequate knowledge and vast experience in the field of Finance and Accounting. Further, Shri Avinash Kumar Verma-Managing Director and Shri Pradosh Kumar Basu-Chief Finance Officer are special invitees to the Audit Committee.

The Chairman of the Audit Committee is a Non-Executive Independent Director. The Audit Committee satisfies the criteria of two third of its members being Independent Directors.

(ii) HR Committee

Terms of reference of the Committee

HR Committee was constituted to review and recommend to the Board various HR matters/policies of the Company.

Composition and Meetings

Composition of the HR Committee during the financial year 2019-20 i.e. from 1st April, 2019 to 11th September, 2019 is as follows:

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

Note:

1. *Shri Avinash Kumar Verma appointed as a Member of the HR Committee with effect from 15th April, 2019.*

The HR Committee was merged with Nomination and Remuneration Committee (NRC) with effect from 11th September, 2019. Thereafter all the HR related matters have been reported to NRC Committee.

(iii) Marketing Committee

Terms of reference of the Committee

Marketing Committee was constituted to review and recommend to the Board various Marketing matters/Marketing plan and strategy of the Company.

Composition and Meetings

Composition of the Marketing Committee during the financial year 2019-20 i.e. from 1st April, 2019 to 11th September, 2019 is as follows:

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

Note:

1. *Shri Avinash Kumar Verma appointed as a Member of the Marketing Committee with effect from 15th April, 2019.*

The Marketing Committee was merged with Operation Review Committee (ORC) with effect from 11th September, 2019 and Committee renamed as Marketing & Operation Review Committee (MORC). Thereafter all the Marketing related matter has been reported to MORC Committee.

(iv) Financial Management Committee

Terms of reference of the Committee

The Financial Management Committee of the Board was constituted to deal and recommend to the Board all matters related to Financing of the Petrochemical project of OPaL and any other matter as may be referred to this Committee by Chairman-OPaL.

Composition and Meetings

Composition of the Financial Management Committee during the financial year 2019-20 i.e. from 1st April, 2019 to 11th September, 2020 is as follows:

Sl. No.	Members of the Committee	Category	Position in the Committee
1.	Shri S. Balachandran	Independent & Non-Executive Director	Chairman
2.	Shri Subhash Kumar	Non-Executive Director	Member
3.	Shri Rajesh Kakkar	Non-Executive Director	Member

Financial Management Committee met two times during the financial year 2019-20. These meetings were held on 10th May, 2019 and 15th July, 2019.

The Financial Management Committee (FMC) was merged with Audit Committee with effect from 11th September, 2019 and all matters related FMC has been reported to Audit Committee.

(v) 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 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 and disclosed in the financial statement. The annual compensation of the executive director is recommended by the Nomination and Remuneration Committee to Board and after Board approval, placed before the shareholders at their meeting.

Composition and Meetings

Composition of the Nomination & Remuneration Committee during the financial year 2019-20 i.e. from 1st April, 2019 to 31st March, 2020 and up to date of this report is as follows:

Sl. No.	Members of the Committee	Category	Position in the Committee
1.	Shri Rajiv [1]	Independent & Non-Executive Director	Chairman
2.	Shri S. Balachandran [2]	Independent & Non-Executive Director	Member
3.	Shri Rajesh Kakkar [3]	Non-Executive Director	Member
4.	Shri Aloke Kumar Banerjee [4]	Independent & Non-Executive Director	Member
5.	Shri Subhash Kumar [5]	Non-Executive Director	Member
6.	Shri P. K. Gupta [6]	Non-Executive Director	Member
7.	Shri Ashu Shinghal [7]	Non-Executive Director	Member

Note:

1. *Shri Rajiv appointed as the Chairman of the Nomination & Remuneration Committee in place of Shri S. Balachandran with effect from 18th April, 2019.*
2. *Shri S. Balachanran ceased to be the Chairman of the Nomination & Remuneration Committee with effect from 18th April, 2019 and thereafter he continues as a member of the Nomination & Remuneration Committee.*
3. *Shri Rajesh Kakkar ceased to be a Member of the Nomination & Remuneration Committee with effect from 11th September, 2019.*
4. *Shri Aloke Kumar Banerjee appointed as a Member of the Nomination & Remuneration Committee with effect from 7th May, 2019.*
5. *Shri Subhash Kumar appointed as a Member of the Nomination & Remuneration Committee with effect from 11th September, 2019.*
6. *Shri P. K. Gupta appointed as a Member of the Nomination & Remuneration Committee with effect from 11th September, 2019 and due to cessation as a Director, he ceased to be a member of Nomination & Remuneration Committee with effect from 1st July, 2020.*
7. *Shri Ashu Shinghal appointed as a Director with effect from 1st July, 2020 and Member of the Nomination & Remuneration Committee with effect from 29th September, 2020.*

Nomination and Remuneration Committee met four times during the financial year 2019-20. These meetings were held on 14th June, 2019, 3rd September, 2019, 31st October, 2019 and 28th January, 2020.

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

(vi) Security Allotment Committee

Terms of reference of the Committee

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 2019-20 i.e. from 1st April, 2019 to 31st March, 2020 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 [2]	Managing Director	Member
3.	Ms. Pomila Jaspal [3]	Non-Executive Director	Member
4.	Shri Subhash Kumar [4]	Non-Executive Director	Chairman
5.	Shri Rajesh Kakkar [5]	Non-Executive Director	Member
6.	Shri S. Balachandran [6]	Independent & Non-Executive Director	Member
7.	Shri Aloke Kumar Banerjee [7]	Independent & Non-Executive Director	Chairman
8.	Ms. Rekha Misra [8]	Non-Executive Director	Member
9.	Shri Ashu Shinghal [9]	Non-Executive Director	Member

Note:

1. *Shri P. K. Gupta appointed as the Chairman of the Security Allotment Committee in place of Shri Subhash Kumar 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 Avinash Kumar Verma appointed as a Member of the Security Allotment Committee with effect from 11th September, 2019.*
3. *Ms. Pomila Jaspal appointed as Member of the Security Allotment Committee with effect from 11th September, 2019 and further she ceased to be a Member of the Security Allotment Committee due to resignation from the Board of OPaL with effect from 12th March, 2020.*
4. *Shri Subhash Kumar ceased to be the Chairman of the Security Allotment Committee with effect from 11th September, 2019. Further he is no longer a Member of the Security Allotment Committee with effect from 11th September, 2019.*
5. *Shri Rajesh Kakkar ceased to be a Member of the Security Allotment Committee with effect from 11th September, 2019.*
6. *Shri S. Balachandran ceased to be a Member of the Security Allotment Committee with effect from 11th September, 2019.*
7. *Shri Aloke Kumar Banerjee appointed as a Chairman of the Security Allotment Committee with effect from 7th April, 2020.*
8. *Ms. Rekha Misra appointed as a Director with effect from 16th March, 2020 and Member of the Security Allotment Committee with effect from 29th September, 2020.*
9. *Shri Ashu Shinghal appointed as a Director with effect from 1st July, 2020 and Member of the Security Allotment Committee with effect from 29th September, 2020.*

There was no Security Allotment Committee meeting held during the financial year 2019-20.

(vii) 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 to deal with various CSR activities.

Composition and Meetings

Composition of the Corporate Social Responsibility Committee during the financial year 2019-20 i.e. from 1st April, 2019 to 31st March, 2020 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 [1]	Independent & Non-Executive Director	Chairman
2.	Shri Avinash Kumar Verma [2]	Managing Director	Member
3.	Shri Rajesh Kakkar	Non-Executive Director	Member
4.	Shri Rajiv [3]	Independent & Non-Executive Director	Member
5.	Shri S. Balachandran [4]	Independent & Non-Executive Director	Member
6.	Shri P. K. Gupta [5]	Non-Executive Director	Member

Note:

1. *Shri Aloke Kumar Banerjee appointed as the Chairman of the Corporate Social Responsibility Committee with effect from 11th September, 2019.*
2. *Shri Avinash Kumar Verma appointed as a Member of the Corporate Social Responsibility Committee with effect from 15th April, 2019.*
3. *Shri Rajiv appointed as a Member of the Corporate Social Responsibility Committee with effect from 11th September, 2019.*
4. *Shri S. Balachandran ceased to be a Member of the Corporate Social Responsibility Committee with effect from11th September, 2019.*
5. *Shri P. K. Gupta ceased to be a Member of the Corporate Social Responsibility Committee with effect from 11th September, 2019.*

Corporate Social Responsibility Committee met one time during the financial year 2019-20. The meeting was held on 12th March, 2020.

(viii) 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 2019-20 i.e. from 1st April, 2019 to 31st March, 2020 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 [2]	Managing Director	Member
3.	Shri Manoj R. Meshram [3]	Non-Executive Director	Member
4.	Ms. Pomila Jaspal [4]	Non-Executive Director	Member
5.	Shri Manoj Kumar Srivastava [5]	President-OPaL	Member
6.	Shri Pradosh Kumar Basu	Chief Finance Officer (CFO)	Member
7.	Ms. Rekha Misra [6]	Non-Executive Director	Member

Note:

1. *Shri Rajesh Kakkar appointed as the Chairman of the Risk Management Committee with effect from 11th September, 2019.*
2. *Shri Avinash Kumar Verma appointed as a Member of the Risk Management Committee with effect from 15th April, 2019.*
3. *Shri Manoj R. Meshram appointed as a Member of the Risk Management Committee with effect from 11th September, 2019.*
4. *Ms. Pomila Jaspal appointed as Member of the Risk Management Committee with effect from 11th September, 2019 and further she ceased to be a Member of the Risk Management Committee due to resignation from the Board of OPaL with effect from 12th March, 2020.*
5. *Shri Manoj Kumar Srivastava, President-OPaL appointed as a Member of the Risk Management Committee with effect from 11th September, 2019.*
6. *Ms. Rekha Misra appointed as a Director with effect from 16th March, 2020 and Member of the Risk Management Committee with effect from 29th September, 2020.*

Risk Management Committee met one time during the financial year 2019-20. The meeting was held on 11th March, 2020.

(ix) Operation Review Committee

Terms of reference of the Committee

Operation Review Committee of the Board has been constituted to review the operations of the Company.

Composition and Meetings

Composition of the Operation Review Committee during the financial year 2019-20 i.e. from 1st April, 2019 to 11th September, 2019 is as follows:

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

Note:

1. *Shri Avinash Kumar Verma appointed as a Member of the Operation Review Committee with effect from 15th April, 2019.*

Operation Review Committee met one time during the financial year 2019-20. The meeting was held on 16th July, 2020.

The Operation Review Committee was merged with Marketing Committee with effect from 11th September, 2019 and Committee renamed as Marketing & Operation Review Committee (MORC). Thereafter, all operations related matter with this Committee has been reported to MORC Committee.

(x) Marketing and Operation Review Committee

Terms of reference of the Committee

Marketing and Operation Review Committee of the Board has been constituted with effect from 11th September, 2019 by merging two earlier Committees of the board namely Marketing Committee and Operation Review Committee with a view to have more impact in formulation of marketing strategy and Operations of the Company.

Composition and Meetings

Composition of the Marketing and Operation Review Committee during the financial year 2019-20 i.e. from 11th September, 2019 to 31st March, 2020 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	Non-Executive Director	Chairman
2.	Shri Avinash Kumar Verma	Managing Director	Member
3.	Shri Rajesh Kakkar	Non-Executive Director	Member
4.	Shri S. Balachandran	Independent & Non-Executive Director	Member
5.	Shri Manoj R. Meshram	Non-Executive Director	Member

Marketing and Operation Review Committee met two times during the financial year 2019-20. These meetings were held on 3rd January, 2020 and 11th March, 2020.

As on date OPaL Board has only six Board Committees namely (i) Audit Committee; (ii) Corporate Social Responsibility Committee; (iii) Nomination and Remuneration Committee; (iv) Marketing and Operation Review Committee; (v) Risk Management Committee; and (vi) Security Allotment Committee.

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 Annual General Meeting	Time	Place of Meeting	Total Number of Special Resolution(s)
1.	2016-17	11th AGM	09-09-2017	17.00 Hrs.	Omkara Building, Sai Chokdi, Manjalpur, Vadodara - 390011 (Gujarat)	Nil
2.	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
3.	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

Attendance of Directors in the 13th Annual General Meeting held on 30th September, 2019 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	Yes
4.	Shri Rajesh Kakkar	Non-Executive Director	No
5.	Shri S. Balachandran	Independent & Non-Executive Director	No
6.	Shri Rajiv	Independent & Non-Executive Director	No
7.	Shri Aloke Kumar Banerjee	Independent & Non-Executive Director	No
8.	Shri P. K. Gupta	Non-Executive Director	No
9.	Shri Manoj R. Meshram	Non-Executive Director	No
10.	Ms. Pomila Jaspal	Non-Executive Director	No

During the financial year 2019-20 four Extraordinary General Meetings (EGM) were held and the details are as under:

Sl. No.	Serial Number of Meeting	Date of Extraordinary General Meeting	Time	Place of Meeting
1.	11th EGM	02-04-2019	11.30 Hrs	Meeting Room No. 5036 of ONGC, 5th Floor, Deendayal Urja Bhawan, Vasant Kunj, New Delhi - 110070
2.	12th EGM	14-06-2019	15.00 Hrs	Conference Room of OPaL Plant, Plot No. Z-1, Z-83, C/o Dahej SEZ Limited, P.O. Dahej - Distt. Bharuch, Gujarat - 392130
3.	13th EGM	12-08-2019	11.30 Hrs	Meeting Room No. 5036 of ONGC, 5th Floor, Deendayal Urja Bhawan, Vasant Kunj, New Delhi - 110070
4.	14th EGM	12-03-2020	15.00 Hrs	Meeting Room No. 5036 of ONGC, 5th Floor, Deendayal Urja Bhawan, 5, Nelson Mandela Marg, Vasant Kunj, New Delhi - 110070

Attendance of Directors in 11th Extraordinary General Meeting held on 2nd April, 2019, 12th Extraordinary General Meeting held on 14th June, 2019, 13th Extraordinary General Meeting held on 12th August, 2019 and 14th Extraordinary General Meeting held on 12th March, 2020 are as under:

Sl. No.	Name of Directors	Category	Attendance at 11th EGM	Attendance at 12th EGM	Attendance at 13th EGM	Attendance at 14th EGM
1.	Shri Shashi Shanker	Chairman & Non-Executive Director	No	No	No	No
2.	Shri Avinash Kumar Verma [1]	Managing Director	-	Yes	No	Yes
3.	Shri Subhash Kumar	Non-Executive Director	No	Yes	No	No
4.	Shri Rajesh Kakkar	Non-Executive Director	Yes	No	Yes	No
5.	Shri S. Balachandran [2]	Independent & Non-Executive Director	No	Yes	No	No
6.	Shri P. K. Gupta [3]	Non-Executive Director	No	No	No	No
7.	Shri Manoj R. Meshram	Non-Executive Director	No	No	No	No
8.	Shri Rajiv [4]	Independent & Non-Executive Director	-	Yes	No	Yes
9.	Shri Aloke Kumar Banerjee [5]	Independent & Non-Executive Director	-	Yes	No	Yes
10.	Ms. Pomila Jaspal [6]	Non-Executive Director	-	No	No	No

Note:

1. *Shri Avinash Kumar Verma appointed as the Managing Director with effect from 15th April, 2019.*
2. *Shri S. Balachandran re-appointed for 2 years as an Independent Director with effect from 1st April, 2019.*
3. *Shri P.K. Gupta ceased to be Director with effect from 1st July, 2020.*
4. *Shri Rajiv appointed as an Independent Director with effect from 18th April, 2019.*
5. *Shri Aloke Kumar Banerjee appointed as an Independent Director with effect from 7th May, 2019.*
6. *Ms. Pomila Jaspal appointed as a Woman Director with effect from 29th April, 2019 and further, ceased to be Director with effect from 12th March, 2020.*

8. Company Policies and Manuals

As per statutory requirements following policies were approved by the Board earlier and adopted during financial year 2019-20 in OPaL:

- (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 following Manuals during financial year 2019-20:

- (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

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."* Company Secretary shall report to the Board about the compliance of the Act, Rules 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.

The Board takes note, on the recommendation of Audit Committee, quarterly legal compliance report from various departments i.e. Company Secretary, Finance & Accounts and Legal, HR & Admin, Marketing, Material Management (MM), Operations and HSE.

