



# ANNUAL REPORT 2020-2021

ASSAM PETRO-CHEMICALS LTD.  
অসম পেট্রো-কেমিকেলচ লিমিটেড



**ASSAM PETRO-CHEMICALS LIMITED**

A Government of Assam Undertaking

CIN-U24116AS1971SGC001339

## BOARD OF DIRECTORS AS ON 01.11.2021

<b>Shri Bikul Ch. Deka</b>	Chairman
<b>Shri Atul Ch. Barman</b>	Managing Director
<b>Shri K A Murali</b>	Director (Finance) & CFO
Prof. Gautam Barua	Independent Director
Shri Deepakananda Bharali	Independent Director
Shri Adil Khan, IAS	Director
Shri Gokul Ch. Swargiyari	Director
Shri Kailash Karthik N, IAS	Director
Ms. Neera Daulagupu, ACS	Director
Shri Pritam Ray Choudhury	Director
Shri Arup Jyoti Sarmah	Director
Ms. Pranati Goswami	Director
Shri Kishore Kr. Baishya	Director
Shri Tridip Baruah	Director

## INDEPENDENT AUDITOR

### **M/s AMD & Associates**

Chartered Accountants  
28, Sugam Path, R G Baruah Path  
Guwahati-781 024  
Ph. No. 0361 – 2970190 & 9435113324  
Email: amdcaghy@gmail.com  
Web: www.amdassociates.in

## REGISTRAR AND SHARE TRANSFER AGENT

### **C B Management Services (P) Ltd.**

P-22, Bondel Road, Kolkata- 700019  
Phone No. 033-40116713  
email-rta@cbmsl.com

## REGISTERED OFFICE

4<sup>th</sup> Floor, Orion Place  
Mahapurush Srimanta Sankardev Path  
Bhangagarh, Guwahati, Assam-781 005  
Phone: 0361-2461470 & 2461471  
Email: aplguw@assampetrochemicals.co.in  
Web: www.assampetrochemicals.co.in



**ASSAM PETRO-CHEMICALS LIMITED**

A Government of Assam Undertaking  
CIN-U24116AS1971SGC001339

## AUDIT COMMITTEE

<b>Prof. Gautam Barua</b>	Chairman
<b>Shri Deepakananda Bharali</b>	Member
<b>Ms. Pranati Goswami</b>	Member
<b>Shri Atul Ch. Barman</b>	Permanent Invitee
<b>Shri K A Murali</b>	Permanent Invitee

## SECRETARIAL AUDITOR

### **M/s Amit Pareek & Associates**

Company Secretaries  
4th Floor, K C Choudhury Road  
Ram Prasad Complex, Chatribari  
Guwahati-781 001  
Email: amitpareek99@yahoo.com

## BANKERS

**Punjab National Bank**  
**State Bank of India**  
**Axis Bank**

## HEAD OFFICE AND PLANT SITE

Namrup, P O -Parbatpur  
Dist.: Dibrugarh, Assam PIN-786 623  
Phone no. 0374-2500331  
Email: admin\_apl@assampetrochemicals.co.in  
www.assampetrochemicals.co.in

## PROJECT SITE

- 500 TPD Methanol project  
Namrup, P O -Parbatpur  
Dist.: Dibrugarh, Assam PIN-786 623
- 200 TPD Formalin Project  
Dhaknabari Village, P.O.-Boitamari  
District: Bongaigaon, Assam PIN-783 389

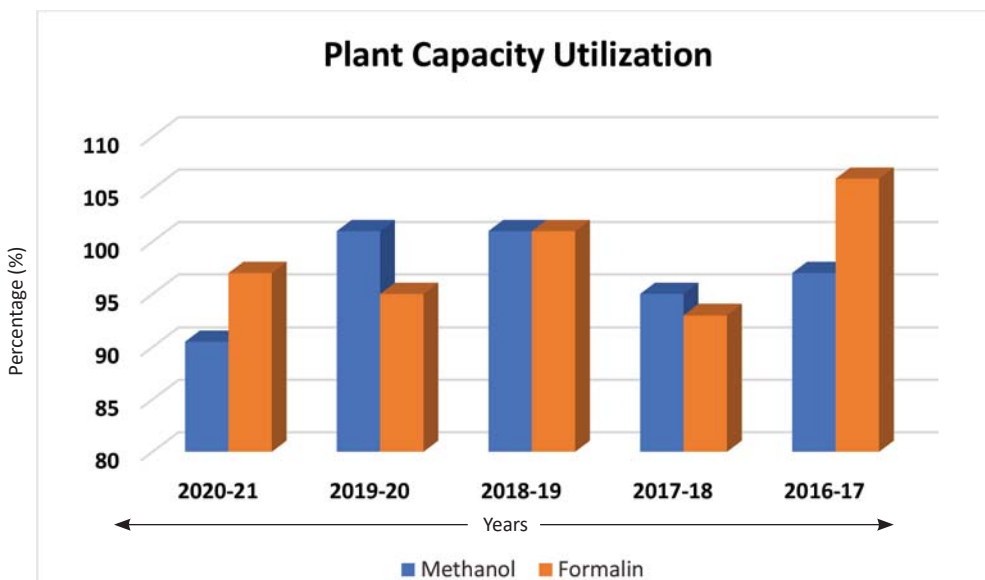
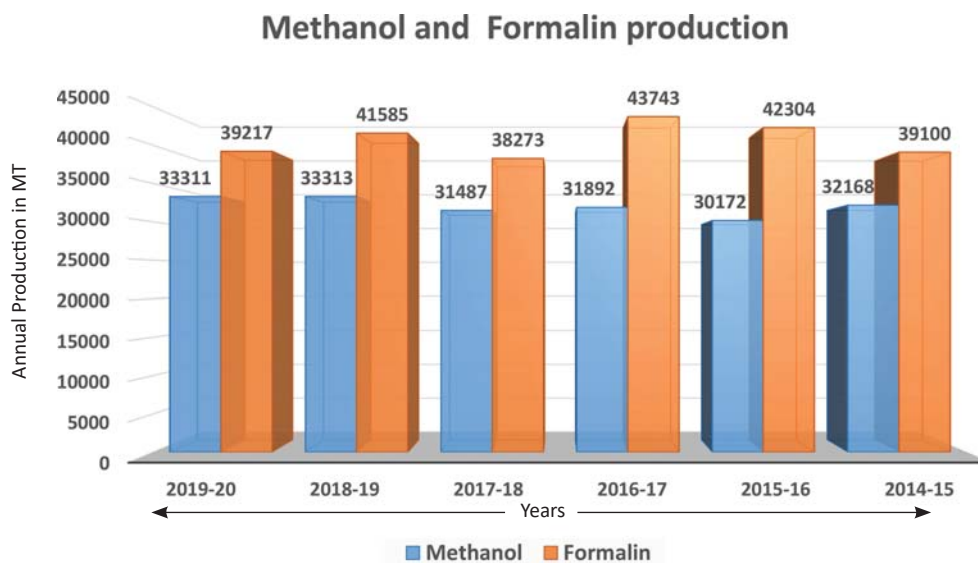
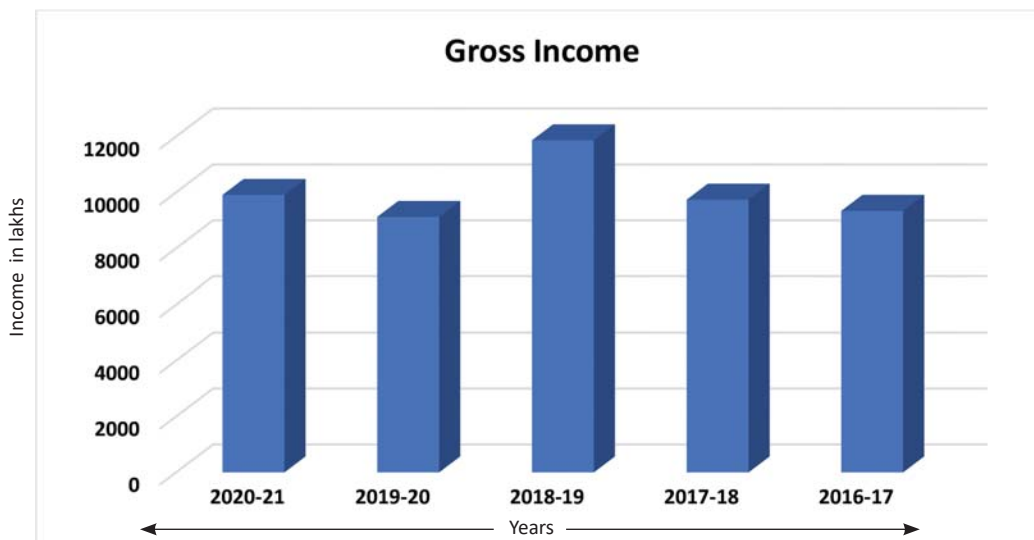
## 10 YEARS FINANCIALS AT A GLANCE