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 Id : 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)

12. ISIN Number and Scrip Code of Listed Commercial Paper

ISIN : INE163N14105
BSE Code : 719021(ONGCPAL-28-9-20-CP)

13. ISIN Number of Equity Shares

ISIN : INE163N01011

14. Credit Ratings

The details of Credit Ratings held by the Company as on March 31, 2020 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	CRISIL Limited	CARE Rating Limited
Compulsorily Convertible Debentures (CCD-I) of Rs. 5615 Crore	"ICRA AAA (CE)" Stable Outlook	-	-	"CARE AAA (CE)" Stable Outlook
Compulsorily Convertible Debentures (CCD-II) of Rs. 1671 Crore	"ICRA AAA (CE)" Stable Outlook	"IND AAA (CE)" Stable Outlook	-	-
Compulsorily Convertible Debentures (CCD-III) of Rs. 492 Crore	-	"IND AAA (CE)" Stable Outlook	-	"CARE AAA (CE)" Stable Outlook
Non Convertible Debentures (NCD)	"ICRA AAA (CE)" Stable Outlook	-	-	"CARE AAA (CE)" Stable Outlook
Commercial Paper (CP)	"ICRA A1+"	"IND A1+"	"CRISIL A1+"	-

15. Details of Debenture Trustee

SBICAP Trustee Company Limited
Apeejay House, 6th Floor,
3, Dinshaw Wachha Road,
Churchgate, Mumbai-400020

Phone No. : 022 - 43025555, Fax No. : 022-22040465
Contact Person : Mr. Prashant Joshi
E-mail : prashant.joshi@sbicaptrustee.com

16. 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

17. Means of Communication

Half yearly/Annual Results: The Company regularly intimated un-audited as well as audited financial results to the Stock Exchange, immediately after they were 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 E-mail ID for investor servicing: The Company has designated the following E-mail ID for investor servicing i.e. **subodh.pankaj@opalindia.in.**

18. 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 since its incorporation. 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.

19. Disclosures

The details of transactions with related parties are disclosed in Note no. 35 of Financial Statement for the year ended 31st March, 2020 as per the disclosure requirements of Indian Accounting Standard (Ind AS) - 24 on related party disclosures. There are transactions with related parties in normal course of business and does not have potential conflict with the interest of the Company.

20. Compliances

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.

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

The Company Secretary plays a key role in ensuring that the Board (including committees thereof) procedures are followed and regularly reviewed. The 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.

As the present India is moving towards a Digital Economy, in OPaL the Company Secretary department is automated the process of paperless Board meeting and bring the OPaL Board into the Digital era. The automation of repetitive and administrative tasks would enable the Company Secretary to focus more time on other important tasks.

Company Secretary is strong in all facets of laws and specializes in Company Law and a person who is being looked upon as a Compliance Officer regulating Compliance and Governance in the Company. He looks after the entire secretarial functions which include preparing agenda, convening, conducting and recording Minutes of the meetings of Board and the Committees thereof, Annual General Meetings, Extra-ordinary General Meeting, Inter-departmental meetings and meetings with outside delegations, Financial Institutions, regulatory authorities, and storing statutory registers and records.

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

(Shashi Shanker)
Chairman

Date : 2nd November, 2020
Place : New Delhi

Form No. MGT-9
EXTRACT OF ANNUAL RETURN

(As on the financial year ended on 31st March, 2020)

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS :

Sl. No.	Particulars	Facts
(i)	CIN	U23209GJ2006PLC060282
(ii)	Registration Date	15th November, 2006
(iii)	Name of the Company	ONGC Petro additions Limited
(iv)	- Category - Sub-Category of the Company	Company Limited by Shares Non-Government Company
(v)	Address of the Registered office and Contact details	4th Floor, 35, Nutan Bharat Co-operative Housing Society Limited, R.C. Dutt Road, Alkapuri, Vadodara - 390007, Gujarat **Telephone No. :** 0265 - 6192600 **Fax No. :** 0265 - 6192666 **E-mail Id :** secretarial@opalindia.in **Website :** www.opalindia.in
(vi)	Whether Listed Company	No
(vii)	**(a)** Name, Address and Contact details of Registrar and Transfer Agent	Beetal Financial and Computer Services Private Limited Beetal House, 3rd Floor, 99 Madangir, Behind LSC, New Delhi - 110062 **Telephone No. :** 011 - 29961281/29961282/29961283 **Fax No. :** 011 - 29961284 **E-mail Id :** beetal@beetalfinancial.com **Website :** www.beetalfinancial.com ***[In respect of Equity Shares, Warrants, Compulsorily Convertible Debentures (CCDs) and Non-Convertible Debentures (NCDs) of the Company]***
	(b) Name, Address and Contact details of Registrar and Transfer Agent	MCS Share Transfer Agent Limited A-209, C Wing, 2nd Floor, Gokul Industrial Estate Building, Sagbaug, Marol Co-op Industrial Area, Behind Times Square, Andheri East, Mumbai - 400059 **Telephone No. :** 022 - 28516020/28516021/28516022/28516023 **Fax No. :** 022 - 28516021 **E-mail Id :** helpdeskmum@mcsregistrars.com **Website :** www.mcsregistrars.com ***[In respect of Commercial Paper (CP) of the Company]***

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY :

All the business activities contributing 10% or more of the total turnover of the Company are stated as under:

Sl. No.	Name and Description of Main Products/Services	* NIC Code of the Product/Service	# % to Total Turnover of the Company
1.	Petrochemicals	201	100 %

* *As per National Industrial Classification 2008 - Ministry of Statistics and Programme Implementation*

\# *During Financial Year 2019-20 HDPE, LLDPE, PP, CBFS, C9+Fraction, Benzene, Butadiene, Hydrogenated Pygas, Butene-1 and MFO were sold.*

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/Associate	% of Shares held	Applicable Section
1.	Oil and Natural Gas Corporation Limited **Address :** Deendayal Urja Bhawan, 5, Nelson Mandela Marg, Vasant Kunj, New Delhi - 110070	L74899DL1993GOI054155	Associate	49.36 %	Section 2 (6) of the Companies Act, 2013
2.	GAIL (India) Limited **Address :** 16, Bhikaji Cama Place, R K Puram, New Delhi - 110066	L40200DL1984GOI018976	Associate	49.21 %	Section 2 (6) of the Companies Act, 2013

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) :

(i) Category-wise Share Holding :

Category of Shareholders	No. of Shares held at the beginning of the year (i.e. April 01, 2019)				No. of Shares held at the end of the year (i.e. March 31, 2020)				% Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A) Promoters									
(1) Indian									
(a) Individual/HUF	-	-	-	-	-	-	-	-	-
(b) Central Govt.	-	-	-	-	-	-	-	-	-
(c) State Govt. (s)	-	-	-	-	-	-	-	-	-
(d) Bodies Corp.	202,19,29,665	-	202,19,29,665	100	202,19,29,665	-	202,19,29,665	100	0.00
(e) Banks / FI	-	-	-	-	-	-	-	-	-
(f) Any Other….	-	-	-	-	-	-	-	-	-
Sub-Total (A) (1)	202,19,29,665	-	202,19,29,665	100	202,19,29,665	-	202,19,29,665	100	0.00
(2) Foreign									
(a) NRIs-Individuals	-	-	-	-	-	-	-	-	-
(b) Other-Individuals	-	-	-	-	-	-	-	-	-
(c) Bodies Corp.	-	-	-	-	-	-	-	-	-
(d) Banks / FI	-	-	-	-	-	-	-	-	-
(e) Any Other….	-	-	-	-	-	-	-	-	-
Sub-Total (A) (2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A) = (A) (1) + (A) (2)	202,19,29,665	-	202,19,29,665	100	202,19,29,665	-	202,19,29,665	100	0.00
(B) Public Shareholding									
(1) Institutions									
(a) Mutual Funds	-	-	-	-	-	-	-	-	-
(b) Banks/FI	-	-	-	-	-	-	-	-	-
(c) Central Govt.	-	-	-	-	-	-	-	-	-
(d) State Govt.(s)	-	-	-	-	-	-	-	-	-
(e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
(f) Insurance Companies	-	-	-	-	-	-	-	-	-
(g) FIIs	-	-	-	-	-	-	-	-	-
(h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
(i) Others	-	-	-	-	-	-	-	-	-
Sub-Total (B) (1)	-	-	-	-	-	-	-	-	-
(2) Non-Institutions									
(a) Bodies Corp.									
i. Indian	-	-	-	-	-	-	-	-	-
ii. Overseas	-	-	-	-	-	-	-	-	-
(b) Individuals									
i. Individual shareholders holding nominal share capital up to ₹ 1 lakh	-	6	6	0.00	-	6	6	0.00	0.00
ii. Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	-	-	-	-	-	-	-	-	-
(c) Others									
	-	-	-	-	-	-	-	-	-
Sub-Total (B) (2)	-	6	6	0.00	-	6	6	0.00	0.00
Total Public Shareholding (B) = (B) (1) + (B) (2)	-	6	6	0.00	-	6	6	0.00	0.00
(C) Shares held by custodian for GDRs & ADRs									
Total (C)	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	202,19,29,665	6	202,19,29,671	100	202,19,29,665	6	202,19,29,671	100	0.00

(ii) Shareholding of Promoters :

Sl. No.	Shareholders' Name	Shareholding at the beginning of the year (i.e. April 01, 2019)			Shareholding at the end of the year (i.e. March 31, 2020)			% Change in Share holding during the Year
		No. of Shares	% of Total Shares of the Company	% of Shares Pledged/ encumbered to Total Shares	No. of Shares	% of Total Shares of the Company	% of Shares Pledged / encumbered to Total Shares	
1.	Oil and Natural Gas Corporation Limited **(ONGC)**	99,79,80,632	49.36 %	0.00 %	99,79,80,632	49.36 %	0.00 %	0.00 %
2.	GAIL (India) Limited **(GAIL)**	99,49,45,000	49.21 %	0.00 %	99,49,45,000	49.21 %	0.00 %	0.00 %
3.	Gujarat State Petroleum Corporation Limited **(GSPC)**	2,90,04,033	01.43 %	0.00 %	2,90,04,033	01.43 %	0.00 %	0.00 %
	TOTAL	**202,19,29,665**	**100 %**	**0.00 %**	**202,19,29,665**	**100 %**	**0.00 %**	**0.00 %**

(iii) Change in Promoters' Shareholding :

Sl. No.	Name of the Shareholders (Promoters)	Date	Reason for Increase/Decrease (e.g. Allotment/ Transfer/ Bonus / Sweat Equity etc.)	Shareholding at the beginning of the year as on 01.04.2019		Cumulative Shareholding during the year (April 01, 2019 to March 31, 2020)	
				No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
1.	Oil and Natural Gas Corporation Limited **(ONGC)**						
	At the beginning of the Year	01.04.2019	-	99,79,80,632	49.36 %	99,79,80,632	49.36 %
	Increase during the Year	-	-	-	-	99,79,80,632	49.36 %
	Decrease during the Year	-	-	-	-	99,79,80,632	49.36 %
	At the end of the Year	31.03.2020	-	-	-	99,79,80,632	49.36 %
2.	GAIL (India) Limited **(GAIL)**						
	At the beginning of the Year	01.04.2019	-	99,49,45,000	49.21 %	99,49,45,000	49.21 %
	Increase during the Year	-	-	-	-	99,49,45,000	49.21 %
	Decrease during the Year	-	-	-	-	99,49,45,000	49.21 %
	At the end of the Year	31.03.2020	-	-	-	99,49,45,000	49.21 %

Sl. No.	Name of the Shareholders (Promoters)	Date	Reason for Increase/Decrease (e.g. Allotment/ Transfer/ Bonus/ Sweat Equity etc.)	Shareholding at the beginning of the year as on 01.04.2019		Cumulative Shareholding during the year (April 01, 2019 to March 31, 2020)	
				No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
3.	Gujarat State Petroleum Corporation Limited **(GSPC)**						
	At the beginning of the Year	01.04.2019	-	2,90,04,033	01.43 %	2,90,04,033	01.43 %
	Increase during the Year	-	-	-	-	2,90,04,033	01.43 %
	Decrease during the Year	-	-	-	-	2,90,04,033	01.43 %
	At the end of the Year	31.03.2020	-	-	-	2,90,04,033	01.43 %

(iv) Shareholding Pattern of Top Ten (10) Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs) :

Sl. No.	Name of the Top Ten Shareholders	Date	Reason for Increase/ Decrease (e.g. Allotment/ Transfer/ Bonus/ Sweat Equity etc.)	Shareholding at the beginning of the year as on 01.04.2019		Cumulative Shareholding during the year (April 01, 2019 to March 31, 2020)	
				No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
1.	**Shri Vijay N. Iyah**						
	At the beginning of the Year	01.04.2019	-	1	0.00 %	1	0.00 %
	Increase during the Year	-	-	0	0.00 %	1	0.00 %
	Decrease during the Year	-	-	0	0.00 %	1	0.00 %
	At the end of the Year	31.03.2020	-	1	0.00 %	1	0.00 %
2.	**Shri A. Satish Kumar**						
	At the beginning of the Year	01.04.2019	-	1	0.00 %	1	0.00 %
	Increase during the Year	-	-	0	0.00 %	1	0.00 %
	Decrease during the Year	-	-	0	0.00 %	1	0.00 %
	At the end of the Year	31.03.2020	-	1	0.00 %	1	0.00 %
3.	**Shri R. Banerjee**						
	At the beginning of the Year	01.04.2019	-	1	0.00 %	1	0.00 %
	Increase during the Year	-	-	0	0.00 %	1	0.00 %
	Decrease during the Year	-	-	0	0.00 %	1	0.00 %
	At the end of the Year	31.03.2020	-	1	0.00 %	1	0.00 %

Sl. No.	Name of the Top Ten Shareholders	Date	Reason for Increase/ Decrease (e.g. Allotment/ Transfer/ Bonus/ Sweat Equity etc.)	Shareholding at the beginning of the year as on 01.04.2019		Cumulative Shareholding during the year (April 01, 2019 to March 31, 2020)	
				No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
4.	**Shri Rakesh Kaul**						
	At the beginning of the Year	01.04.2019	-	1	0.00 %	1	0.00 %
	Increase during the Year	-	-	0	0.00 %	1	0.00 %
	Decrease during the Year	-	-	0	0.00 %	1	0.00 %
	At the end of the Year	31.03.2020	-	1	0.00 %	1	0.00 %
5.	**Shri Ashok Kumar Mishra**						
	At the beginning of the Year	01.04.2019	-	1	0.00 %	1	0.00 %
	Increase during the Year	-	-	0	0.00 %	1	0.00 %
	Decrease during the Year	-	-	0	0.00 %	1	0.00 %
	At the end of the Year	31.03.2020	-	1	0.00 %	1	0.00 %
6.	**Shri K. Gopal**						
	At the beginning of the Year	01.04.2019	-	1	0.00 %	1	0.00 %
	Increase during the Year	-	-	0	0.00 %	1	0.00 %
	Decrease during the Year	-	-	0	0.00 %	1	0.00 %
	At the end of the Year	31.03.2020	-	1	0.00 %	1	0.00 %

Note:

(i) There were no joint shareholders of the Company during the financial year 2019-20.

(ii) There were only 6 shareholders other than Directors, Promoters and Holders of GDRs and ADRs during financial year 2019-20. Further they hold only 1 share at the end of financial year 2019-20.

(iii) There were 3 shareholders in aforesaid table at Point No. 2, 5 & 6 who holds 1 share at the end of financial year 2019-20, however one share of Shri A. Satish Kumar has been transferred to Shri Ratnesh Kumar on 8th June, 2020, one share of Shri Ashok Kumar Mishra has been transferred to Shri Chinmoy Saha Roy on 8th June, 2020 and one share of Shri K. Gopal has been transferred to Shri Rishikesh Sonthalia on 8th June, 2020.

(v) Shareholding of Directors and Key Managerial Personnel:

No Directors and Key Managerial Personnel (KMP) of the Company holds any shares in the Company during the financial year 2019-20.

V. INDEBTEDNESS :

Indebtedness of the Company including interest outstanding/accrued but not due for payment:

(₹ in Million)

Particulars	Secured Loans Excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year as on 01.04.2019				
i) Principal Amount	1,24,664.55	96,018.99	-NIL-	2,20,683.54
ii) Interest due but not paid	-NIL-	-NIL-	-NIL-	-NIL-
iii) Interest accrued but not due	4.06	4,837.78	-NIL-	4,841.84
Total (i+ii+iii)	**1,24,668.61**	**1,00,856.77**	**-NIL-**	**2,25,525.38**
Change in Indebtedness during the financial year				
Addition	52,831.32	37,085.68	-NIL-	89,917.00
Reduction	-61,680.84	-1,479.33	-NIL-	-63,160.17
Net Change	**-8,849.52**	**35,606.35**	**-NIL-**	**26,756.83**
Indebtedness at the end of the financial year as on 31.03.2020				
i) Principal Amount	1,15,188.10	1,33,104.67	-NIL-	2,48,292.77
ii) Interest due but not paid	-NIL-	-NIL-	-NIL-	-NIL-
iii) Interest accrued but not due	630.99	3,358.45	-NIL-	3,989.44
Total (i+ii+iii)	**1,15,819.09**	**1,36,463.12**	**-NIL-**	**2,52,282.21**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL :

A. Remuneration to Managing Director (MD), Whole-time Directors (WTD) and/or Manager :

(₹ in Million)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager #		Total Amount
		Shri Avinash Kumar Verma * (Managing Director)	---	
1.	Gross salary (a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites under Section 17(2) of the Income-tax Act, 1961 (c) Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961	 8.065 - -	 - - -	 8.065 - -
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as % of profit - others	 - -	 - -	 - -
5.	Others	-	-	-
	Total	**8.065**	**-**	**8.065**
	Ceiling as per the Act	***As per Schedule V of the Companies Act, 2013***		

Note:

 # The Company does not have any Whole-time Director and/or Manager during the financial year 2019-20 except Shri Avinash Kumar Verma as Managing Director.

** Shri Avinash Kumar Verma was appointed as Managing Director (MD) and a Key Managerial Personnel (KMP) of the Company with effect from 15th April, 2019.*

B. Remuneration to other Directors :

(₹ in Million)

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount
		Shri S. Balachandran	Shri Rajiv	Shri A. K. Banerjee	
1.	Independent Directors • Fee for attending Board/Committee meetings • Commission • Others	0.435 - -	0.315 - -	0.400 - -	1.150 - -
	Total (1)	**0.435**	**0.315**	**0.400**	**1.150**
2.	Other Non-Executive Directors • Fee for attending Board/Committee meetings • Commission • Others	- - -	- - -	- - -	- - -
	Total (2)	**-**	**-**	**-**	**-**
	Total = Total (1) + Total (2)	**0.435**	**0.315**	**0.400**	**1.150**
	Total Managerial Remuneration	**0.435**	**0.315**	**0.400**	**1.150**
	Overall Ceiling as per the Act	*The sitting fees of Directors are not exceeding one lakh rupees per meeting as required under Section 197(5) of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.*			

C. Remuneration to Key Managerial Personnel other than MD/MANAGER/WTD :

(₹ in Million)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		Shri S. P. Pankaj (Company Secretary & Compliance Officer)	Shri Pradosh Kumar Basu (Chief Finance Officer)	
1.	Gross Salary (a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites under Section 17(2) of the Income-tax Act, 1961 (c) Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961	3.667 - -	5.668 - -	9.335 - -
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as % of profit - others	- -	- -	- -
5.	Others	-	-	-
	Total = (1) + (2) + (3) + (4) + (5)	**3.667**	**5.668**	**9.335**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES :

Type		Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fee imposed	Authority [RD/ NCLT/ Court]	Appeal Made
(A) Company	Penalty	-	-	-	-	-
	Punishment	-	-	-	-	-
	Compounding	-	-	-	-	-
(B) Directors	Penalty	-	-	-	-	-
	Punishment	-	-	-	-	-
	Compounding	-	-	-	-	-
(C) Other Officers in Default	Penalty	-	-	-	-	-
	Punishment	-	-	-	-	-
	Compounding	-	-	-	-	-

There were no penalties/punishment/compounding of offences for the breach of any Section of Companies Act against the Company or its Directors or other Officers in Default, during the financial year 2019-20.

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

(Shashi Shanker)
Chairman

Date : 2nd November, 2020
Place : New Delhi

Annexure-V

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	01.04.2019 to 31.03.2020	Purchase of Feed stock from time to time at market determined price (Rs. 52,730.36 million)	Does not require Board Approval	Nil
	Reimbursement of Expenses on behalf of OPaL	01.04.2019 to 31.03.2020	Reimbursement of Salary to ONGC, for employees on deputation (Rs. 4.63 million)	Does not require Board Approval	Nil
	Purchase of Fixed Assets	01.04.2019 to 31.03.2020	Rs. 1362.19 million	-	-
	Reimbursement of Expenses by ONGC	01.04.2019 to 31.03.2020	Reimbursement of expenses by ONGC (Rs. 4.98 million)	Does not require Board Approval	Nil
GAIL (India) Limited (GAIL) (Joint Venturer)	Reimbursement of Expenses on behalf of OPaL	01.04.2019 to 31.03.2020	Reimbursement of Expenses to GAIL (India) Limited (Rs. 193.39 million)	-	-
	Purchase of Gas	01.04.2019 to 31.03.2020	Purchase of Gas (Rs. 1267.93 million)	Does not require Board Approval	Nil
	Repayment of Security Deposit	01.04.2019 to 31.03.2020	Rs. 5.93 million	-	-
	Interest on Security Deposit	01.04.2019 to 31.03.2020	Rs. 0.26 million	-	-
Gujarat State Petroleum Corporation Limited (GSPC) (Joint Venturer)	Purchase of Gas	01.04.2019 to 31.03.2020	Purchase of Gas (Rs. 2802.15 million)	Does not require Board Approval	Nil
Dahej SEZ Limited (DSL) (Common Directorship)	Lease Rental	01.04.2019 to 31.03.2020	Lease rent for land and DSZ charges (Rs. 131.60 million)	Does not require Board Approval	Nil
Mangalore Refinery & Petrochemical (MRPL) (Common Directorship)	Reimbursement of Expenses on behalf of OPaL	01.04.2019 to 31.03.2020	Reimbursement of Salary to MRPL, for employees on deputation (Rs. 0.35 million)	Does not require Board Approval	Nil
Petronet LNG Limited (Common Directorship)	Purchase of Gas	01.04.2019 to 31.03.2020	Purchase of Gas (Rs. 1756.80 million)	-	-
	Sale of MEIS Licence	01.04.2019 to 31.03.2020	Rs. 118.70 million	-	-
Hindustan Petroleum Corporation Limited (HPCL) (Common Directorship)	Purchase of Spares / Consumables	01.04.2019 to 31.03.2020	Purchae of Spares / Consumables (Rs. 1.55 million)	-	-
Shri Avinash Kumar Verma (Managing Director)	Employment	15.04.2019 to 31.03.2020	Remuneration to Key Managerial Personnel (KMP) (Rs. 8.065 million)	-	Nil
Shri Manoj Kumar Srivastava (President)	Employment	01.04.2019 to 31.03.2020	Related party (Rs. 5.92 million)	-	Nil
Shri Subodh Prasad Pankaj (Company Secretary & Compliance Officer)	Employment	01.04.2019 to 31.03.2020	Remuneration to Key Managerial Personnel (KMP) (Rs.3.67 million)	-	Nil
Shri Saumya Chakraborty (Chief Opereting Officer)	Employment	01.04.2019 to 31.03.2020	Related party (Rs. 5.66 million)	-	Nil
Shri Pradosh Kumar Basu (Chief Finance Officer)	Employment	01.04.2019 to 31.03.2020	Remuneration to Key Managerial Personnel (KMP) (Rs. 5.67 million)	-	-

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

(Shashi Shanker)
Chairman

Date : 2nd November, 2020
Place : New Delhi

Annexure-VI

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, 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:

During financial year 2019-20, production plant capacity utilization has increased to ~ 88% of nameplate capacity (with respect to Polymer Product) from previous year average capacity utilization of about 70%, higher capacity utilization has improved overall energy performance of complex.

With active participation of all departments in OPaL, this year energy index has improved from 4.351 GCal/MT of polymer production in previous year to 3.155 GCal/ MT of Polymer product.

This has reduced net import of Natural Gas and Electricity requirement to complex by about 10%.

Energy Management System

- Methodology developed for complex level utilities reconciliation to optimize overall utilities consumption in complex. Significant improvement is visible in terms of utilities consumption optimization, effective monitoring and overall cost allocation.
- Carbon footprint monitoring started on daily basis with monitoring of equivalent CO2 generation from fuel firing in cracker, boiler and power plant units.
- Energy Conservation Week was celebrated from 9th December, 2019 to 14th December, 2019 for the first time at OPaL site. Different events and competitions were organized and it received excellent interest & participation of more than 500 employees.
- Series of trainings, seminars and also 3 days workshop were conducted for imparting training to selected employees on energy performance monitoring and improvement.
- OPaL has initiated implementation process for Energy Management System ISO50001:2018 (EnMS).

DFCU Plant

- Upon improvement in surge flow calculation for Ethylene Refrigeration Compressor, HP steam saving of ~ 10 TPH achieved due to reduction of turbine rpm. This is equivalent to INR 1674.236 Lakh PA.

AU Plant

- Benzene Extraction process optimized for operation without running vacuum pump although it is recommended in operating procedure to run vacuum pump continuously. It has resulted in power savings of 105.97 MWh i.e. INR 5.844 Lakh PA.

PP Plant

- Polymer product pellet silo blending time optimized to 2 hours instead of 4 hours; blower operation reduced by 2 hours, resulted in saving of about 297 MWh per year i.e. INR 16.38 Lakh/year.
- PP plant Substation no. # 06 & 10 lighting operation philosophy changed to conserve about 66% power i.e. 63.25 MWh which approximate savings of INR 3.489 Lakh/year.
- Condensate cooler outlet temperature increased to 70°C, which saved 334950 Kcal/hour of energy dissipation in cooling system equivalent to INR 3.78 Lakh PA.

HDPE Plant

- Bagging silo elutriators fan stopped for pellet transfer as not required under process improvement, it resulted in approximate savings of 480.0 MWh/INR 26.47 Lakh PA.

PE Swing Plant

- Main loop compressor VFD motor continuous running stopped under process improvement plan and this has resulted in annual saving of 394.96 MWh i.e. INR 21.78 Lakh PA. It has also reduced electrical panel room temperature to 26°C from 36°C which has improved reliability of panel system components.
- Pneumatic conveying loop rotary valve performance improvement done with optimization in clearances. This has resulted in increased throughput and approximate savings of 600-700 NM3/hour of nitrogen (N2) consumption from single train which has lead to saving of INR129.87 Lakh PA.

Butene-1 Plant

- Butene -1 plant now operating with two loops for same plant load instead of three loops earlier, it resulted in power & utilities saving of INR 43.07 Lakh PA.
- Boiler feed water consumption has been optimized from ~ 30 TPD to ~ 7 TPD for same plant load, which has given annual saving of about INR 9.31 Lakh PA.

CPP Plant

- Captive power plant (CPP) is 195 MW Power & 880 TPH steam generation comprises of 4 X 33.75 MW Gas Turbine (M/S BHEL Frame 6B, PG6581B) 2 X 30 MW Steam Turbine, 4 X 110 TPH Heat Recovery steam Generators (HRSGs), 2 X220 TPH Utility Boiler. Presently Natural gas as primary fuel for power & steam generation, however liquid fuel i.e. Naphtha, firing facilities is also available.
- LPG cylinder usage stopped for Complex Fuel Gas firing, which is now being done by Natural Gas.

ECTS Plant

- RO system flushing water recovered in process that has resulted in annual saving of approx. 180956 M3 of Raw water equivalent to INR 27.75 Lakh PA.
- Process waste water from DFCU directly taken to separator instead of taken through OWS, net pumping cost annual saving 27.39 MWh i.e. INR 1.41 Lakh PA.
- Equalisation tank to flash mixer transfer started by gravity instead of pumping, utilization of available liquid head has resulted in annual power saving of 48.920 MWh i.e. INR 2.51 Lakh PA.

Utilities and Offsite

- In Cooling Tower, old ID fan blades were giving less flow against design value. The same were replaced with high efficient blades to achieve design flow and lesser power consumption which to improved the aero dynamics i.e. from 112.0 kW to 80.3 kW (28.0% less power). Total 16 fans modification, resulted in power saving of INR 241.00 Lakh PA.
- Cooling tower water pump bearing cooling water recovered in the system to save 0.5 m3/hour water per pump. It resulted in saving of 5K M3 water equal to INR 2.0 Lakh.
- Corrosion coupon rack cooling water drain recovered back in system and it has resulted in saving of 95659 M3 of cooling water i.e. saving of INR 38.58 Lakh PA.
- Flare area MP and LP steam leakages rectified without affecting plant activities & steam distribution. Thereby reduces by 3 MT/hour and savings of INR 526.07 Lakh PA.
- Under process optimization, CBFS (Carbon black feed stock) supply to Cracker & to tanker is now being met by only one pump operation instead of earlier two pumps. It has resulted in saving of approximately 155.95 MWh electricity that is INR 8.47 Lakh PA.

B. TECHNOLOGY ABSORPTION:

OPaL has started operations from March 2017 and has achieved significant improvement in capacity utilization during the last financial year. We are determined to adopt latest technologies and innovations to make operations more efficient and competitive & also looking forward to adopt advance tools and techniques for troubleshooting and reliability improvement.

1. Process technology:

- Company is continually exploring new ways to make its operations more efficient by various initiatives.
- Below are the different technologies and improvements in various units of OPaL.

DFCU Plant

- DFCU plant is of 1100 KTPA Ethylene & 400 KTPA Propylene capacity licensed by M/s Linde AG, Germany with technology of Front End Isothermal Hydrogenation and Ethylene separation is heat pumped and integrated with Ethylene Refrigeration system.

AU Plant

- AU : BDEU and BZEU unit are licensed by M/s Lurgi, Germany. Both plants are of closed sampling and blow down system to minimize the risk of Popcorn formation in BDEU and minimize risk of Benzene exposure in BZEU.

HDPE Plant

- Dedicated HDPE plant operates in slurry phase technology supplied by M/s MITSUI, Japan with an annual design capacity of 340 KT.
- OPaL produces wide range of products with higher density and mechanical strength with unique catalyst.
- OPaL has operated the plant up hill 110% capacity maximum till date.
- HMW film grade F52H04 produced from this technology is accepted as premium grade in the market.

PP Plant

- PP plant operates in gas phase technology supplied by M/s INEOS, USA with an annual design capacity of 340 KT.
- OPaL produce wide range of homo polymer grades with unique catalyst.
- OPaL has operated the plant up to 110% capacity maximum till date.
- Raffia grade RH03 produced from this technology has very good reputation in the market.

PE Swing Plant

- PE plant operates in gas phase technology supplied by M/s INEOS, UK which has credit to setup 1st PE gas phase unit in India.
- OPaL operates PE gas phase reactor with a very wide and unique grade basket in a single reactor in gas phase technology in India. It operates 1 MFI to 50 MFI long range in LLDPE segment (density range 0.920-0.940 gm/cc) and density of 0.950 to 0.960 in HD segment in single reactor.
- PE plant operates in gas phase technology supplied by M/s INEOS, UK with an annual design capacity of 2X360 KT. PE swing plant can produce wide range of LLDPE and HDPE products.

Butene-1 Plant

- Butene-1 is produced by dimerization of Ethylene from AXENS technology, France with an annual design capacity of 35KT.
- Butene-1 unit is operated consistently at 110% and above based on requirement.

CPP Plant

- Captive power plant (CPP) is 195 MW Power & 880 TPH steam generation comprises of 4 X 33.75 MW Gas Turbine (M/S BHEL Frame 6B, PG6581B) 2 X 30 MW Steam Turbine, 4 X 110 TPH Heat Recovery steam Generators (HRSGs), 2 X 220 TPH Utility Boiler. Presently Natural gas as primary fuel for power & steam generation, however liquid fuel i.e. Naphtha, firing facilities is also available.

2. Process Improvement Projects:

DFCU Plant

- Improvement achieved in furnace efficiency and heat transfer in Furnace convection section by furnace convection bank cleaning with dry ice blasting at DFCU plant.

HDPE Plant

- Butene-1 co-monomer trial in B6003 grade successfully completed to improve slurry cooler run length, processing ability and mechanical strength of product. This is first planned usage of Butene-1 as co-monomer in HDPE B6003 grade production & remarkable achievement for OPaL. This has resolved slurry cooler choking problem in B6003 grade and plant load could be sustained throughout at 100%.

- PE-63 (P5002) pipe - New grade developed for non-pressure pipes and sprinkler pipes application, market feedback is positive. After successful trial its regular production has started in December-2019 and market feedback received in January-2020.
- Pneumatic conveying systems PCS-1 and PCS-2 debottlenecking done to resolve Pneumatic system issues in achieving 109% plant capacity.
- With insulation modification in Pneumatic conveying system (PCS-1) return line, oligomer sticking to guard filter reduced. It has increased filter life from 7 days to 15 days which has resulted in saving of INR 9.2 Lakh PA.