Particulars	2020-21	2019-20*	2018-19*	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12
<b>Operating Results</b>										
Gross Total Income	9,909.04	9,122.75	11,804.64	9978.23	8,742.79	7,676.52	9,062.29	10,284.63	8,705.78	6,419.50
Profit Before Interest Depreciation and Tax	1,003.79	(907.37)	641.08	682.71	475.74	(2,028.01)	(440.55)	1,391.12	737.82	64.61
Depreciation	180.27	223.51	210.12	146.61	136.33	129.06	150.35	239.95	232.51	175.55
Profit Before Tax	823.52	(1,130.88)	430.96	536.10	307.07	(2,157.07)	(590.90)	1,151.17	505.31	(110.93)
Tax	(2.28)	2.42	(31.27)	(8.10)	21.14	61.90	56.85	212.82	101.30	(4.73)
Profit After Tax	825.79	(1,133.30)	462.22	544.20	285.93	(2,218.97)	(647.75)	938.35	404.01	(106.20)
Dividend and Tax	-	-	-	-	-	-	-	133.37	105.99	-
Dividend %	-	-	-	-	-	-	-	12.50%	10.00%	-
Retained Earnings	591.81	(1,223.69)	423.92	544.20	285.93	(2,218.97)	(647.75)	804.97	298.01	(106.20)
EPS in ₹ per Share	0.12	(0.25)	0.10	5.97	3.14	(24.33)	(7.10)	10.29	4.43	(1.16)
Gross Block	9,606.64	8,638.91	8,538.00	8096.40	8,038.85	7,944.33	7,839.35	7,839.41	7,821.47	7,504.85
Net Block	2,373.94	1,565.11	1,634.31	1329.94	1,381.74	1,400.56	1,403.97	1,522.81	1,674.71	1,506.39
Reserves & Surplus	391.54	(200.27)	1,023.42	5426.32	4,882.13	4,596.20	6,815.60	7,474.02	6,669.92	6,372.77
<b>Capacity Utilisation</b>										
<i>Annual Installed Capacity (In MT)</i>										
Methanol	33000	33000	33000	33000	33000	33000	33000	33000	33000	33000
Formalin	41250	41250	41250	41250	41250	41250	41250	41250	41250	33000
<i>Actual Production (In MT)</i>										
Methanol	29861	33311	33313	31478	31892	30172	32168	28822	33547	26994
Formalin	40004	39217	41585	38273	43743	42304	39100	37363	34877	29888
<i>Capacity Utilisation(In %)</i>										
Methanol	90	101	101	95	97	91	97	87	102	82
Formalin**	97	95	101	93	106	103	95	91	92	91

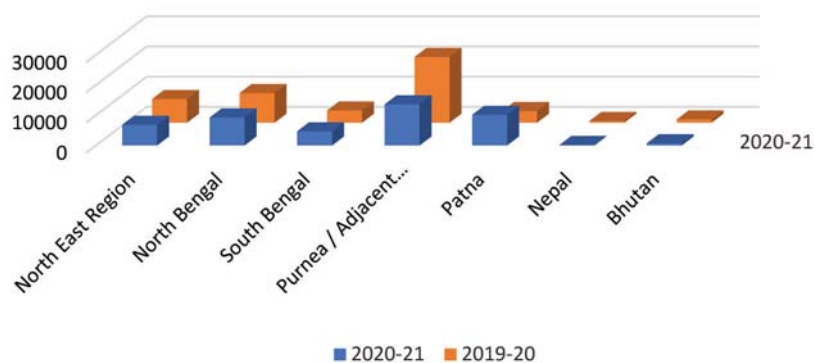
\* Figures the year is reclassified as per Ind AS.

\*\* Formalin production at Namrup only

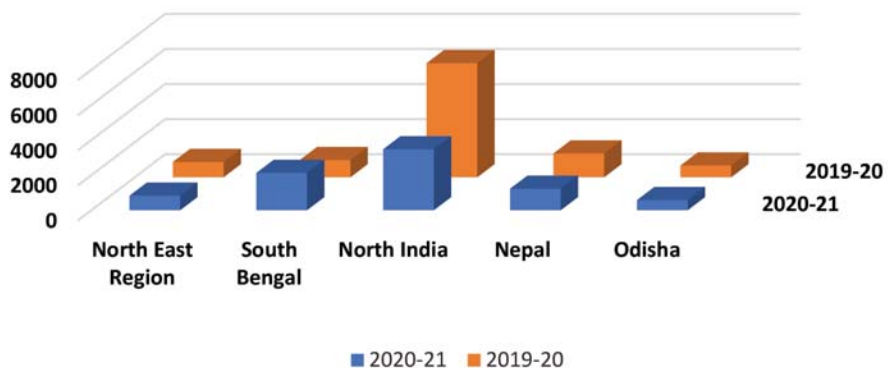




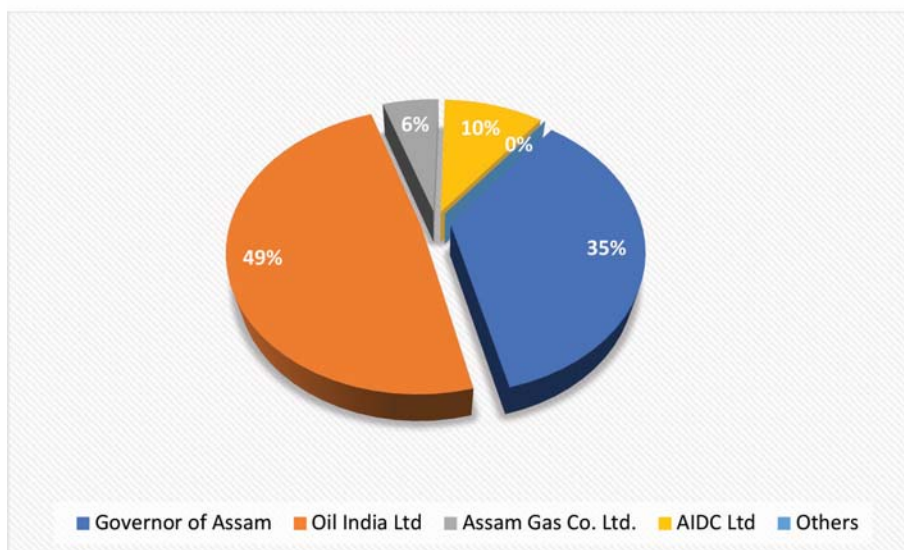
### Regionwise Formalin Sales in FY 2020-21 and 2019-20



### Areawise Methanol sales in FY 2020-21 and 2019-21



### Shareholding Pattern as on 31.03.2021







Hon'ble Chief Minister visited the 500 TPD Methanol project site on 19.06.2021



Shri Chandra Mohan Patowary, Hon'ble Minister of Industries Commerce Govt. of Assam visited project site on 25.01.2021



The Company contributed ₹1,00,00,000.00 to CM's Relief Fund



The Committee on Public Undertaking of Assam Legislative Assembly visited the 500 TPD Methanol Project on 08.10.2021



The Company completed 50 glorious years on 15.06.2021. The Hon'ble minister of State for MoPNG and Employment cut the cake in presence of Shri Bikul Ch. Deka, Chairman and other Senior Officials



Employment Review Committee of Assam Legislative Assembly visited the Company's HQ on 05.10.2021



# ANNUAL REPORT 2020-2021

## CONTENTS



**ASSAM PETRO-CHEMICALS LIMITED**  
A Government of Assam Undertaking  
CIN-U24116AS1971SGC001339

Particulars	Page No.
Notice of the 50 <sup>th</sup> Annual General Meeting	6
Directors' Report	19
Annexures to the Directors' Report	33
Comments of the Comptroller and Auditor General of India	61
Independent Auditors' Report	63
Annexure to the Auditors' Report	68
Balance Sheet as at 31 <sup>st</sup> March, 2021	77
Statement of Profit and Loss for the year ended 31 <sup>st</sup> March, 2021	79
Cash Flow statement for the year ended 31 <sup>st</sup> March, 2021	81
Statement of Change in Equity for the period ended on 31 <sup>st</sup> March, 2021	83
Notes forming part of the Financial Statements	84

**NOTICE** is hereby given that the 50<sup>th</sup> Annual General Meeting of the shareholders of Assam Petro-Chemicals Limited will be held on **Monday, 29<sup>th</sup> November, 2021 at 11:00 AM** through Video Conferencing (VC)/Other Audio-Visual Means (OAVM) facility to transact the following businesses:

#### **A. ORDINARY BUSINESS**

1. To receive, consider and adopt the Company's standalone audited Financial Statements as at 31<sup>st</sup> March, 2021 along with the Directors' Report, Independent Auditors' Report and Comments of the Comptroller and Auditor General of India, etc. thereon and pass the following resolution as **Ordinary Resolution**;  
**"RESOLVED THAT** the audited Financial Statements as at 31<sup>st</sup> March, 2021 together with the Directors' Report and the annexure thereto, the Independent Auditors' Report and the Comments of the Comptroller & Auditor General of India thereon, Secretarial Audit Report be and are hereby received, considered and adopted."
2. To appoint **Shri Bikul Ch. Deka [DIN-07774812]**, who retires by rotation and being eligible, offers himself for re-appointment as a Director and pass the following Ordinary Resolution.  
**"RESOLVED THAT Shri Bikul Ch. Deka [DIN-07774812]**, who offers himself for reappointment be and is hereby re-appointed as Director of the Company."
3. To appoint **Shri Arup Jyoti Sarmah [DIN-08830629]**, who retires by rotation and being eligible, offers himself for re-appointment as a Director and pass the following **Ordinary Resolution**  
**"RESOLVED THAT Shri Arup Jyoti Sarmah [DIN-08830629]**, who offers himself for reappointment be and is hereby re-appointed as Director of the Company."