PP Plant

- In alternate catalyst development, trial of P100 as new catalyst has been successfully accomplished for all major homo polymer grades.
- Optimization in settler compressor operating parameters increased suction strainer run length that saved production loss about 5000 MT/year & cost saving INR 7.5 Crore PA.
- Instead of one catalyst pump, two pumps started for better distribution & it has significantly reduced strings/Lump formation and reactor high dome temperature.
- Bag filter Nucleonic LT reliability improved by changing its location to ensure sufficient powder sealing and thus saved Hydrocarbon loss of around 2.7 Crore PA.
- Steam losses reduced by modification in steam traps system, steam consumption has reduced by 30TPD and it has resulted in savings of INR 1.6 Crore/year.
- Rotary feeder design changed to cutting type rotary feeder to resolve issue of frequent chocking and jamming of feeder valve. This has helped in reducing plant downtime and eliminating customer complaints on uneven size pellet. This modification has resulted in savings of around 1000 MT production loss annually.
- Blow case cycle time operation optimized with respect to design by 75 seconds to run plant at full capacity with single blow case in operation and to spare another for maintenance without hampering throughput.

PE Swing Plant

- With process optimization for TEAL (co-catalyst) consumption, specific consumption reduced by 23.2% i.e. total 45.27 MT quantity saving which is INR 1.38 Crore PA.
- Alternate vendor development, new high-performance adsorbent commissioned to remove moisture and oxygenates in pentane, modified set up is working successfully.
- New grade developed - LLDPE drip lateral grade (D2001S) is successfully established which is used for drip lateral applications.
- Domestic vendor developed for synthetic silica, I-1010 and I-168, because of domestic purchase procurement lead time has come down along with lesser cost to Company.

Butene-1 Plant

- Process modification as per licensor recommendation saved 1.5 MT Ethylene per loop integration and 2.5 MT Butene-1 per loop out activity, it has resulted in saving of INR 93.0 Lakh PA.
- Hexane dilution rate optimized in each TEAL batch, it has resulted in annual saving of INR 15.94 Lakh PA.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company has earned foreign exchange equivalent to Rs. 19,623.82 million (Previous Year Rs. 20,677.21 million) on account of revenue from export sales and incurred foreign currency expenditure equivalent to Rs. 36,321.60 million (Previous Year Rs. 20,625.50 million) during the accounting period ended 31st March, 2020.

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

(Shashi Shanker)
Chairman

Date : 2nd November, 2020
Place : New Delhi

REVISED INDEPENDENT AUDITOR'S REPORT

To the Members of ONGC PETRO additions LIMITED

This revised Independent Auditor's Report is being issued in suppression of our earlier Independent Auditor's Report dated 08th June, 2020. Revised report is being issued in view of the certain deficiency as pointed out by C&AG of India in our earlier report. Further, we confirm that there is no change in the opinion as expressed earlier.

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of ONGC PETRO additions LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2020, 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 Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, 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 Ind AS financial statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone Ind AS financial statements under the provisions of the Companies Act, 2013 and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the 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 Ind AS financial statements.

Key Audit Matter

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

We have determined the matter described below to be the key matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's approach
1.	Extension of terms of Compulsory Convertible Debentures (CCD) of Face Value INR 56,150 Million (Refer Note No. 40 of the Ind AS Financial Statements) PARIKH MEHTA & ASSOCIATES BARODA Chartered Accountants	**Key Observations:** 1. During the year the Company has approved the extension of terms of CCD with end date being revised from 02.07.2019 to 02.01.2021. 2. The transaction is accounted as extinguishment of existing liability because the terms are substantially different and the difference of Rs 6,264.47 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. 6,211.48 million and impact of same is given in retained earnings.

Emphasis of Matter

- We draw attention to the Note No. 16.1 & Note No. 41 of the Ind AS Financial Statements, which describes the management's assessment of the impact of the outbreak of COVID-19 on the business operations of the Company. The management believes that no adjustments are required in the financials as it does not impact the current financial year. However due to highly uncertain environment, a definitive assessment of the impact of the subsequent periods is highly dependent upon future circumstances. Our report is not modified in respect of this matter.

- The Company has set up Petrochemical complex in Special Economic Zone, Dahej (SEZ). As informed to us, there is considerable change in the marketing and selling prospects, sale of its products in domestic market has become a necessity. Accordingly, the Board of Directors has accorded exploratory approval to undertake the process of examining the possibility of exit from SEZ. As informed to us, the above application for exit is under consideration with the said competent authority. A final decision to exit or not would depend on the demand notice and evaluation of the terms and conditions stipulated in the approval. As explained by the management, due to the pendency for 'SEZ Exit' decision, the liability has not been crystallized and accordingly, considered as a contingent Liability. (Refer Note No. 39 of Ind AS Financial Statements). As per the preliminary assessment, the said probable liability as worked out by the management is Rs. 16,816.30 million, if opted for 'SEZ Exit'.

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 Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these standalone Ind AS 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone Ind AS financial statements.

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.

- 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.

Other Matters

- Due to the COVID-19 related lockdown, we were unable to observe the management's year end physical verification of inventory amounting to Rs. 19,321.28 million. We have performed alternate procedures to audit the existence of inventory as per the guidance provided in SA 501 "Audit Evidence – Specific Consideration for Selected items", which includes inspection of supporting documentation relating to purchases, production, sales and results of cyclical count performed by the management and third party. Our report is not modified in respect of this matter.

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 Companies Act, 2013, we give in the **"Annexure 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 Companies Act, 2013 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;	There are no such cases made by a lender to the Company due to its 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.

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 Ind AS 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, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 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) 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, 2018:

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

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

IV. As directed by the Comptroller & Auditors General of India, the revisions made to our original Independent Audit Report are mentioned separately in **"Annexure C."**

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

(ASHISH PARIKH)
Partner
Membership No.116745

Date : 25/09/2020
Place : Vadodara
UDIN : 20116745AAAAEK1188

PARIKH MEHTA & ASSOCIATES BARODA Chartered Accountants

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, 2020, we report that:

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

(b) The Company has a regular programme of physical verification of fixed assets by which fixed assets are verified in a phased manner. In accordance with this programme, fixed asset having substantial value were verified during the year and no material discrepancy has been noticed. In our opinion this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

(c) According to the information and explanations given to us and on the basis of the records of the Company, the title deeds of the immovable properties are held in the 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. 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 deposit from the public as per the provisions of the Act.

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 the information and explanation given to us, there are no disputed statutory dues payable in respect of Provident Fund, Investors Education & Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Value Added Tax, Custom Duty, Excise Duty Service Tax, Goods and Service Tax, cess or any other statutory dues, as applicable, with the appropriate authorities. As explained to us, the Company didn't have any dues on account of Employees' State Insurance and duty of excise.

There was no amount payable in respect of undisputed statutory dues, including Provident Fund, Income Tax, Sales Tax, Wealth Tax, Value Added Tax, Custom Duty, Excise Duty Service Tax, Goods And Service Tax, cess and other statutory dues in arrears as on 31st March, 2020 for the 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:

PARIKH MEHTA & ASSOCIATES BARODA Chartered Accountants

(Rs. 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	Dy. Commissioner of Revenue and Stamp, Mumbai	2009-10	1.00	-	1.00
Stamp Duty Act	Stamp Duty (Deficit Stamp Duty of Lease Deed)	Dy. Collector Office, Stamp Duty Valuation Department	2017-18	6.74	-	6.74

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.

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 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 Debenture ("CCD") of face value INR 56,150 Million with the end date of 02.07.2019 and revised it to 02.01.2021. The revised agreement was executed dated 03.07.2019 with the existing Investors. Since no fresh CCD was issued during the year, the reporting under clause 3 (xiv) of the Order is not applicable to the Company.

XV. According to the information and explanations given to us and based on our examination of the records of the Company, the company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the order is not applicable.

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

(ASHISH PARIKH)
Partner
Membership No.116745

PARIKH MEHTA & ASSOCIATES BARODA Chartered Accountants

Place : Vadodara
Date : 25/09/2020

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, 2020 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 Companies Act, 2013.

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 Companies Act, 2013, 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, 2020, 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

Place : Vadodara
Date : 25/09/2020

ANNEXURE-C TO THE AUDITOR'S REPORT

The Annexure referred to in Paragraph C of the Auditor's Report of even date to the members of **ONGC PETRO ADDITIONS LIMITED** on the Ind AS Financial Statements for the year ended 31st March, 2020, we report that, we have revised the following clause of our Independent Audit Report.

Sr. No.	Original Independent Audit Report dtd. 08/06/2020 having UDIN:20116745AAAACR5689	Revised Independent Audit Report dtd. 25/09/2020 having UDIN:20116745AAAAEK1188
1.	**Clause III-d**	
	In our opinion, the aforesaid standalone Ind AS financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the **Companies (Accounts) Rules, 2014;**	In our opinion, the aforesaid standalone Ind AS 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;**
2.	**Clause III-g**	
	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) Rules, 2014:**	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, 2018:**

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

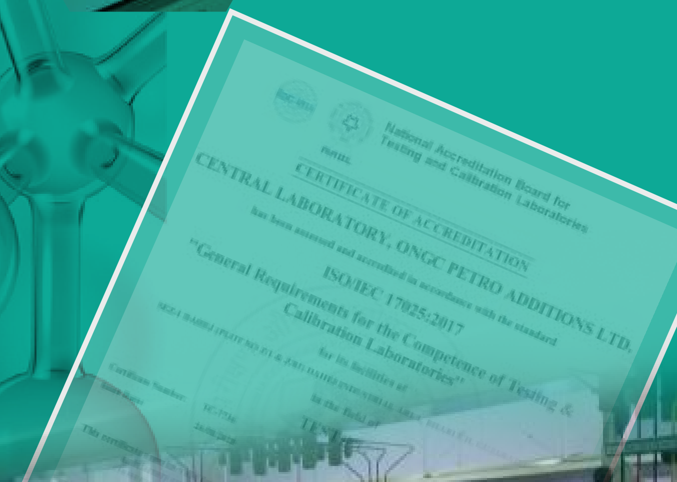
(ASHISH PARIKH)
Partner
Membership No.116745
Place : Vadodara
Date : 25/09/2020

PARIKH MEHTA & ASSOCIATES Chartered Accountants BARODA

Audited Financial Statements For Financial Year 2019-20

NABL
Accreditation for Central Lab

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). NABL accreditation is extremely critical as it conducts a comprehensive examination of the Laboratory's Management System as well as a Quality Management System. On all the counts, OPaL QA/QC team has completed all NABL accreditation requirements.



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

The financial statements for the year ended March 31, 2020 were approved by the Board of Directors and authorised for issue on 8th June, 2020.

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

The financial statements comply in all the material aspects with the Indian Accounting Standards (referred to as "Ind AS") notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

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
- 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's set out in Ind AS-1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013.

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.

iii) New and amended standards adopted by the Company

The Company has applied the following standards and amendments for the first time for their annual reporting period commencing 1 April, 2019.

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following new and amendments to Ind AS which the Company has not applied as they are effective from April 1, 2019:

a) Ind AS 116 - Leases

On March 30, 2019, the Ministry of Corporate Affairs (MCA) issued Ind AS 116, Leases' as part of the Companies (Indian Accounting Standards (Ind AS) Amendment Rules, 2019. Ind AS 116 replaces existing standard on leases i.e. Ind AS 17, Leases with effect from April 1, 2019 (the initial accounting application date).

Ind AS 116 sets out principles for recognition, measurement, presentation and disclosure of leases. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. For all leases except as noted above, a lessee is required to recognise a right-of-use asset (ROU Asset) representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments in the balance sheet. Lessee will recognise depreciation of right-of-use assets and interest on lease liabilities in the statement of profit and loss. Operating cash flows will be higher as repayments of the lease liability and related interest are classified within financing activities.

The Company had to change its accounting policies as a result of adopting Ind AS 116. This is disclosed in note 3.3.

PARIKH MEHTA & ASSOCIATES BARODA Chartered Accountants

ONGC Petro additions Limited OPaL

b) Other amendments

On March 30, 2019, MCA has issued Companies (Indian Accounting Standards) Second Amendment Rules, 2019.

(i) Ind AS 12 - Income taxes

Appendix C to Ind AS 12, Income Taxes has been inserted. The appendix provides accounting for uncertainty over income tax treatments. The appendix provides a framework to consider, recognize and measure the accounting impact of tax uncertainties. It also provides specific guidance in several areas where previously Ind AS 12 was silent. There are no new disclosure requirements in appendix. However, the Company is required to add explanations on judgements and estimates made in uncertain tax treatment.

New paragraph 57A has been added to Ind AS 12 to clarify that the income tax consequences of dividends on financial instruments classified as equity should be recognised according to where the past transactions or events that generated distributable profits were recognised. The adoption of these amendments did not have a material impact on the Company's financial statements.

(ii) Ind AS 19 - Employment Benefits

This amendment requires an entity to: 1) calculate the current service cost and net interest for the remainder of the reporting period after a plan amendment, curtailment or settlement by using the updated assumptions from the date of the change 2) Any reduction in a surplus should be recognised immediately in profit or loss either as part of past service cost, or as a gain or loss on settlement. In other words, a reduction in a surplus must be recognised in profit or loss even if that surplus was not previously recognised because of the impact of the asset ceiling; and separately recognise any changes in the asset ceiling through other comprehensive income. This amendment is applicable for future plan amendments, curtailments, or settlements of the group on or after April 1, 2019. The adoption of this amendment did not have a material impact on the Company's financial statements.

(iii) Ind AS 23 - Borrowing Costs

Amendment to Ind AS 23 - Borrowing Costs clarify that if a specific borrowing remains outstanding after a qualifying asset is ready for its intended use or sale, it becomes part of general borrowings. The Group's current practice is in line with these amendments and accordingly these amendments did not have any material impact on these financial statements.

(iv) Ind AS 109 - Financial Instruments

The narrow-scope amendments made to Ind AS 109 enable entities to measure certain prepayable financial assets with negative compensation at amortised cost. These assets, which include some loan and debt securities, would otherwise have to be measured at fair value through profit or loss. To qualify for amortised cost measurement, the negative compensation must be reasonable compensation for early termination of the contract' and the asset must be held within a 'held to collect' business model. The adoption of this amendment did not have a material impact on the Company's financial statements.

(v) Ind AS 103 - Business Combinations and Ind AS 111 - Joint Arrangements

Amendment has been made to Ind AS 103 - Business Combinations and Ind AS 111 - Joint Arrangements to clarify measurement of previously held interest in obtaining control/joint control over a joint operation as follows : (i) On obtaining control of a business that is a joint operation, previously held interest in joint operation is remeasured at fair value at the acquisition date; (ii) A party obtaining joint control of a business that is joint operation should not remeasure its previously held interest in the joint operation. These amendments will apply to future transactions of the Group in which it obtains joint control of a business on or after April 1, 2019.

The adoption of this amendment did not have a material impact on the Company's financial statements.

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 comprising 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 recognizes 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.

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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.

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 group 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, 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/realisability of such incentives.

3.3. Leases

Till 31st March, 2019:

Policy under Ind AS 17

Leases are classified as finance leases whenever the terms of the lease transfers substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Company as a lessee

Assets held under finance leases are initially recognised at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessee is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company's general policy on borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases or another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

With Effective from 1st April, 2019

Policy under Ind AS 116

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset - this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Company has the right to direct the use of the asset. The Group has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Group has the right to direct the use of the asset if either the Group has the right to operate the asset; or the Group designed the asset in a way that predetermines how and for what purpose it will be used.

From April 01, 2019, 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 as a lessee

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 asset's 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
- 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;
- 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 measured at amortised cost using the effective interest method. 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.

Short-term leases and leases of low-value assets:

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 Group 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 gains/(losses).

3.5. Employee Benefits

Employee benefits include provident fund, gratuity and leave encashment.

Defined contribution plans

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.

Defined benefit plans

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 costs are 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

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 gratuity benefit obligation recognized in the financial statement represents the actual deficit or surplus in the Company's defined benefit plans. 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, whereby profit after 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.

ii. Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. 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 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.

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 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

Buildings 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.

Property, plant and equipment (other than buildings) are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

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.

In respect of Dahej Project Turnkey Contracts, the value of supplies received at site, accepted and settled is treated as Capital work in progress.

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The Company has received spares/inventories as free supply of material from various contractors under LSTK Contracts. The same is incorporated in the books of account on the basis of value provided by the LSTK contractor. In the absence of the same, the fair market value or the value agreed by the material management department is taken in to account.

The quantity & the value of the material supplied is added to the particular capital inventory account and correspondingly is deducted from the relevant Fixed Asset/Capital W.I.P. account.

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 except in case of certain items of PPE where useful life has been considered based on technical assessment. Estimated useful lives of the assets are as follows:

Sl. No.	Particulars	Useful lives (in years)
1.	Buildings-Temporary including Fences (in case of Temporaroy 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 (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

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 overhaul and repairs on account of planned shutdown which are of significant value (5% of the value of particular assets) is capitalized as component of relevant items of PPE and is depreciated over the period till next shutdown on straight line basis. Catalyst whose life is more than one year is capitalized as property, plant and equipment and depreciated over the guaranteed useful life as specified by the supplier when the catalyst is put to use.

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. Depreciation on 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.

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 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 consolidated 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 the Software is 5 Years.

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

3.11. Impairment of PPE, Right to use of asset (ROU) and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its PPE, ROU assets and intangible assets of a cash generating unit 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 is estimated in order to determine the extent of the impairment loss (if any). When 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.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset 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 recognized immediately in statement of profit and loss.

An assessment is made at the end of each reporting period to see if there are any indications that impairment losses recognized earlier may no longer exist or may have come down. The impairment loss is reversed, if there has been a change in the estimates used to determine the asset's recoverable amount since the previous impairment loss was recognized. If it is so, the carrying amount of the asset is increased to the lower of its recoverable amount and the carrying amount that have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. After a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life. Reversals of impairment loss are recognized in the statement of profit and loss.

3.12. Inventories

Inventories are valued at lower of cost or net realizable value. Cost of inventories comprises of purchase cost and other costs incurred in bringing inventories to their present location and condition. The cost has been determined as under:

Raw material	On First in First out (FIFO) basis
Finished products	At Raw material and Conversion cost
Stock-in-process	At Raw material and Proportionate Conversion cost
Stores and spares (other than those capitalised as property, plant and equipment) and other trading goods	On weighted average cost basis.

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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. Trade receivable

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

3.15. 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 by way of notes to accounts when an inflow of economic benefits is probable.

Contingent liabilities are disclosed in the financial statements by way of notes to accounts, unless possibility of an outflow of resources embodying economic benefits is remote.

3.16. 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 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 assesses at each balance sheet date whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes credit loss allowance at lifetime expected credit loss model for all contract assets and / or all trade receivables that do not constitute a financing transaction.

(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 capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

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.

3.17. Segment Reporting

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

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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. Refer note 34.2 for segment information presented.

3.18. 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 realise 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.

3.19. 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.

3.20. Critical judgements 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) Defined benefit obligation (DBO)

Management's estimated of the DBO is based on a number of critical underlying assumption 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.

d) 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.

e) 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 also based on the probability criteria as defined by Ind AS 12 - "Income Taxes".

f) 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.

(refer note 39 Contingent liabilities, Contingent Assets and commitments)

ONGC Petro additions Limited

Balance Sheet

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

Sl. No.	Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
	ASSETS			
(I)	**Non-current assets**			
	(a) Property, plant and equipment	4	2,39,574.77	2,42,944.69
	(b) Right-of-use assets	37	2,712.87	-
	(c) Capital work- in- progress	5	16,887.28	20,031.54
	(d) Intangible assets	6	113.55	163.82
	(e) Intangible assets under development	7	4.87	3.67
	(f) Other non-current assets	8	126.69	1,983.46
	(g) Other financial assets	9	281.29	288.33
	(h) Deferred tax asset (Net)	10	30,395.20	18,601.81
	Total non-current assets		**2,90,096.52**	**2,84,017.32**
(II)	**Current assets**			
	(a) Inventories	11	19,321.28	15,787.87
	(b) Financial assets			
	(i) Trade receivables	12	1,362.58	2,188.93
	(ii) Cash and cash equivalents	13	168.25	154.50
	(c) Other current assets	8	2,808.46	2,783.16
	Total current assets		**23,660.57**	**20,914.46**
	Total assets (I+II)		**3,13,757.09**	**3,04,931.78**
	EQUITY AND LIABILITIES			
(I)	**Equity**			
	(a) Equity share capital	14	20,219.30	20,219.30
	(b) Other equity	15		
	(i) Equity component of compound financial instrument		73,628.74	65,550.31
	(ii) Reserve & surplus		(46,130.24)	(19,001.55)
	Total equity		**47,717.80**	**66,768.06**
	Liabilities			
(II)	**Non-current liabilities**			
	(a) Financial liabilities			
	(i) Borrowings	16	1,90,712.83	1,79,240.87
	(ii) Lease liabilities	37	805.59	-
	Total non-current liabilities		**1,91,518.42**	**1,79,240.87**
(III)	**Current liabilities**			
	(a) Financial liabilities			
	(i) Borrowings	16	43,896.33	26,887.76
	(ii) Trade payable	19		
	- to micro and small enterprises		21.04	15.74
	- to other then micro and small enterprises		6,945.36	9,441.30
	(iii) Lease liabilities	37	176.43	-
	(iv) Other financial liabilities	17	22,078.58	21,775.44
	(b) Contract liabilities	21	1,000.12	198.48
	(c) Employee Benefit Obligations	18	267.22	159.69
	(d) Other current liabilities	20	135.79	444.44
	Total current liabilities		**74,520.87**	**58,922.85**
(IV)	**Total liabilities (II+III)**		**2,66,039.29**	**2,38,163.72**
	Total equity and liabilities (I+IV)		**3,13,757.09**	**3,04,931.78**

See accompanying notes to the financial statements **1-45**

For Parikh Mehta & Associates
Chartered Accountants

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

Place : New Delhi
Date : 8th June, 2020

For and on behalf of the OPaL Board

(Subodh Prasad Pankaj)
Company Secretary

(Pradosh Kumar Basu)
Chief Finance Officer

(Manoj Kumar Srivastava)
President

(Subhash Kumar)
Director

(Avinash Kumar Verma)
Managing Director

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, 2020	For the year ended March 31, 2019
I	Revenue from operations	22	1,01,828.69	97,387.20
II	Other income	23	242.12	466.81
III	**Total Income (I+II)**		**1,02,070.81**	**97,854.01**
IV	**EXPENSES**			
	Cost of raw materials consumed	24	71,195.07	59,749.80
	Changes in inventories of finished goods, WIP, stock in trade	25	(3,966.21)	1,952.28
	Employee benefit expense	26	1,442.14	1,232.44
	Finance costs	27	20,575.36	18,409.76
	Depreciation and amortisation expense	28	12,453.77	11,987.06
	Other expenses	29	24,662.92	26,246.29
	Total expenses (IV)		**1,26,363.05**	**1,19,577.63**
V	**Profit/(Loss) before exceptional items and tax (III-IV)**		**(24,292.24)**	**(21,723.62)**
VI	Exceptional Items	40	6,264.47	-
VII	**Profit/(Loss) before tax (V-VI)**		**(30,556.71)**	**(21,723.62)**
VIII	Tax expense:	30		
	(1) Current tax relating to			
	- Current year		-	-
	- Earlier years		37.64	-
	(2) Deferred tax		(9,697.53)	(7,520.62)
	Total tax expense (VIII)		**(9,659.89)**	**(7,520.62)**
IX	**Profit/(Loss) for the year (VII-VIII)**		**(20,896.82)**	**(14,203.00)**
X	**Other Comprehensive income**	33.6		
	A (i) Items that will not be reclassified to profit or loss			
	(a) Remeasurement of the defined benefit plans		(20.39)	6.65
	Total other comprehensive income (X)		**(20.39)**	**6.65**
XI	**Total comprehensive income for the year (IX+X)**		**(20,917.21)**	**(14,196.35)**
XII	Earnings per equity share (Face value of Rs. 10/- each):			
	Basic & Diluted (in Rs.)	31	**(10.34)**	**(7.02)**

See accompanying notes to the financial statements **1-45**

For Parikh Mehta & Associates
Chartered Accountants

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

Place : New Delhi
Date : 8th June, 2020

For and on behalf of the OPaL Board

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(Pradosh Kumar Basu)
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President

(Subhash Kumar)
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, 2020		For the year ended March 31, 2019	
A. CASH FLOWS FROM OPERATING ACTIVITIES:				
Net Profit before tax		**(30,556.71)**		**(21,723.62)**
Adjustments for:				
Exceptional Items	6,264.47		-	
Depreciation and amortisation expense	12,453.77		11,987.06	
Interest expense	20,575.36		18,409.76	
Interest Income	(44.76)		(115.49)	
Foreign Exchange Loss/(Gain)	2,011.62		31.64	
Profit on sale of Property plant & equipment	(0.11)	**41,260.35**	(0.15)	**30,312.82**
Operating Profit/(Loss) before working capital changes		**10,703.64**		**8,589.20**
Adjustment for :				
Inventories	(3,533.41)		2,104.68	
Trade and other receivables	829.60		(433.38)	
Other assets	1,821.13		(295.58)	
Trade Payable and other liabilities	1,030.23		681.55	
Provisions	107.53	**255.08**	28.33	**2,085.60**
Cash generated from operation		**10,958.72**		**10,674.80**
Income Tax paid		(20.25)		-
Net cash generated by/(used in) operating activities "A"		**10,938.47**		**10,674.80**
B. CASH FLOWS FROM INVESTING ACTIVITIES:				
Payments for property, plant and equipment including intangible assets		(7,279.53)		(4,434.75)
Interest received		44.76		115.49
Proceeds from disposal of property, plant and equipment		0.56		0.85
Net cash (used in) investing activities "B"		**(7,234.21)**		**(4,318.41)**
C. CASH FLOWS FROM FINANCING ACTIVITIES:				
Proceeds from Borrowings		89,917.00		1,69,120.00
Repayments of Borrowings		(66,558.99)		(1,57,044.81)
Issue of Share warrants		-		6,201.00
Repayments of Lease liability		(156.30)		-
Interest paid		(26,918.98)		(24,568.55)
Net cash generated by financing activities "C"		**(3,717.27)**		**(6,292.36)**
Net increase/(decrease) in cash and cash equivalents (A+B+C)		**(13.01)**		**64.03**
Cash and cash equivalents at the beginning of the year		**154.50**		**113.79**
Effects of exchange rate changes on cash and cash equivalents		**26.76**		**(23.32)**
Cash and cash equivalents at the end of the year		**168.25**		**154.50**

Notes:

1. Cash and cash equivalents represents Bank Balances with Scheduled Bank as per Note No. 13

For Parikh Mehta & Associates
Chartered Accountants

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

Place : New Delhi
Date : 8th June, 2020

For and on behalf of the OPaL Board

(Subodh Prasad Pankaj)
Company Secretary

(Pradosh Kumar Basu)
Chief Finance Officer

(Manoj Kumar Srivastava)
President

(Subhash Kumar)
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, 2020	For the year ended March 31, 2019
Non cash financing and investing activity		
Right-of-use assets	2,712.87	-

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	Processing Fees amortisation/ Interest charge	Equity component of convertible debenture	Non Cash Flow - Exchange Loss/ (Gain)	Effect of IND AS 116	Interest Paid	Closing Balance 31.03.2020
Compulsory Convertible Debentures (Restated)	3,318.99	-	-	296.11	-	-	-	3,615.10
Rupee Term Loan-Secured	1,10,545.10	(9,330.46)	6.57	-	1,108.94	-	-	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)	85.74	-	-	1,138.32	(85.74)	982.02
Total	**2,20,683.54**	**23,201.71**	**92.31**	**296.11**	**3,948.54**	**1,138.32**	**(85.74)**	**2,49,274.79**

Reconciliation of liabilities arising from financing activities 2018-19

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

Particulars	Opening Balance 01.04.2019	Cash Flow	Processing Fees amortisation/ Interest charge	Equity component of convertible debenture	Non Cash Flow - Exchange Loss/ (Gain)	Effect of IND AS 116	Interest Paid	Closing Balance 31.03.2019
Compulsory Convertible Debentures (Restated)	9,194.21	-	60.05	(5,935.27)	-	-	-	3,318.99
Rupee Term Loan-Secured	1,21,937.84	(11,400.03)	7.29	-	-	-	-	1,10,545.10
Short term Loan	71,347.47	(47,253.40)	-	-	-	-	-	24,094.07
External commercial borrowings	11,277.68	(2,471.38)	-	-	719.08	-	-	9,525.38
Non Convertible Debentures	-	8,200.00	-	-	-	-	-	8,200.00
Rupee Term Loan-Unsecured	-	65,000.00	-	-	-	-	-	65,000.00
Total	**2,13,757.20**	**12,075.19**	**67.34**	**(5,935.27)**	**719.08**	**-**	**-**	**2,20,683.54**

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

Statement of Changes in Equity

(a) Equity share capital

Particulars	Amount
Balance as at April 1, 2018	**20,219.30**
Changes during the year	-
Balance as at March 31, 2019	**20,219.30**

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

(b) Other equity

Particulars	Reserves & Surplus	Money received against share warrants	Equity component of compound financial instrument	Total
	Retained earnings			
Restated Balance as at April 1, 2018	**(29,745.70)**	**18,739.50**	**65,550.31**	**54,544.11**
Loss for the year	(14,203.00)	-	-	(14,203.00)
Remeasurement of defined benefit plans	6.65	-	-	6.65
Total comprehensive income for the year	**(14,196.35)**	**-**	-	**(14,196.35)**
Issue of share warrants	-	6,201.00	-	6,201.00
Balance as at March 31, 2019	**(43,942.05)**	**24,940.50**	**65,550.31**	**46,548.76**
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)
Remeasurement of defined benefit plans	(20.39)	-	-	(20.39)
Total comprehensive income 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**

See accompanying notes to the financial statements **1-45**

For Parikh Mehta & Associates
Chartered Accountants

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

Place : New Delhi
Date : 8th June, 2020

For and on behalf of the OPaL Board

(Subodh Prasad Pankaj)
Company Secretary

(Pradosh Kumar Basu)
Chief Finance Officer

(Manoj Kumar Srivastava)
President

(Subhash Kumar)
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	Total
Balance at April 1, 2018 (Restated)	6,238.45	911.91	2,51,534.67	492.86	255.63	67.12	842.44	95.93	6,980.18	2,67,419.19
Additions during the year	-	-	4,772.81	1.40	0.08	5.48	-	46.03	-	4,825.80
Adjustment during the year	-	-	(1,356.19)	-	-	-	-	-	-	(1,356.19)
Deductions during the year	0.11	-	-	0.90	1.29	1.98	-	0.38	-	4.66
Balance at March 31, 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**
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 during the year	1,372.18	-	7,389.51	0.21	0.73	4.96	-	2.37	-	8,769.96
Adjustment during the year	-	-	(0.18)	-	-	-	-	-	-	(0.18)
Deductions 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**

Addition includes borrowing cost capitalised Rs. 1,996.56 million (FY 2018-19 Rs. 884.24 million) and Incidental Expenditure during construction period Rs. 1,158.79 million (FY 2018-19 Rs. 394.53 million).

Refer Note no. 5.1 to 5.2 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 • Chartered Accountants • BARODA

ONGC Petro additions Limited

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	Total
Balance at April 1, 2018 (Restated)	353.54	105.36	14,186.46	103.99	65.64	8.91	186.02	70.78	808.77	15,889.47
Depreciation expense for the year	220.66	11.70	11,509.18	54.02	31.16	5.58	83.87	31.36	122.73	12,070.26
Adjustment/Deductions during the year	0.09	-	17.31	0.26	0.80	1.59	-	0.23	-	20.28
Balance at March 31, 2019	**574.11**	**117.06**	**25,678.33**	**157.75**	**96.00**	**12.90**	**269.89**	**101.91**	**931.50**	**27,939.45**
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
Adjustment/Deductions 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**

4.4 Carrying amount

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

Carrying amount	Factory Buildings	Other Buildings	Plant & Equipments	Furniture and Fixtures	Vehicles	Office Equipments	Road, Culverts	Computers	Leasehold Improvement	Total
Balance at March 31, 2019	5,664.23	794.85	2,29,272.96	335.61	158.42	57.72	572.55	39.67	6,048.68	2,42,944.69
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

4.5 Leased Assets

Pursuant to the adoption of Ind AS 116, leased assets are presented as a separate line item in the balance sheet as at March 31, 2020, see note 37. Refer to note 38 for details about the changes in accounting policy.

5. Capital Work-in-Progress

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

Particulars	As at April 1, 2018 (Restated)	Additions & Adjustments during Financial Year 2018-19	Deduction during the Financial Year 2018-19	Capitalised during the Financial Year 2018-19	As at March 31, 2019
Integrated Utilities & Offsites (IU & O)	6,941.29	713.23	-	547.42	7,107.10
Captive Power Plant (CPP)	1,954.14	172.86	-	849.47	1,277.53
Hazira Dahej Naphtha Pipeline	149.58	646.21	-	-	795.79
LPG project - Pipeline & terminal work	-	311.71	-	-	311.71
Atali Township	6.78	-	-	-	6.78
Finance and Interest Charges	6,127.55	1,573.33	-	884.24	6,816.64
Incidental Expenses During Construction Including Consultancy	3,104.05	1,231.52	-	394.53	3,941.04
Other Capital Inventory	38.06	1.21	-	-	39.27
Equity component of compound financial instrument	(361.74)	(29.88)	-	-	(391.62)
Other Capital Work in Progress	55.01	72.29	-	-	127.30
Carrying amount of capital work-in-progress	**18,014.72**	**4,692.48**	-	**2,675.66**	**20,031.54**

Particulars	As at April 1, 2019	Additions & Adjustments during Financial Year 2019-20	Deduction during the Financial Year 2019-20	Capitalised during the Financial Year 2019-20	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**

5.1 LPG Pipeline, some portion of Captive Power Plant (CPP) and Integrated Utilities & Offsites (IU&O) are under capital work in progress as at 31st March, 2020.