#### **B. SPECIAL BUSINESS: -**

- 4 To appoint **Prof. Gautam Barua (DIN-01226582)** as Independent Director of the Company and in this regard to consider, if thought fit, to pass with or without modification the following resolution as **Ordinary Resolution**.  
**"RESOLVED THAT** pursuant to the provisions of sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the rules framed thereunder read with Schedule IV to the Act, as amended from time to time, **Prof. Gautam Barua (DIN: 01226582)**, who was appointed as an Additional Director in terms of section 161 of the Companies Act, 2013, [designated as Independent Director] by the Board of Directors of the Company with effect from 12<sup>th</sup> April, 2021 to hold office until the date of this Annual General Meeting and in respect of whom, the Company has received a notice in writing under section 160 of the Companies Act, 2013 proposing his candidature as a Director be and is hereby appointed as Independent Director of the Company effective from 12<sup>th</sup> April, 2021 for a period of 5 (five) years or upto the date of receipt of any communications from Oil India Ltd. for relieving him as director of the Company whichever comes earlier."
5. To appoint **Shri Gokul Chandra Swargiyari (DIN 08545385)** as Director of the Company and in this regard to consider, if thought fit, to pass with or without modification the following resolution as **Ordinary Resolution**.  
**"RESOLVED THAT** pursuant to the provisions of sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed thereunder (including any statutory modifications or re-enactment thereof), **Shri Gokul Chandra Swargiyari (DIN 08545385)**, who was



nominated as a Non-executive Part-Time Director by the Governor of Assam vide notification CI.191/2003/144-B dated 3<sup>rd</sup> March, 2021 and subsequently inducted as Additional Director in terms of Section 161 of the Companies Act, 2013, by the Board of Directors of the Company with effect from 12<sup>th</sup> April, 2021 to hold office until the date of this Annual General Meeting and in respect of whom, the Company has received a notice in writing under Section 160 of the Companies Act, 2013 proposing his candidature as a Director be and is hereby appointed as Director of the Company and liable to retire by rotation.”

6. To fix the remuneration of the Cost Auditors of the Company for the Financial Year 2021-22 and in this regard to consider and if thought fit, to pass with or without modifications the following resolution as **Ordinary Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Section 148(3) of the Companies Act, 2013 (“the Act”) read with Rule 14 (a) of the Companies (Audit and Auditors) Rules, 2014 (“the Rules”) the approval of the Company be and is hereby accorded for payment of remuneration of ₹23,900.00 (Rupees twenty-three thousand nine hundred only) excluding travelling and other out of pocket expenses and applicable GST to Subhadra Dutta & Associates, Cost Accountants for the Financial Year 2021-22.”

7. Alteration of Memorandum of Association for enhancement of authorised share capital of the company from ₹500 crore to ₹750 crore and in this regard to consider and if thought

fit, to pass with or without modifications the following resolution as **Ordinary Resolution:**

**“RESOLVED THAT** pursuant to provisions of Section 13,14 and 61 of the Companies Act, 2013 and other applicable provisions, if any and article 47 of the Articles of Association of the Company the Authorised Share Capital of the Company be and is hereby increased from present ₹500,00,00,000.00 (Rupees five hundred Crore) only to ₹750,00,00,000.00 (Rupees Seven Hundred Fifty Crore) Only by addition thereto of 25,00,00,000 (twenty-five crore) equity shares of ₹ 10 each, ranking *pari passu* in all respect with existing equity shares of the company.

**RESOLVED FURTHER THAT** Clause V of the Memorandum of Association of the company be and is hereby altered by substitution of the following figures and words:

- V. The share capital of the Company is ₹750,00,00,000 (Rupees seven hundred fifty crore) divided into 75, 00,00,000 (seventy five crore) equity shares of ₹10 (Rupees Ten) each, with rights and privileges and conditions attaching thereto as provided by the Articles of Association of the company for the time being into several classes and attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the company for the time being and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be permitted by the Companies Act, 2013.”

By Order of the Board of Directors

Sd/-

Date: 01-11-2021  
Place: Guwahati

**(Uttam Bailing)**  
Company Secretary

Notes:

1. In view of the outbreak of the COVID-19 pandemic and pursuant to the General Circular 20/2020 dated 5<sup>th</sup> May, 2020 and 02/2021 dated 13<sup>th</sup> January, 2021 (referred as MCA circulars) by the Ministry of Corporate Affairs, Government of India, physical attendance of the Members at the AGM venue is not required and Annual General Meeting (AGM) be held through Video Conferencing (VC) or Other Audio-Visual Means (OAVM). Hence, Members can attend and participate in the ensuing 50<sup>th</sup> AGM of the Company through VC/OAVM.
2. **Since the present AGM is being held through VC/OAVM pursuant to the MCA Circulars, the facility to appoint a proxy to attend and cast vote for the Member is not available. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.**
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time 11:00 AM on 29<sup>th</sup> November, 2021 of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for all the members on first come first served basis. This will include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of Section 108 of the

Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by NSDL.

6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.assampetrochemicals.co.in](http://www.assampetrochemicals.co.in). The AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

In terms of the MCA Circulars, Notice of the AGM along with the Annual Report 2020-21 are sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Physical copies of Notice is sent to the shareholders through registered post.

For prompt receipt of the Annual Report and all other communications from the Company electronically:

- a. Members holding shares in physical mode and who have not registered / updated their email address with the Company are requested to register / update the same by writing to the Registrar and Transfer Agent (RTA) of the Company, M/s C B Management Services (P) Ltd. in to their email id: [rta@cbmsl.com](mailto:rta@cbmsl.com) with details of folio number and attaching a self-attested copy of PAN card.



- b. Members holding shares in dematerialised mode are requested to register / update their email addresses with the relevant Depository Participant.
- c. If there is any change in the e-mail ID already registered with the Company/RTA, Members are requested to immediately notify such change to the Company/RTA in respect of shares held in physical form and to Depository Participants (DPs) in respect of shares held in electronic form.
- d. In case of any queries relating to shares, the members are requested to contact the RTA at the above email address.
7. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020, MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and 02/2021 dated 13<sup>th</sup> January, 2021.
8. Statements pursuant to Section 102 (1) of the Companies Act, 2013 concerning the special business mentioned under item numbers 4 to 7 of the notice are annexed hereto.
9. ISIN of the shares of the Company is INE277D01010, members are requested to dematerialize their shares.