OPaL has commissioned Hazira-Dahej Naphtha Pipeline during the year, accordingly capitalization have been made in books of account based on Provisional figure. A formal agreement to take over work initiated by ONGC w.r.t. Hazira Naphtha Pipeline is yet to be made.

The capitalization is carried out based on the contract value including change orders where ever applicable except in case of LSTK packages where the commercial invoices from respective contractors and delay analysis is pending. 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.

5.2 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. 63.30 Million (for FY 2018-19 Rs. 1,002.30 Million).

6. Intangible assets

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

Particulars	As at March 31, 2020		As at March 31, 2019	
	Application Software	Other Intangible	Application Software	Other Intangible
Gross Carrying Amount				
Opening balance	274.65	48.19	180.38	19.78
Additions during the year	12.26	-	12.51	28.42
Transfer from intangible assets under development	-	-	81.75	-
	286.91	**48.19**	**274.65**	**48.19**
Less: Accumulated amortization				
Opening balance	151.55	7.47	101.60	1.66
Provided for the year	52.91	9.62	49.95	5.81
	204.46	**17.09**	**151.55**	**7.47**
Carrying amount of Intangible assets	**82.45**	**31.10**	**123.10**	**40.72**

7. Intangible assets under development

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

Particulars	As at March 31, 2020	As at March 31, 2019
Opening balance	3.67	67.36
Expenditure during the year	1.20	18.06
Less: Transfer to Intangible assets	-	(81.75)
Carrying amount of Intangible assets under development	**4.87**	**3.67**

8. Other assets

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

Particulars	As at March 31, 2020		As at March 31, 2019	
	Non-current	Current	Non-current	Current
(Unsecured, considered good unless otherwise stated)				
(a) Advances (including Capital advances)				
Secured, considered good	67.55	-	82.96	-
Unsecured, considered good	-	2,210.92	-	2,347.27
(b) Advances to employees	-	1.15	-	0.78
(c) Prepayment				
Prepaid expenses	-	102.50	-	117.33
Prepaid lease land	-	-	1,813.74	-
Prepaid Rent & Gas transmission charges	12.15	3.80	20.41	4.53
(d) Security deposits-Unsecured	29.26	-	37.60	-
(e) Other				
Custom duty advance	-	318.57	-	247.94
Insurance Claim receivable	-	0.25	-	-
Service tax recoverable	-	32.60	-	32.60
Vat credit receivable	-	0.10	-	0.09
Income tax receivable	17.73	-	28.75	-
GST receivable	-	138.57	-	32.63
Total	**126.69**	**2,808.46**	**1,983.46**	**2,783.16**

9. Other financial assets

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

Particulars	As at March 31, 2020		As at March 31, 2019	
	Non-current	Current	Non-current	Current
Security deposits	281.29	-	288.33	-
Total	**281.29**	**-**	**288.33**	**-**

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, 2020	As at March 31, 2019
Deferred tax assets	65,439.77	43,953.73
Deferred tax liabilities	(36,667.55)	(26,214.86)
Equity component of compound financial instrument	1,622.98	862.94
Total	**30,395.20**	**18,601.81**

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

Particulars	Opening Balance 01.04.2018 (Restated)	Recognised in profit or loss	Recognised in other Equity	Closing Balance 31.03.2019
Tax effect items constituting deferred Tax liability				
Property Plant & Equipments	23,125.94	3,082.43	-	26,208.37
Others	-	6.49	-	6.49
Total	**23,125.94**	**3,088.92**	-	**26,214.86**
Tax effect items constituting deferred Tax Assets				
Financial and other assets	8.18	(0.83)	-	7.35
Financial and other liability	45.65	(45.65)	-	-
Defined Benefit Obligation	0.92	39.52	-	40.44
Equity component of compound financial instrument	2,367.51	(1,504.57)	-	862.94
Carry forward Business Loss	31,784.87	12,121.07	-	43,905.94
Total	**34,207.13**	**10,609.54**	**-**	**44,816.67**
Deferred Tax Assets/(Liabilities) Net	**11,081.19**	**7,520.62**	**-**	**18,601.81**

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

Particulars	Opening Balance 01.04.2019	Recognised in profit or loss	Recognised in other Equity	Closing Balance 31.03.2020
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**

Management continues to consider reasonable 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. Inventories

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

Particulars	As at March 31, 2020	As at March 31, 2019
Raw materials	1,954.73	2,145.82
Stock-in-trade	-	0.56
Work-in-progress	1,522.30	1,443.79
Finished goods	9,619.96	5,731.70
Stores, spares and consumable	6,224.29	6,466.00
Total	**19,321.28**	**15,787.87**

11.1 Finished goods includes goods in transit values at Rs. 233.49 Million (31st March, 2019 Rs. 69.51 Million). Raw material includes goods in transit value at Rs. 477.02 Million. (31st March, 2019 Rs. Nil)

11.2 The mode of valuation of inventories has been stated in note 3.12.

11.3 Write-downs of finish goods inventories to net realisable value amounted to Rs. 71.05 Million (31st March, 2019 Rs.164.40 Million). These were recognised as an expense during the year and included in changes in value of inventories of work-in-progress, stock-in-trade and finish goods in statement of profit and loss account.

12. Trade Receivables

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

Particulars	As at March 31, 2020	As at March 31, 2019
Secured, considered good	1,332.68	2,188.93
Trade Receivables which have significant increase in Credit Risk	50.91	-
	1,383.59	**2,188.93**
Less: Loss allowance	(21.01)	-
Total	**1,362.58**	**2,188.93**

Provision has been created for loss allowance in case of one of the Consignment Sale Agent (CSA) M/s Napin Impex 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 initiated legal action against him.

13. Cash and cash equivalents

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

Particulars	As at March 31, 2020	As at March 31, 2019
Balances with Banks		
Current Account	71.83	148.47
Imprest	0.43	0.15
Bank deposits for original maturity upto 3 months	95.99	5.88
Total	**168.25**	**154.50**

13.1 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.

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

14. Equity share capital

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

Particulars	As at March 31, 2020	As at March 31, 2019
Authorised: 15,000,000,000 equity shares of Rs.10 each (as at March 31, 2019 : 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, 2019 : 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, 2019 : 2,021,929,671 equity shares of Rs. 10 each)	20,219.30	20,219.30
Total	**20,219.30**	**20,219.30**

14.1 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, 2019	2,021.93	20,219.30
Changes during the year	-	-
Balance at March 31, 2020	**2,021.93**	**20,219.30**

14.2 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. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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.

14.3 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, 2020		As at March 31, 2019	
	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

15. Other equity

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

Particulars	As at March 31, 2020	As at March 31, 2019
Money received against share warrants (Refer note 15.1)	24,940.50	24,940.50
Retained earnings (Refer note 15.2)	(71,070.74)	(43,942.05)
Total A	**(46,130.24)**	**(19,001.55)**
Equity component of compound financial instrument	66,468.77	60,486.19
Deferred tax impact on Equity component of compound financial instrument	7,159.97	5,064.12
Total B	**73,628.74**	**65,550.31**
Total (A+B)	**27,498.50**	**46,548.76**

15.1 Money received against share warrants

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

Particulars	As at March 31, 2020	As at March 31, 2019
Balance at beginning of year	24,940.50	18,739.50
Add : Issue of share warrants	-	6,201.00
Balance at end of year	**24,940.50**	**24,940.50**

15.2 Retained earnings

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

Particulars	As at March 31, 2020	As at March 31, 2019
Balance at beginning of year	(43,942.05)	(29,745.70)
Loss after tax for the year	(20,896.82)	(14,203.00)
Extinguishment of Compulsory convertible debenture	(6,211.48)	-
Add: Other comprehensive income arising from re-measurement of defined benefit obligation	(20.39)	6.65
Balance at end of year	**(71,070.74)**	**(43,942.05)**

15.3 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. Warrants exercise period has been elongated by 24 months, hence, the holder of the warrant would need to exercise the right by paying warrant exercise price on or before 25th August, 2021 instead of 25th August, 2019.

(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. The holder of the warrant would need to exercise the right by paying warrant exercise price on or before 1st December, 2021.

(iv) 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-passu in all respect with the existing equity shares including the right with respect to dividend.

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

(vi) 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.

16. Borrowings

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

Particulars	As at March 31, 2020		As at March 31, 2019	
	Non-current	Current	Non-current	Current
Secured - at amortised cost				
Term loans				
Rupee loan from banks	79,412.53	-	1,07,649.20	-
Rupee loan from others	2,624.41	-	2,895.90	-
Foreign currency loan from bank	20,293.21	-	-	-
External commercial borrowings	7,066.29	-	9,525.38	-
Working Capital Loan	-	5,791.66	-	4,594.07
Unsecured - at amortised cost				
Debentures				
- Liability component of compound financial	-	-	-	-
- Compulsory Convertible Debentures (CCDs)	-	3,615.10	525.30	2,793.69
- Non Convertible Debentures (NCDs)	30,000.00	-	8,200.00	-
Loan repayable on demand from banks	-	34,489.57	-	19,500.00
Rupee Term Loan from banks	65,000.00	-	65,000.00	-
Sub Total	**2,04,396.44**	**43,896.33**	**1,93,795.78**	**26,887.76**
Less : Current maturity of Long term Debt	13,683.61	-	14,554.91	-
Total	**1,90,712.83**	**43,896.33**	**1,79,240.87**	**26,887.76**

16.1 Long term Loan-Secured

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

Particulars	As at March 31, 2020	Rate of Interest	As at March 31, 2019	Rate of Interest
Rupee Loan				
Facility-I	60,724.65	9.25%	88,479.78	8.90%
Facility-II	21,312.29	9.25%	22,065.31	8.90%
Foreign currency Loan				
Facility-I	19,853.85	4.28%	-	-
Facility-II	439.36	4.28%	-	-
Total	**1,02,330.15**		**1,10,545.10**	

Terms of Repayment

(i) Facility I : Repayable in 41 equal quarterly installments Rs. 2,765.98 Million starting in Q4 FY 2016-17 and ending in Q4 FY 2026-27. (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 Q1 FY 2029-30. (PY Q2 FY 2018-19 and ending in Q1 FY 2029-30)

OPaL has LTL-I & LTL-II borrowings in INR under consortium banking led by State Bank of India (SBI). SBI has sanctioned FCNRB (TL) facility in August 2019. OPaL opted for FCNRB (TL) facility to the tune of Rs. 20,803 Million under LTL-I and Rs. 422.30 Million under LTL-II totalling Rs. 21,225.30 Million @ 4.28% p.a. linked with 1 year LIBOR for the period of 12 months.

As a result of the sanction these rupee loans of SBI was carved out of total INR outstanding amount of LTL-I & LTL-II in August, 2019 under consortium and were converted into equivalent dollar denominated loans of USD 295.49 Million. (USD 289.61 Million & USD 5.88 Million). The FCNRB (TL) facilities were started w.e.f. 26.08.2019 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.

Company has exercised option of Loan installment and Interest deferment for three months as per relaxation announced by Reserve Bank of India as Covid-19 regulatory package for its Term Loans for amount Rs. 2,204.68 Million as installment and amount Rs. 647.49 million as Interest which was due in the month of March' 20 accrued interest up to 31st March, 2020 has been accounted for in books of account as expense on one side and as liability on other side. Howerver further moratorium period has been extended for 3 months.

16.2 External Commercial Borrowings (ECB)

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

Particulars	As at March 31, 2020	Rate of Interest	As at March 31, 2019	Rate of Interest
Facility – I	7,066.29	6 month USD LIBOR + 250 bps	8,202.41	6 month USD LIBOR + 250 bps
Facility – II	-	6 month USD LIBOR + 225 bps	1,322.97	6 month USD LIBOR + 225 bps
Total	**7,066.29**		**9,525.38**	

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

b) Facility II : USD 50 million has been repaid fully in FY 2019-20.

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16.3 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, 2020			As at March 31, 2019		
					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	8.60%	54 months from pay in date	7.62%	49,203.62	-	3,093.31	43,220.99	-	1,274.24
CCD II (May 2017)	16,710.00	7.68%	36 months from pay in date	7.72%	13,369.69	-	160.17	13,369.70	163.68	1,180.07
CCD III (March 2018)	4,920.00	8.00%	36 months from pay in date	7.73%	3,895.46	-	361.62	3,895.50	361.62	339.38
Total	**77,780.00**				**66,468.77**	-	**3,615.10**	**60,486.19**	**525.30**	**2,793.69**

The equity component of convertible debenture has been presented on the face of the balance sheet including deferred tax of INR 7,159.97 Million for March, 2020 and INR 5,064.12 Million for March, 2019.

(I) CCDs I of Rs. 56,150 Million was issued in July 2016 for the tenure of 36 months and elongated the conversion date for further period up to 18th month. The tenure of the CCDs stands modified to 54 months from deemed date of allotment of first tranche i.e. 02.07.2016 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 shifted at the end of 53rd month for CCDs of Rs. 56,150 Million.

Buy out option available to ONGC at the end of 41st month, 44th month, 47th month & 50th 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 36th 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 18th 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.

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.

Unconditional and irrevocable mandatory put option on ONGC shifted at the end of 35th month for CCDs of Rs. 4,920 Million.

Buy out option available to ONGC at the end of 24th month, 30th month & 35th month for CCDs of Rs. 4,920 Million.

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16.4 Working Capital

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

Name of Bank	As at March 31, 2020	Rate of Interest	As at March 31, 2019	Rate of Interest
Bank of Baroda Cash Credit	1,833.39	8.40%	-	-
Andhra Bank Cash Credit	0.001	8.20%	1.28	8.60%
Allahabad Bank Cash Credit	607.52	8.65%	0.13	8.55%
Indian Bank Cash Credit	0.023	8.45%	0.05	8.55%
Bank of Baroda*	850.00	7.55%	1,590.68	8.30%
Bank of Baroda FCNRB**	1,849.715	3.84%	-	-
Bank of Baroda LC***	651.01	1.42% - 2.41%	-	-
Indian Bank*	-	-	950.00	8.35%
Andhra Bank*	-	-	1,789.02	8.25%
Indian Bank*	-	-	262.80	8.25%
Canara Bank Cash Credit	-	-	0.12	8.70%
Total	**5,791.66**		**4,594.07**	

* Availed as Working Capital Demand Loan (WCDL) upto one month tenure.

** Availed as FCNRB facility terms in USD, Maturity is 3 months from drawdown, part payment is allowed.

*** Working capital based bill discounting facility, tenure six months from bill date.
Others are Cash credit facilities subject to annual renewal.

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.

16.5 Repayment Schedule - Unsecured Loan

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

Particulars	As at March 31, 2020		As at March 31, 2019	
	Amount	Repayment	Amount	Repayment
Andhra Bank	10,000.00	Q-1 2020-2021	-	-
Bank of Baroda	8,170.00	Q-2 2020-2021	-	-
Punjab National Bank*	12,828.17	Q-1 2020-2021	-	-
Axis Bank*	3,491.40	Q3 & Q4 2020-2021	12,000.00	Q1 2019-20
Federal Bank	-	-	2,500.00	Q1 2019-20
Jammu & Kashmir Bank	-	-	5,000.00	Q1 2019-20
Total	**34,489.57**		**19,500.00**	

* Flexible Credit Line (FCL) facility opted during the year, term in USD.
Rate of interest for INR Loan range from 7.55% to 8.15%.
Rate of interest for Foreign currency loan LIBOR range from LIBOR+1.95% for 6 month and LIBOR+2.36% for 1 month loan.

16.6 Non Convertible Debentures (NCDs)

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

Particulars	As at March 31, 2020	Rate of Interest	As at March 31, 2019	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%	-	-
NCDs Series-IV Option A	3,711.00	8.45%	-	-
NCDs Series-IV Option B	4,655.00	8.83%	-	-
NCDs Series-V Option A	4,334.00	7.98%	-	-
NCDs Series-V Option B	4,750.00	8.00%	-	-
Total	**30,000.00**		**8,200.00**	

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. These NCDs are backed by irrevocable & unconditional Letter of Comfort (LoC) from one of the promoter ONGC Ltd. for principal amount and coupon payment to protect the interest of the NCDs Holders.

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

During the year 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

During the year Company has allotted aggregate up to 8366 NCDs in December 2019 of Rs. 1.00 Million each. 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

During the year Company has allotted aggregate up to 9084 NCDs in February 2020 of Rs. 1.00 Million each. 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.

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.

16.7 Long term Rupee Term Loan-Unsecured

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

Particulars	As at March 31, 2020	Rate of Interest	As at March 31, 2019	Rate of Interest
Facility-I	45,000.00	8.90%	45,000.00	9.35%
Facility-II	20,000.00	8.90%	20,000.00	9.35%
Total	**65,000.00**		**65,000.00**	

(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 FY 2021-22 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.

17. Other financial liabilities

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

Particulars	As at March 31, 2020		As at March 31, 2019	
	Non-current	Current	Non-current	Current
Amount Withheld from Contractors	-	821.72	-	698.31
Liability for capital goods and services	-	2,159.21	-	706.25
Interest accrued but not due on borrowings	-	3,989.44	-	4,841.84
Current maturities of long-term debt	-	13,683.61	-	14,554.91
Liability for employees	-	4.84	-	5.36
Security deposit from customer	-	573.78	-	328.00
Security deposit from vendor	-	82.82	-	55.27
Refund liabilities	-	667.59	-	448.11
Other liabilities	-	95.57	-	137.39
Total	**-**	**22,078.58**	**-**	**21,775.44**

18. Employee Benefit Obligations

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

Particulars	As at March 31, 2020		As at March 31, 2019	
	Non-current	Current	Non-current	Current
Leave encashment	-	231.59	-	155.54
Gratuity	-	35.63	-	4.15
Total	**-**	**267.22**	**-**	**159.69**

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18.1 Leave encashment

The leave obligation cover the Company liability for earned leave which are classified as other long- term benefits. The entire amount of provision of Rs. 231.59 Million (31st March, 2019, Rs.155.54 Million) is presented as current, Since the Company does not have an unconditional right to defer the settlement for any of these obligations. 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.

19. Trade payables

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

Particulars	As at March 31, 2020	As at March 31, 2019
Trade payables : micro and small enterprises	21.04	15.74
Trade payables	4,952.77	6,835.18
Trade payables to related parties	1,992.59	2,606.12
Total	**6,966.40**	**9,457.05**

19.1 Payment towards 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.

19.2 Trade payables -Total outstanding dues of Micro & Small enterprises*

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

Particulars	As at March 31, 2020	As at March 31, 2019
a) Principal & Interest amount remaining unpaid but not due as at year end	6.44	15.74
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	288.37	188.68
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	8.47	5.80
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	-	-

20. Other liabilities

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

Particulars	As at March 31, 2020		As at March 31, 2019	
	Non-current	Current	Non-current	Current
Liability for statutory payments	-	135.79	-	444.44
Total	**-**	**135.79**	**-**	**444.44**

21. Contract liabilities

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

Particulars	As at March 31, 2020	As at March 31, 2019
Balance at the beginning of the year	198.48	236.78
Revenue recognised that was included in the advance from customer at the beginning of the year	(198.48)	(236.78)
Advance from customer during the year, excluding amounts recognised as revenue during the year	1,000.12	198.48
Balance at the end of the year	**1,000.12**	**198.48**

22. Revenue From Operations

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

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Sale of products	1,01,828.69	97,387.20
Total	**1,01,828.69**	**97,387.20**

22.1 Revenue disaggregation as per industry vertical and geography has been included in segment information. (Refer note no 34.2)

22.2 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.

22.3 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, 2020	Year ended March 31, 2019
Contract price	1,08,074.23	1,02,217.81
Reduction towards cash discount	850.20	1,969.37
Reduction towards post sales discount	5,395.34	2,861.24
Revenue recognised	1,01,828.69	97,387.20

23. Other Income

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

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Interest on Deposits with Banks	6.48	1.64
Interest on others	38.28	113.85
Other non-operating income		
Recovery from contractor	52.62	93.51
Sale of MEIS License	118.70	-
Miscellaneous Income	26.04	57.81
Recovery of Insurance claim	-	200.00
Total	**242.12**	**466.81**

24. Raw Material Consumption

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

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Consumption of Raw Material	71,195.07	59,749.80
Total	**71,195.07**	**59,749.80**

25. Changes in inventories

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

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Closing 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**
Opening Stock:		
Finished Goods including stock-in-trade	5,732.26	4,624.11
Work-in-progress	1,443.79	4,504.22
	7,176.05	**9,128.33**
Decrease/(increase) in Inventories	**(3,966.21)**	**1,952.28**

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26. Employee benefit expense

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

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Salaries, Bonus and other allowances	1,146.22	1,140.08
Contribution to Provident Fund	52.04	47.71
Gratuity	54.53	21.61
Leave compensation	81.94	38.93
Staff Welfare Expenses	107.41	69.11
Total	**1,442.14**	**1,317.44**
Less : Transferred to Incidental Expense During Construction Period	-	85.00
	1,442.14	**1,232.44**

27. Finance costs

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

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Interest :		
Borrowings from Banks and Others	19,875.90	19,264.01
Interest on Lease	85.74	-
Exchange differences regarded as an adjustment to borrowing costs	1,938.05	719.08
Total	**21,899.69**	**19,983.09**
Less : Transferred to Incidental Expense During Construction Period	1,324.33	1,573.33
	20,575.36	**18,409.76**

The capitalisation rate used to determine the amount of borrowing cost to be capitalised is the weighted average interest rate applicable to the entity general borrowing during the year, in this case 8.05% (31st March, 2019 - 8.73%).

28. Depreciation and amortisation expense

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

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Depreciation on property, plant and equipment	12,139.43	11,931.29
Depreciation on Right-of-use assets	251.81	-
Amortisation of intangible assets	62.53	55.76
Total	**12,453.77**	**11,987.06**

29. Other expenses

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

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Rates, duties and taxes	155.30	129.28
Consumption of spares,stores and consumables	5,606.43	5,185.58
Amortisation of land development expense	-	210.86
Travel and Conveyance	103.43	99.56
Insurance expense	399.25	343.36
Power and fuel	9,011.52	14,466.14
Rent	114.72	156.71
Repairs and maintenance - Building	52.03	10.33
Repairs and maintenance - Machinery	205.29	149.78
Repairs and maintenance - Others	54.44	53.80
Repair - It Services	100.49	43.36
Operation & Maintenance Expenses	1,028.45	745.68
Internal audit fees	2.28	0.46
Statutory audit fees	1.20	1.04
Professional expenses	135.02	79.37
Selling and Distribution expenses	4,425.93	3,618.96
Sponsorship	3.28	9.04
Security expenses	130.82	97.33
Water and electricity charges	468.26	437.40
Printing and Stationery	6.56	10.05
Caretaking expenses	40.79	46.83
CSR expenditure	0.65	3.37
Storage rental for naphtha	549.26	495.06
Licensesor fees	82.85	37.01
Net Foreign Exchange Loss	1,846.21	300.08
Allowance for doubtful debt	21.01	-
Loss by fire	-	421.33
Miscellaneous expenses	117.45	85.62
Total	**24,662.92**	**27,237.39**
Less : Transferred to Incidental Expense During Construction Period	-	991.10
	24,662.92	**26,246.29**

29.1 The Company has formed a Corporate Social Responsibility (CSR) committee. In absence of profit, the Company is not required to spend any amount towards the same. However, the Company has spent Rs. 0.65 million for donation activity during the year (Year ended March 31, 2019 Rs. 3.37 million).

29.2 Statutory Auditors Remuneration as under:

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

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Audit Fees	1.20	1.04
Other Services	1.29	0.96
Total	**2.49**	**2.00**

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30. Income taxes

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

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Current tax relating to previous year	37.64	-
Deferred tax	(9,697.53)	(7,520.62)
Total	**(9,659.89)**	**(7,520.62)**

30.1 For one of the litigation matter pending with Income Tax authorities pertaining to AY 2015-16 (FY 2014-15), the Company has opted to take benefit under Vivad se Vishwas Scheme introduced in Finance Bill 2020. The Company has paid tax of Rs. 20.25 Million before end of financial year. This amount along with amount paid Rs. 7.40 Million at the time of filing appeal with Comm (Appeal) and TDS (Refund) receivable for that year Rs. 9.98 Million totalling to Rs. 37.63 Million has been charged to Statement of P&L.

Due to lockdown under COVID-19 pandemic situation a formal application is yet to be filed with Income tax department for which scheme is extended till 31st December, 2020.

31. Earnings per share

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Basic and Diluted earnings per equity share (in Rs.)	**(10.34)**	**(7.02)**
Face value per equity share (in Rs.)	**10.00**	**10.00**

31.1 Basic earnings per share

The earning attributable to equity share holders and weighted average number of equity shares used in calculation of basic earnings per share are as follows:

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
(Loss) Profit for the year attributable to equity shareholders	**(20,896.82)**	**(14,203.00)**

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Weighted average number of equity shares for the purposes of basic earnings per share	**2,021.93**	**2,021.93**

32 Operating lease arrangements - Disclosure as per IND AS 17

32.1 The Company as lessee

32.1.1 Leasing arrangements

The Company has certain office and Land on operating lease which are cancellable by giving appropriate notice as per the respective arrangements. During the financial year 2018-19 Rs.155.68 million had been paid towards cancellable operating lease.

32.1.2 Payments recognised as an expense

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

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Minimum lease payments	-	155.68
	-	**155.68**

32.1.3 Non-cancellable operating lease commitments

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

Particulars	As at March 31, 2020	As at March 31, 2019
Not later than one year	-	122.46
Later than one year and not later than five years	-	452.90
Later than five years	-	1,375.53
	-	**1,950.89**

For the financial year 2018-19 IND AS-116 has been implemented and same is disclosed in note 37.

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. 52.04 Million (for the year ended March 31, 2019 Rs. 47.71 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.

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. Currently, for these plans, investments are made in Government securities, debt instruments, short-term debt instruments, equity instruments and asset backed, trust structured securities as per notification of Ministry of Finance.
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, 2020 by M/s Charan Gupta Consultants Pvt. 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, 2020	As at March 31, 2019
	Gratuity		
I.	Discount rate	6.80%	7.77%
II.	Annual increase in salary	10.00%	10.00%
III.	Expected future life of employee (Years)	26.72	27.14

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.

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, 2020	Year ended March 31, 2019
Service cost:		
Current service cost	35.37	26.06
Past service cost and (gain)/loss from settlements	-	-
Net interest expense	0.20	0.53
Increase/decrease due to adjustment in opening corpus consequent to audit	-	-
Components of defined benefit costs recognised in employee benefit expenses	**35.57**	**26.59**
Re-measurement on the net defined benefit liability:		
Return on plan assets (excluding amounts included in net interest expense)	(0.07)	(0.48)
Actuarial (gains)/losses arising from changes in demographic assumptions	0.07	-
Actuarial (gains)/losses arising from changes in financial assumptions	23.43	(1.75)
Actuarial (gains)/losses arising from experience adjustments	(3.04)	(4.43)
Components of Re-measurement	**20.39**	**(6.65)**
Total	**55.96**	**19.94**

The components of re-measurement of the net defined benefit liability recognised in other comprehensive income is Rs. 20.39 million {Previous Year Rs. (-6.65) 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, 2020	As at March 31, 2019
Opening defined benefit obligation	93.27	71.69
Current service cost	35.38	26.06
Interest cost	7.25	5.49
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	(1.75)
Actuarial gains and losses arising from experience adjustments	(3.04)	(4.43)
Past service cost, including losses/(gains) on curtailments	-	-
Liabilities extinguished on settlements	-	-
Liabilities assumed in a business combination	-	-
Exchange differences on foreign plans	-	-
Benefits paid	(7.60)	(3.80)
Closing defined benefit obligation	148.76	93.27
Current obligation	2.14	1.78
Non-current obligation	146.61	91.49

33.8 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, 2020	As at March 31, 2019
Present value of funded defined benefit obligation	148.76	93.27
Fair value of plan assets	114.83	90.67
Funded status	33.92	2.60
Net liability arising from defined benefit obligation	(33.92)	(2.60)

33.9 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, 2020	As at March 31, 2019
Opening fair value of plan assets	90.67	64.74
Adjustment in opening corpus consequent to audit	-	-
Interest income	7.05	4.96
Re-measurement (gains)/losses:		
Return on plan assets (excluding amounts included in net interest expense)	0.07	0.48
Contributions from the employer	24.64	24.30
Benefits paid	(7.60)	(3.80)
Closing fair value of plan assets	114.83	90.67

Expected contribution in respect of Gratuity for next year will be Rs. 42.03 million.

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, 2020	As at March 31, 2019
Fair value of plan asset of Gratuity Trust:		
Managed through LIC	114.83	90.67
Total	**114.83**	**90.67**

The actual return on plan assets of gratuity was Rs. 7.89 million (As at March 31, 2019 Rs. 6.11 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, 2020

(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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33.13 Sensitivity analysis as at March 31, 2019

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

Significant actuarial assumptions	Gratuity
Discount rate	
- Impact due to increase of 50 basis points	(7.50)
- Impact due to decrease of 50 basis points	8.38
Salary increase	
- Impact due to increase of 50 basis points	8.16
- Impact due to decrease of 50 basis points	(7.39)

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, 2020	Year ended March 31, 2019
0 to 1 Year	2.14	1.78
1 to 2 Year	3.39	0.82
2 to 3 Year	2.80	1.40
3 to 4 Year	3.84	3.20
4 to 5 Year	3.31	1.85
5 to 6 Year	3.10	1.84
6 Year onwards	130.18	82.38

Weighted average duration of defined benefit obligation for March 2020, 20.32 and for March 2019, 18.77.

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, 2020	Year ended March 31, 2019
Revenue from operation		
At the point in time		
Within India	82,204.86	76,709.99
Outside India	19,623.83	20,677.21
Total	**1,01,828.69**	**97,387.20**

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, 2020	Year ended March 31, 2019
Within India	2,59,420.03	2,65,127.18
Outside India	-	-

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34.3 Information about customers:

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

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Major Customers *	-	-
Others	1,01,828.69	97,387.20

* 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 Verma (Managing Director) (w.e.f. 15.04.2019)
3. Mr. M. M. Chitale (Independent Director) (up to 01.04.2019)
4. Mr. S. Balachandran (Independent Director)
5. Mr. P. K. Gupta (Director)
6. Mr. Manoj R. Meshram (Director)
7. Mr. Subhash Kumar (Director)
8. Mr. Rajesh Kakkar (Director)
9. Mr. Rajiv (Independent Director) (w.e.f. 18.04.2019)
10. Mr. Aloke Kumar Banerjee (Independent Director) (w.e.f. 07.05.2019)
11. Ms. Rekha Misra (Director) (w.e.f. 16.03.2020)
12. Ms. Pomila Jaspal (Director) (up to 12.03.2020)
13. Mr. Subodh Prasad Pankaj (Company Secretary)
14. Mr. Pradosh Basu (Chief Financial Officer)

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, 2020	Year ended March 31, 2019
A. Reimbursement of expenses on behalf of OPaL:			
a) ONGC	Manpower Deputation, Interest and Reimbursement of expense	4.63	20.41
b) GAIL	Manpower Deputation and Transmission charges	193.39	27.26
B. Reimbursement of expenses by ONGC:			
a) ONGC	Reimbursement of expense by ONGC	4.98	9.41
C. Reimbursement of expenses by GAIL:			
a) GAIL	Interest on Security deposit	0.26	-
D. Purchase:			
a) ONGC	Purchase of Feed Stock	52,730.36	52,818.47
b) ONGC	Purchase of Fix Assets	1,362.19	-
c) GAIL	Purchase of Gases	1,267.93	2,020.53
d) GSPC	Purchase of Gases	2,802.15	179.12
E. Security Deposit:			
a) GAIL	Security Deposit refunded	5.93	0.20
F. Share Warrants:			
a) ONGC	Money received against share warrants	-	6,201.00

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, 2020	As at March 31, 2019
A. Amount payable:			
a) ONGC	Reimbursement of expense	1.17	22.54
b) ONGC	Purchase of Feed Stock	1,751.13	2,204.80
c) ONGC	Purchase of Fix Assets	1,362.19	-
d) GAIL	Transmission charges	13.11	5.16
e) GAIL	Purchase of Gas	111.84	7.06
f) GSPC	Purchase of Gas	93.08	-
B. Share warrant:			
a) ONGC	Share warrant pending allotment	24,940.50	24,940.50
C. Amount receivable: unsecured			
a) ONGC	Reimbursement of expense	9.61	17.22
b) GAIL	Security deposit	1.60	7.53
c) GAIL	Other advances	0.13	0.13

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35.2.3 Transactions with common directorship

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

Name of related party	Nature of transaction	Year ended March 31, 2020	Year ended March 31, 2019
A. Reimbursement of expenses:			
a) MRPL	Reimbursement for Manpower Deputation	0.35	3.34
b) DSL	Lease Rent & Service Charges	131.60	125.59
c) DSL	Security Deposit Paid	-	0.20
d) PLL	Purchase of Gas	1,756.80	6,762.15
e) PLL	Sale of MEIS License	118.70	-
f) HPCL	Purchase of Consumables / Spares	1.55	2.01

35.2.4 Outstanding balances with common directorship

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

Name of related party	Nature of transaction	As at March 31, 2020	As at March 31, 2019
A. Amount payable:			
a) MRPL	Reimbursement for Manpower Deputation	-	0.84
b) DSL	Lease rent	22.26	106.86
c) PLL	Purchase of Gas	-	258.87
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	Advance Payment	282.33	-

35.2.5 Compensation of key management personnel

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

Particulars	Yeas ended March 31, 2020	Year ended March 31, 2019
Short term employee benefits	20.43	14.49
Director Sitting Fees	1.15	0.66
Post-employment benefits (includes provision for leaves, gratuity and other post-retirement benefits)	3.08	1.90
Other long-term benefits (includes contribution to provident fund)	0.87	0.66
Total	**25.53**	**17.71**

36 Financial instruments & disclosures

36.1 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.