By Order of the Board of Directors

Sd/-

Date: 01-11-2021

Place: Guwahati

**(Uttam Bailing)**

Company Secretary

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

#### **Item no. 4.**

According to Section 149(4) of the Companies Act, 2013 read with Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014, the company is required to appoint atleast two Independent Directors on the Board of the Company. Pursuant to Article 85 of the Articles of Association, Oil India Limited suggested the company vide their letter no. SEC/APCL dt. 25/03/2021 for appointment of Prof. Gautam Barua (DIN-01226582) as Independent Director of the Company. Accordingly, the Board of Directors of the company in pursuance of Section 149 (10), 161 and other applicable provisions, if any of the Companies Act, 2013 and upon receipt of letter of Oil India Ltd. appointed Prof. Gautam Barua as Additional Director (Independent) for a term of five years with effect from 12<sup>th</sup> April, 2021. Since, Prof. Barua was appointed as an Additional Director (Independent) of the Company, therefore approval

of the shareholders in Annual General Meeting is necessary. The Board of Directors of the Company commends the resolution for approval of the shareholders at the 50<sup>th</sup> Annual General Meeting of the Company. Prof. Barua is qualified to be appointed as Independent Director of the Company and doesn't have any disqualification as specified in Section 164 of the Act and he is not liable to retire by rotation. Prof. Barua has also registered his name in the databank of Independent Directors maintained by the Ministry of Corporate Affairs, Government of India.

Prof. Gautam Barua has been Director of Indian Institute of Information Technology, Guwahati since September, 2016. Prof. Barua did his B. Tech in Electrical Engineering from Indian Institute of Technology (IIT) Bombay in 1976 and also completed M. Tech from the same institute in 1978. He obtained his doctorate degree (Ph. D) from University of California, USA in 1981. He had also been a visiting faculty of University of California, USA. He started his career as faculty in IIT Kanpur in 1991 and later he joined at IIT Guwahati in 1995. He rose to the

position of Director of Indian Institute of Technology, Guwahati in March, 2003 and continued in that position for a period of 10 years. Prof. Barua has/had associated with many premier technical educational institutions of the North Eastern Region and other parts of the country.

Prof. Barua had served as Independent Director in Oil India Limited and Brahmaputra Cracker and Polymer Limited. He is also an Independent Director of North East Small Finance Bank Ltd. and a director in Assam Electronic Development Corporation Ltd.

None of the directors and the Key Managerial Personnel of the company other than Prof. Gautam Barua himself is interested or concerned in the resolution.

#### **Item no. 5**

Pursuant to the Article 85 of the Articles of Association of the Company the Government Assam vide notification no. CI.191/2003/144B dated 03.03.2021 nominated Shri Gokul Ch. Swargiyari, the Managing Director of Assam Gas Co. Ltd. as Director of the company. The Board of Directors of the Company in its meeting held on 12.04.2021 appointed Shri Gokul Ch. Swargiyari as an Additional Director as per Section 161 of the Companies Act, 2013 upto the date of this 50<sup>th</sup> Annual General Meeting. The Company received a notice in writing under Section 160 of the Act proposing Shri Swargiyari as Director of the Company.

Shri Gokul Chandra Swargiyari has done his graduation (BE Production) from Lukhdhirjee Engineering College, Morvi, Gujarat and Post Graduate diploma in Offshore Oil Business from Aberdeen Business School, Scotland, UK. He has 24 years of professional experiences in Oil and Gas sector. Shri Swargiyari joined as Managing Director of Assam Gas Company Limited (AGCL) on 2<sup>nd</sup> September, 2019 and subsequently he was also appointed as Managing Director of DNP Ltd. Shri Swargiyari is also Chairman of Purba Bharati Gas Pvt. Ltd. and a member of Board of Directors of Tripura Natural Gas Co. Ltd. Prior to joining as Managing Director of AGCL, Shri Swargiyari

worked with Reliance Industries Ltd. and Indian Oil Corporation Ltd. in different capacities.

Your Board commends the resolution for approval of the Shareholders for appointment of Shri Gokul Ch. Swargiyari as Director of the Company.

None of the directors and the Key Managerial Personnel of the company other than Shri Swargiyari himself interested or concerned in the resolution.

#### **Item No. 6**

According to Section 148(3) of the Companies Act, 2013 read with Rule 14 (a) of the Companies (Audit and Auditors) Rules, 2014 ("the Act"), the Board of Directors requires to appoint a cost accountant or firm of Cost Accountants in practice as Cost Auditor on the recommendations of the Audit Committee, which shall also recommend remuneration for such Cost Auditor and such remuneration shall be considered and approved by the Board of Directors and ratified subsequently by the shareholders.

Accordingly, the Board of Directors, at its meeting held on 30<sup>th</sup> July, 2021 appointed M/s Subhadra Dutta & Associates, Cost Accountants as the Cost Auditors for the Financial Year 2021-22 at fees of ₹ 23,900.00 (Rupees twenty-three thousand nine hundred only) excluding of travelling expenses, out of pocket expenses and applicable GST, if any for conducting the audit of the cost records of the Company for the Financial Year 2021-22.

In compliance with the said provisions the Ordinary Resolution for fixation of remuneration of the Cost Auditors is now placed before the members for ratification/approval. Your directors recommend for passing the above resolution as ordinary resolution.

None of the Directors and Key Managerial Personnel of the Company, or their relatives, is interested in the resolution.

#### **Item No. 7:**

The present authorized share capital and paid-up share capital of the company are ₹ 500.00 Crore and ₹



497.16 Crore respectively. The company is presently implementing a 500 TPD Methanol and 200 TPD Formalin project at a revised project cost of ₹1709.18 (Rupees one thousand seven hundred and nine crore and eighteen lacs) only. The cost of the project has increased by ₹372.18 crore from the original project cost of ₹ 1337.00 Crore. The additional project cost of the 500 TPD Methanol and 200 TPD Formalin projects will be raised through debt from Bank and equity from the shareholders at a debt equity ratio of 2:1. The equity amount and debt amount of the increased amount of the project cost will be ₹248.12 Crore and ₹ 124.06 Crore respectively.

The Company proposes to keep provision for issue of further equity shares to implement a Di-Methyl Ether (DME) project after completion of the ongoing 500 TPD Methanol and 200 TPD Formalin project and also to keep provision for issue of fresh equity shares while taking up other downstream project and contingencies in future.

In order to raise the required equity capital for the ongoing 500 TPD Methanol and 200 TPD Formalin project, DME and other downstream project in future, the Board of Directors of the Company has decided for alter the Capital Clause of the Memorandum of Association of the Company by increasing the authorized share capital of the company to ₹ 750.00 Crore. The proposal for increase of the Authorized Share Capital from ₹ 500.00 Crore to ₹ 750 Crore by creation of additional 25 Crore shares of ₹10.00 each ranking *pari passu* with the existing shares was placed before the Public Investment Board (PIB) of the Government of Assam on 5<sup>th</sup> October, 2021 accorded in-principle approval for enhancement of authorised share capital of the Company.

None of the Board members and the Key Managerial Personnel are concerned or interested in the above resolution.

By Order of the Board of Directors

Sd/-

Date: 01-11-2021  
Place: Guwahati

**(Uttam Bailung)**  
Company Secretary

## **INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:**

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing 50<sup>th</sup> Annual General Meeting through VC/OAVM.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this 50<sup>th</sup> Annual General Meeting. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for the members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.assampetrochemicals.co.in](http://www.assampetrochemicals.co.in). The Notice can also be accessed from the websites of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
7. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.

## **THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:**

The remote e-voting period begins on Friday, 26<sup>th</sup> November, 2021 at 09:00 A.M. and ends on Sunday, 28<sup>th</sup> November, 2021 at 05:00 P.M. The remote



e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 22<sup>nd</sup> November, 2021 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 22<sup>nd</sup> November, 2021.

### How do I vote electronically using NSDL e-Voting system?

*The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:*





#### Step 1: Access to NSDL e-Voting system

#### A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “<b>Beneficial Owner</b>” icon under “<b>Login</b>” which is available under ‘<b>IDeAS</b>’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “<b>Access to e-Voting</b>” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “<b>Register Online for IDeAS Portal</b>” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>

	<p><b>4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</b></p> <p><b>NSDL Mobile App is available on</b></p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>App Store</p> </div> <div style="text-align: center;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: space-around; align-items: center; margin-top: 10px;">   </div>
Individual Shareholders holding securities in demat mode with CDSL	<p>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</p> <p>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</p> <p>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></p> <p>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</p>
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

**Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.**

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

<b>Login type</b>	<b>Helpdesk details</b>
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 022-23058542-43



**B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**  
**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen. *Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*

**4. Your User ID details are given below :**

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID. For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
  - c) How to retrieve your ‘initial password’?
    - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
    - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:

- a) Click on **“Forgot User Details/Password?”** (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) **Physical User Reset Password?”** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
  8. Now, you will have to click on “Login” button.
  9. After you click on the “Login” button, Home page of e-Voting will open.

## **Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join General Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

## **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [csbimandebnath@gmail.com](mailto:csbimandebnath@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is sent through e-mail and holding shares as of the cut-off date i.e. 22<sup>nd</sup> November, 2021, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” or “Physical User Reset Password” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no. **1800 1020 990 and 1800 22 44 30**. In case

of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. 22<sup>nd</sup> November, 2021 may follow steps mentioned in the Notice of the AGM under Step 1 :“Access to NSDL e-Voting system”(Above).

3. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
4. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Mr. Amit Vishal, Senior Manager and /or Ms. Pallavi Mhatre, Manager at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [aplguw@assampetrochemicals.co.in](mailto:aplguw@assampetrochemicals.co.in).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR

(self attested scanned copy of Aadhar Card) to [aplguw@assampetrochemicals.co.in](mailto:aplguw@assampetrochemicals.co.in). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**

3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.



## **INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH**

### **VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of “VC/OAVM link” placed under **“Join General meeting”** menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/ Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker may send their request mentioning their name, demat account number/folio number, email id, mobile number at [aplguw@assampetrochemicals.co.in](mailto:aplguw@assampetrochemicals.co.in) latest by 5:00 PM (IST) on Friday, 26<sup>th</sup> November, 2021.
6. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at [aplguw@assampetrochemicals.co.in](mailto:aplguw@assampetrochemicals.co.in) latest by 5:00 PM (IST) on Friday, 26<sup>th</sup> November, 2021. The same will be replied by the company suitably.
7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
8. When a pre-registered speaker is invited to speak at the meeting but he / she does not respond, the next speaker will be invited to speak. Accordingly, all speakers are requested to get connected to a device with a video/ camera along with good internet speed.
9. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, for smooth conduct of the AGM.
10. Members who need assistance before or during the AGM, can contact Mr. Amit Vishal, Senior Manager, NSDL and / or Ms. Pallavi Mhatre, Manager, NSDL at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or call 1800 1020 990 / 1800 22 44 30.

## DIRECTORS' REPORT

**Dear Shareholders,**

Your Directors' have the pleasure in presenting their 50<sup>th</sup> Annual Report of the company, in it's Golden Jubilee Year, together with the audited Standalone Financial Statements for the Financial Year ending on 31<sup>st</sup> March, 2021.

### Financial Highlights (Standalone)

The Company's summarized financial performance (Standalone) for the Financial Year ending on 31<sup>st</sup> March, 2021 is as under:

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Revenue from Operations	9,247.88	8305.26
Other Income	661.16	817.49
<b>Total Income</b>	<b>9,909.04</b>	<b>9122.75</b>
Gross Profit	829.85	(1475.76)
Less: Depreciation and amortization	180.27	223.51
Profit/Loss for the year before prior period adjustment, exceptional and extraordinary items	649.58	(1699.27)
Less: Exceptional Item	(173.93)	(568.40)
<b>Profit Before Tax</b>	<b>823.51</b>	<b>(1130.87)</b>
Less: Tax Expenses	(2.28)	2.42
<b>Profit /Loss for the year after Taxation</b>	<b>825.79</b>	<b>(1133.29)</b>
Less: Remeasurement of Defined Employees Benefit Plan	233.99	90.40
<b>Total Comprehensive income</b>	<b>591.81</b>	<b>(1223.69)</b>
Balance brought forward from previous year	(3,619.81)	(2396.11)
<b>Proposed Dividend</b>	<b>NIL</b>	<b>NIL</b>
<b>Tax on Dividend</b>	<b>NIL</b>	<b>NIL</b>
<b>Number of shares</b>	<b>49,71,74,808</b>	<b>49,71,74,808</b>
<b>Earnings Per Share (EPS) (in ₹)</b>	<b>0.12</b>	<b>(0.25)</b>

The business of the company was severely affected by the COVID-19 pandemic during the first two quarters of the Financial Year 2020-21 but gradually improved in last two quarters with the improvement of COVID-19 pandemic situation. In spite of that during the year 2020-21, the turnover of the company was ₹ 9247.88 lakhs as compared to ₹ 8305.26 lakhs in the previous Financial Year. The turnover of the company increased by 11.35% from that of the previous Financial Year due to better realization of Methanol

and Formalin prices and cost efficiencies achieved wherever possible. The company earned a net profit of ₹ 591.81 lakhs (Total Comprehensive Income) from the business operations of the company during the year 2020-21 against the loss of ₹ 1,133.29 lakhs in the previous year.