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36.2 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, 2020	As at March 31, 2019
Debt *	2,49,274.79	2,20,683.54
Cash and bank balances	168.25	154.50
Net debt	2,49,106.54	2,20,529.04
Total equity	47,717.80	66,768.06
Net debt to equity ratio	**5.22**	**3.30**

* Debt includes current and non current borrowings and current maturity of long term debt as described in note 16.

The net debt to equity ratio for the year increased from 5.20 to 5.22 following the adoption of Ind AS 116. Both Net debt and gross assets increased following the recognition of right of use assets and lease liabilities on 1st April, 2019.

36.3 Categories of financial instruments

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

Particulars	As at March 31, 2020	As at March 31, 2019
Financial assets		
Measured at amortised cost		
(a) Trade receivables	1,362.58	2,188.93
(b) Cash and cash equivalents	168.25	154.50
Financial liabilities		
Measured at amortised cost		
(a) Borrowings	2,34,609.16	2,06,128.63
(b) Trade payable	6,966.40	9,457.04
(c) Other financial liabilities	22,078.58	21,775.44

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.

36.4 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.

36.5 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.

Company exposure to equity securities price risk arises from investments held by the group 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.

36.6 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 are as follows :-

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

Particulars	USD	EURO	GBP	SGD	JPY
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**	**-**
As at March 31, 2019					
Financial assets					
Trade receivables	468.36	0.44	-	-	-
Bank balance in EEFC accounts	0.15	-	-	-	-
Total	**468.51**	**0.44**	**-**	**-**	**-**
Financial liabilities					
Foreign currency loan	9,525.38	-	-	-	-
Trade payables	161.32	1,819.97	0.36	-	0.03
Total	**9,686.70**	**1,819.97**	**0.36**	**-**	**0.03**

The aggregate net foreign exchange loss (including exchange difference presented as part of finance cost) recognised in statement of profit and loss is INR 3,784.26 Million. (31st March 2019 INR 1,019.16 Million)

36.7 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, 2020	As at March 31, 2019
Receivables:		
Weakening of INR by 5%	27.03	23.43
Strengthening of INR by 5%	(27.03)	(23.43)
Payables:		
Weakening of INR by 5%	(2,320.13)	(484.34)
Strengthening of INR by 5%	2,320.13	484.34

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

EURO sensitivity at year end	As at March 31, 2020	As at March 31, 2019
Receivables:		
Weakening of INR by 5%	0.04	0.02
Strengthening of INR by 5%	(0.04)	(0.02)
Payables:		
Weakening of INR by 5%	(9.14)	(91.00)
Strengthening of INR by 5%	9.14	91.00

36.8 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.

36.9 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, 2020 would decrease/increase by Rs. 1,609.16 million (for the year ended March 31, 2019 decrease/increase by Rs. 1,113.54 million). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

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, 2020			
Bank Loans	7.88%	2,14,051.09	86.21%
As at March 31, 2019			
Bank Loans	8.83%	2,09,195.55	94.79%

36.10 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.

36.10.1 **Security -** The Company is selling products through channel partners against their security deposit and to direct customers backed by advance or Letter of Credits.

36.10.2 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. The credit period is allowed for cash sale is 3 days and for credit sale it is 14 days. Thereafter, interest is chargeable as per the terms and conditions of the contract/sales orders.

The Company has concentration of credit risk due to the fact that the Company has significant receivables from Plastic and Petrochemical companies which are reputed.

36.11 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, 2020	As at March 31, 2019
Floating Rate		
Expiring within one year (Bank loans and working capital facilities)	20,228.18	10,366.83
Total	**20,228.18**	**10,366.83**

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 tables include both interest and principal cash flows. 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	Weighted average effective interest rate	1 month - 1 year	1 year - 3 years	More than 3 years	Total	Carrying amount
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-Unsecured		-	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
Lease Liabilities		257.29	651.46	491.39	1,400.14	982.02
Total		**13,940.90**	**79,476.16**	**1,12,403.95**	**2,05,821.01**	**2,05,378.46**
As at March 31, 2019	**					
External Commercial Borrowings		3,042.83	3,968.91	2,513.64	9,525.38	9,525.38
Rupee Term Loan-Secured		11,512.08	24,368.68	74,695.33	1,10,576.09	1,10,545.10
Rupee Term Loan-Unsecured		-	22,500.00	42,500.00	65,000.00	65,000.00
Non Convertible Debentures		-	3,350.00	4,850.00	8,200.00	8,200.00
Total		**14,554.91**	**54,187.59**	**1,24,558.97**	**1,93,301.47**	**1,93,270.48**

** As per details given under the head non current Liability > Financial Liability > Borrowings

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

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

Particulars	Weighted average effective interest rate	Less 1 month	1 month - 1 year	1 year - 3 years	More than 3 years	Total	Carrying amount
As at March 31, 2020							
Fixed Deposits with Banks		95.99	-	-	-	95.99	95.99
Trade Receivables		532.14	846.23	5.22	-	1,383.59	1,362.58
Security Deposit		-	18.47	-	324.10	342.57	310.55
Total		**628.13**	**864.70**	**5.22**	**324.10**	**1,822.15**	**1,769.12**
As at March 31, 2019							
Fixed Deposits with Banks		5.88	-	-	-	5.88	5.88
Trade Receivables		1,794.94	387.40	6.59	-	2,188.93	2,188.93
Security Deposit		-	20.13	-	334.06	354.19	325.93
Total		**1,800.82**	**407.53**	**6.59**	**334.06**	**2,549.00**	**2,520.74**

36.12 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.

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37 Leases

Transition to Ind AS 116

The Group has applied Ind AS 116 using a simplified approach, with the cumulative effect of initially applying the new standard recognized at the date of initial application in the following manner. Recognized ROU asset at an amount equal to the lease liability (discounted using the Group's incremental borrowing rate at the date of initial application based on the remaining lease term as at the date of initial application), adjusted by the amount of prepayments and deferred rent obligations relating to that lease recognized in the balance sheet immediately before the date of initial application.

On transition, the Company recognised a lease liability measured at the present value of the remaining lease payments. The right-of-use asset is an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the statement of financial position immediately before the date of initial application. Accordingly, a right-of-use asset of 2,791.40 millions and a corresponding lease liability of 965.04 millions has been recognized. The principle portion of the lease payments have been disclosed under cash flow from financing activities. The lease payments for operating leases as per Ind AS 17 - Leases, were earlier reported under cash flow from operating activities. The weighted average incremental borrowing rate of 11.00% and 9.25% has been applied to lease liabilities recognised in the balance sheet for leasehold vehicle and other right to use assets respectively at the date of initial application.

On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the right-to-use asset, and finance cost for interest accrued on lease liability.

The difference between the future minimum lease rental commitments towards non-cancellable operating leases and finance leases reported as at March 31, 2019 compared to the lease liability as accounted as at April 1, 2019 is primarily due to inclusion of present value of the lease payments for the cancellable term of the leases, reduction due to discounting of the lease liabilities as per the requirement of Ind AS 116 and exclusion of the commitments for the leases to which the Company has chosen to apply the practical expedient as per the standard.

i) Amounts recognised in Balance Sheet

The details of the right-of-use asset held by the Company is as follows:

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

Category of assets	Net carrying amount as at March 31, 2020	Net carrying amount as at April 1, 2019
Leasehold land	1,831.97	1,868.05
Storage Facility	600.84	738.91
Leasehold building	144.61	180.54
Vehicles	135.45	3.90
Total	**2,712.87**	**2,791.40**

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, 2020	Net carrying amount as at April 1, 2019
Current	176.43	133.84
Non-current	805.59	831.20
Total	**982.02**	**965.04**

Additions to right-of-use asset during year ended March 31, 2020 were Rs. 173.27 Million.

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, 2020
Depreciation charge of right-of-use assets	
Leasehold land	36.08
Storage Facility	160.42
Leasehold building	35.94
Vehicles	19.37
Total	**251.81**
Interest expense on lease liability (included in finance cost)	85.74
Expense relating to short term leases	93.94
Expense relating to low value assets that are not shown above as short term leases	10.62
Expense relating to variable lease payments not included in lease liabilities	-

The total cash outflow for leases in year ended March 31, 2020 was Rs. 346.60 Million.

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.

38. Changes in accounting policy

This note explains the impact of the adoption of Ind AS 116 Leases on the Company's financial statements.

As indicated in Note 35 above, the Company has adopted Ind AS 116 Leases using simplified transition approach and has not restated comparatives for the previous reporting period, as permitted under the specific transition provisions in the standard. The reclassifications and the adjustments arising from the new leasing rules are therefore recognised in the opening balance sheet on 1 April 2019. The new accounting policies are disclosed in Note 3.3.

On adoption of Ind AS 116, the Company recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of Ind AS 17 Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 1st April, 2019. The weighted average lessee's incremental borrowing rate applied to the lease liabilities of different portfolios on 1st April, 2019 was 11.00% and 9.25%.

i) Practical Expedients applied

In applying Ind AS 116 for the first time, the Company has used the following practical expedients permitted by the standard:

- The Company has utilised the exemptions provided for short-term leases (less than a year) and leases for low value assets.
- Initial direct costs are excluded from the measurement of right-of-use assets at the date of initial application.

- The Company has used a single discount rate to a portfolio of leases with reasonably similar characteristics.
- The Company has applied practical expedients on not to separate non-lease component from leases on initial application and instead accounts for these as a single lease component.
- The Company has relied on its previous assessment on whether leases are onerous as an alternative to performing an impairment review.

The Company has also elected not to reassess whether a contract is or contains a lease at the date of initial application. Instead, for contracts entered into before transition date, the Company relied on its assessment made applying Ind AS 17 and Appendix C to Ind AS 17 Determining whether an Arrangement contains a Lease.

ii) Measurement of lease liabilities

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

Particulars	As at 1 April, 2019
Operating lease commitments disclosed as at March 31, 2019	1,950.89
Lease not identified in previous year	965.65
Add: Finance lease liabilities recognised as at 31st March, 2019	
(Less) : Short-term leases not recognised as a liability	-
(Less) : Low-value leases not recognised as a liability	-
Add/(Less) : Contracts reassessed as lease contracts	-
Add/(Less) : Adjustments as a result of a different treatment of extension and termination options	-
Variable non lease component included in lease commitment of previous year	(1,596.20)
Add/(Less) : Adjustments relating to changes in the index or rate affecting variable payments	-
Gross lease liabilities as on 1st April, 2019	1,320.34
Effect of discounting	355.29
Lease liability recognised as at 1st April, 2019	965.04
Of which are:	
Current lease liabilities	133.84
Non-current lease liabilities	831.20

iii) Measurement of right-of-use assets

Right-of use assets were measured at the amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet as at March 31, 2019.

iv) Adjustments recognized in the balance sheet on April 1, 2019

The change in accounting policy affected the following items in the balance sheet on 1st April, 2019 :

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

Particulars	Amount
Right of use assets	2,791.40
Lease liabilities	965.04
Other Assets-prepayments	1,826.36

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, 2020	As at March 31, 2019
1	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	2.00
2	In the matter of Professional charges for limited contribution of M/s Royal Bank of Scotland (now taken over by HSBC) and N M Rothschild & Sons in the transaction and non-adherence to milestone requirements for which Invoice not raised regarding claim.	43.50	43.50
3	Civil matters filed against OPaL by Sub-contractors/employee of M/s Fernas Construction India Pvt. Ltd. (FCIPL) for recovery of unpaid Invoices/Salary-Gratuity payments from M/s FCIPL.	720.59	673.10
4	Matter with regard to LSTK contractor M/s Tecnimont, SpA, Italy for damages on account of alleged losses and other declarations against OPaL for PE & PP Seeing Units. Arbitral award pronounced in favour of Tecnimont, OPaL filed application before Honourable Delhi High Court for setting aside the award.	1,909.70	1,783.22
5	Notice by EPFO, Gurgaon to Fernas Construction India Pvt. Ltd. (FCIPL) & OPaL as FCIPL found defaulter in remittance of EPF dues to their employee and other issues.	2.89	2.89
6	LSTK Contractors	839.44	789.10
7	Matter of dispute on Stamp duty with Deputy Collector office Vadodara.	6.74	6.74
8	Claim of arrears of Lease Rent filed by Ms. Kamal Nain - legal heirs of Surendra Singh w.r.t. Lease Deed executed for office premises.	2.64	-
9	In the matter of dispute raised by M/s Nirmesh Enterprise Pvt. Ltd., OPaL issued LOA which further cancelled by OPaL and EMD forfeited due to non-compliance with terms of LOA.	-	0.20
10	Application to MSME, Kanpur by M/s Saraswati Engineering Ltd. For recovery of imposition of Liquidated Damages by OPaL for delay in supply of material.	-	0.71
11	Income Tax Demand for A.Y. 2015-16	-	29.38
12	Liability on SEZ Exit	*	
	Total	**3,526.50**	**3,330.83**

* 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 as these products are import substitution products. However, over the period, due to excess capacities in western 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 exits from SEZ, there can be a significant improvement in margins based on direct savings on Basic customs duty; which would benefit the Company consistently for years. Further, Petrochemical analysts have also held that netbacks to Company in domestic markets are better than exports. Therefore, Board of directors has accorded exploratory approval to exit from the SEZ. Initially, exit liability is worked out at Rs. 16,816.30 million. In the present uncertain time, the amount of liability as preliminary worked out may be reduced. However, it cannot be accurately estimated at this juncture.

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, 2020	As at March 31, 2019
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.	31.34	31.34
Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	2,922.42	4,757.48

40. Exceptional Item

In extra ordinary General meeting, the Board has approved the extension of the terms of Compulsory Convertible Debenture ("CCD") of face value INR 56,150 Million with the end date of 02.07.2019 and revised it to 02.01.2021. The revised agreement was executed dated 03.07.2019 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. 6,264.47 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. 6,211.47 million and corresponding impact is given in retained earning.

41. Disclosure of COVID-19

The outbreak of Coronavirus (COVID-19) pandemic globally and in India has caused significant disturbance and slowdown of economic activity. Company's operations 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 in view of COVID-19. However, the management believes that no adjustments are required in the financial results as it does not impact the current financial year. 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.

Impact on Receivables

There was no impact on receivables, as most of it are secured. There were no delinquencies noted pursuant to Covid-19.

Impact on Inventory

Our industry is in commodity space, thereby has a direct impact basis the crude/naphtha/oil and gas price volatility. There was moderate volatility in finished goods prices, however on the feed stock price, there was significant downsides, which eventually benefited the organization by taking fresh purchasing positions. However, stock in hand of such feed stock bought at higher prices did took a dent in terms of its valuation.

Future outlook

Future outlook seems progressive as the Government is taking steps to curb imports. As India is a net importer of petrochemicals, this should help in improving Company's pricing power in the bargain. Further, with opening up of downstream processing units, Company is now able to dispatch finished goods smoothly. Finished goods prices are also slowly firming. Hence, future prospect looks brighter.

42. Going concern

The Company has incurred a net loss for the year ended March 31, 2020 of Rs. 20,917 million (year ended March 31, 2019 Rs. 14,196 million) and cumulative loss up to March 31, 2020 reached to Rs. 71,070 million. There is negative working capital as at March 31, 2020 of Rs. 50,860 million (March 31, 2019 Rs. 38,008 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) Commissioning of Hazira-Dahej Naphtha Pipeline.
3) Exploring option of exit from SEZ area.
4) Improvement in Product mix
5) 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. Events occuring after the Reporting period

CCDs II of Rs. 16,710 Million is due for conversion May 2020 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.

44. Previous year figures have been regrouped wherever necessary.

45. Approval of financial statements

The Financial Statements were approved for issue by the board of directors on 8th June, 2020.

PARIKH MEHTA & ASSOCIATES BARODA Chartered Accountants

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