The price of Methanol in India remained very low during the first two quarters of the Financial Year 2020-21 on account of lock down imposed by the Government of India and State Governments for

containing the COVID-19 pandemic. The economic activities in the country were resumed with the improvement of the COVID situation during the 3rd and 4th quarters of the Financial Year 2020-21. The Company also started receiving good realization of its products in the last two quarters of the year.

The average price of Methanol was ₹22.08 per kilogram during the FY 2020-21 compared to ₹20.89 per kilogram in the previous year. The comparison of imported Methanol price in India vis-à-vis price realized by the company for last three years are as follows:

Particulars	FY 2020-21	FY 2019-20	FY 2018-19
Ex-Tank India average Price per KG of Methanol *(in ₹)	23.23	20.89	28.77
Average basic price realization per KG of Methanol by the company (in ₹)	22.08	21.18	28.56

*\*source: ICIS Methanol weekly report*

The other income earned during the year was mainly interest on fixed deposits of the company's surplus fund and equity capital contributions parked at banks in the form of fixed deposits as per Company's policy. The company earned less interest on fixed deposits as the company liquidated its fixed deposits for the implementation of the 500 TPD Methanol and 200 TPD Formalin project and also due to significant reduction in the interest rates during the year.

The company received interest of ₹ 173.93 lakhs on refund of excess transmission charged in the earlier years from Assam Gas Company Limited during the year and same has been shown as exceptional item in the financial statements of the Company. The company had paid higher transmission charges to Assam Gas Co. Ltd. for transporting Natural Gas from November, 2008 to March, 2014. Petroleum and Natural Gas Regulatory Board (PNGRB) vide their order no. TO/2019-20/09 dated 4th June, 2019 asked Assam Gas Company Limited to refund the excess transmission charges paid by the Company along with interest. The refund of excess transmission charges was received in the earlier years.

Natural Gas is the main raw material used by the company for production of Methanol and Methanol is used as main feedstock for producing Formalin. The cost of raw materials consumed declined by ₹ 13.37 Crore during the year FY 2020-21 over the previous year due to reduction of Natural Gas price by the Government of India and lower production of Methanol due to COVID-19 Pandemic.

During the year the company enhanced the gratuity amount payable to employees from ₹10 lakhs to ₹20 lakhs with effect from 28th March, 2018, according to the Payment of Gratuity (Amendment) Act, 2018 notified by the Government of India, due to which the net profit/loss for the Financial Years 2017-18, 2018-19, 2019-20 had to be restated and even during the year 2020-21 had an impact and have significantly affected on account of remeasurement of employee benefit. The company restated the abovementioned financial statements of the Company as per the Ind AS-8.

The company has a subsidiary company named Pragjyotish Fertilizers and Chemicals Ltd. (PFCL) incorporated in 2004. This subsidiary company has been a defunct unit since its year of incorporation as it couldn't implement the project successfully for which it was incorporated. Although the company is required to consolidate the financial statements of its subsidiary company in accordance with the Section 129(3) of the Companies Act, 2013 but same was not possible as the financial statements of PFCL haven't finalized for the FY 2020-21 till this date. Therefore, only the standalone financial statements of the company are placed before the shareholders for adoption in the 50th Annual General Meeting. Your company is holding 55.55 % of equity share capital in PFCL as on 31st March, 2021. The entire investment made in Pragjyotish Fertilizers and Chemicals Ltd. have already been written off from the books of the company. The Company don't have any liability towards the said subsidiary as on 31st March, 2021. Meanwhile, your company submitted a proposal to Government of Assam to initiate the process for winding up in accordance with the Companies Act, 2013. The approval of Government of Assam is still awaited for winding-up of the company.



## State of Company's Affairs and Future Outlook

Assam Petro-Chemicals Limited has been in petrochemical business for last 50 years and completed the Golden Jubilee on 15th June, 2021. The company is presently producing methanol and formalin in its plants located at Namrup in the Dibrugarh district of Assam. The Company is also operating a formalin conversion plant at Raninagar, Siliguri in West Bengal with daily production capacity of 30 tonnes. The company is marketing its products, in India and its neighboring countries viz. Bhutan and Nepal, at globally competitive price.

The company is having annual installed production capacity of 33,000 MT for methanol and installed production capacity for formalin of 41,250 MT. The company is expanding its production capacity by setting up a 500 TPD Methanol plant and a 200 TPD Formalin Plant. The 500 TPD Methanol plant was earlier targeted to commence its commercial operation in December, 2020 but due to the pandemic situation prevailed in the country since March 2020 the company couldn't meet the target. The Company has now set the revised target for Mechanical Completion including Pre-Commissioning as 30th November, 2021 and the Commissioning activities to start thereafter and production is expected by January 2022. On successful commissioning of the new methanol plant, methanol production capacity of the company will increase from 100 TPD Methanol to 600 TPD Methanol i.e. annual production capacity from 33,000 MT to 1,98,000 MT.

The Board of Directors is confident that the company will continue to operate the existing 100 TPD Methanol plant, since the Plant is continuing to perform satisfactorily and an assurance has been received from Natural Gas supplier to provide additional 0.11MMSCMD natural gas. With the increased methanol capacity the company will be able to cater to the increased methanol demand of the country and give fillip to the "Atmanirbhar Bharat" initiative of the Hon'ble Prime Minister of India.

The 200 TPD Formalin project is under implementation at Boitamari, Bongaigaon, Assam.

It is expected to give your company competitive advantage over its rival formalin producers. The total annual production capacity of Formalin will be increased from 41,250 MT to 1,07,250 MT. This plant is targeted to be completed in September, 2022.

Methanol demand in India has been increasing at 7%-8% but the domestic production of methanol has been static for quite some time. Your company is one of the main methanol producers in India.

According to a report published by NITI Aayog the domestic production of Methanol in India has fallen significantly due to high cost of natural gas and LNG at the same time domestic consumption has risen significantly. The Country is dependent on imported methanol from Arabian countries to the extent of 70-80% of its demand.

Methanol or Methyl alcohol is primarily produced from Natural Gas. It's a base material for acetic acid and formaldehyde production, and in recent years it is also increasingly being used in producing ethylene and propylene. Mixing methanol with other chemicals enables it to be used as an intermediate material to make hundreds of methanol derivative products used in practically every aspect of our lives. Methanol and its derivative products such as acetic acid and formaldehyde created via chemical reactions route are used as base materials in acrylic plastic, synthetic fabrics and fibres used to make clothing, adhesives, paint, and plywood used in construction and as a chemical agent in pharmaceuticals and agrochemicals.

The demand for methanol stood in India at 2,107 thousand tones in 2018 and is projected to grow at a Compound Average Growth Rate (CAGR) of 7.51% during 2019-2030 to reach 4,675 thousand tones by 2030. Increasing usage of methanol in the production of formaldehyde, methyl tertiary-butyl ether, pharmaceuticals, acetic acid, etc., is the primary factor expected to boost the demand for methanol in India in coming years. Since methanol is used as an alternative fuel for combustion engines due to its efficient combustion, ease of distribution and easy availability, growing automotive industry would also

drive the demand for methanol in the country during the forecast period of 2019-2030.

India needs around 2900 Crore liters petrol and 9000 Crore liters of diesel annually and will double the consumption by 2030. The present crude import bill stands at around ₹ 6 lacs crores. These hydrocarbon fuels affect our environment with Green House Gas Emission. India is third highest energy related CO<sub>2</sub> emitter country in the world. In order to counter the ever increasing crude import bill and to protect our environment from Green House Gases, the Government of India is promoting Methanol Economy in the country. In this regard the Ministry of Road Transport and Highways, Government of India has already allowed the use of M-15, M-85, MD-95 and M-100 as fuel in the country. Methanol can replace the diesel used in Railways, Marine sector and generation of power etc. Generator sets with 4 KW and 15 KW are already successfully commissioned in India with Methanol as fuel. With the introduction of Methanol blending with gasoline and other alternative uses will lead to increase in the domestic demand of methanol manifold. Introduction of M-15 fuel i.e. Methanol 15% blending with Petrol will reduce air pollution by 30% and diesel replacement by Methanol will reduce air pollution 80%. Assam Petro-Chemicals Limited being one of the main producers of methanol in the country and with the increased demand the future of the company is looking bright. It is learnt that Indian Oil Corporation Ltd. is doing necessary experiments on introduction of M-15 fuel in the country commercially.

Di-Methyl Ether (DME) is another efficient fuel and burns with lesser NO<sub>x</sub>, Particulate Matter (PM) and no SO<sub>x</sub>. It is a clean fuel which can be used as an alternative to HSD and also be blended with LPG. It is a non-toxic compound and is safe to handle. Feasibility study has been done to convert Company's 100 TPD Methanol plant into a DME plant. Your company will take up this project after successful commissioning of 500 TPD Methanol plant.

Presently, your company is focusing in successful implementation and commissioning of the 500 TPD Methanol and 200 TPD Formalin projects.

### Operating Performance:

The existing 100 TPD Methanol plant of the company has been in operation for thirty-two years. The performance of the methanol plant has been very good and it is possible due to timely and preventive maintenance of the plant carried out at regular intervals. Higher energy consumption of the 100 TPD Methanol plant because of old technology is a cause of concern for the company. The methanol plant of the company operated optimally during the Financial Year 2020-21. The summary of production of methanol and formalin during the FY 2020-21 and FY 2019-20 are given as under:

Plants	Production in MT		
	Installed Annual Capacity	FY 2020-21	FY 2019-20
Methanol	33,000	<b>29861</b>	33311
Formalin	41,250	<b>40004</b>	39217
<b>Capacity Utilisation of Plants:</b>			
Methanol	100%	<b>90.50%</b>	101%
Formalin	100%	<b>97.00%</b>	95%

The Methanol and Formalin plants were operated at 90.50% and 97.00% respectively during the Financial Year 2020-21. The Methanol production was adversely affected during the first half year due to low demand and logistic bottlenecks the company faced due to COVID-19 pandemic. Although the plants of the company were running during the COVID-19 lockdown period but the company had to cut its production for want of storage capacity.

The capacity utilization of Formalin plant depends entirely on market dynamics. The company produces formalin from methanol depending on demand in the market and realization of higher return from marketing it. COVID-19 pandemic during the FY 2020-21 had also affected in formalin business of the company.

The company remained in its same business of manufacturing and marketing of methanol and formalin during the Financial Year 2020-21. The Company is also implementing a 500 TPD Methanol and 200 TPD Formalin projects. The details of the new projects are discussed elsewhere in this report.

## Sales & Marketing:

The company has been marketing its products in North Eastern States, West Bengal, Bihar, Jharkhand, Odisha, Uttar Pradesh and several other North Indian states and also exporting to two neighboring countries viz., Nepal and Bhutan.

The Company sold 8222.00 MT methanol during the FY 2020-21 compared to 10,383.62 MT in the previous Financial Year. The company sold 45500.00MT of formalin during the FY 2020-21 as compared to 45,146.55 MT in the previous Financial Year. There were decline in sales in Methanol during the Financial Year 2020-21 mainly due to increase in Formalin production from Methanol to get higher realization from formalin sales and running the methanol plant at a sub-optimal capacity due to sluggish demand during the nationwide COVID-19 lockdown. There was slight increase in Formalin sales during the year 2020-21.

The area wise sales quantity of the company's products in the year 2020-21 vis-a-vis in the previous year are as follows:

FORMALIN				
REGION	SALES PERFORMANCE			
	FY 2020-21		FY 2019-20	
	QTY (MT)	VALUE (₹ in lacs)	QTY (MT)	VALUE (₹ in lacs)
North Eastern Region	6,843.00	1296.04	7845.49	1,314.85
North Bengal	9,261.00	1621.43	9822.66	1,382.22
South Bengal	4,696.00	686.25	4046.58	501.42
Nepal	190.00	29.98	570.89	73.31
Bhutan	744.00	139.43	1082.74	153.99
Purnea/ Kaliyaganj/ Raiganj (Bihar)	13,633.00	2096.78	17911.92	2,201.24
Patna	10,133.00	1559.08	3866.27	478.96
<b>Total</b>	<b>45,500.00</b>	<b>7429.40</b>	<b>45,146.55</b>	<b>6,106.00</b>

METHANOL				
REGION	SALES PERFORMANCE			
	FY 2020-21		FY 2019-20	
	QTY (MT)	VALUE (₹ in lacs)	QTY (MT)	VALUE (₹ in lacs)
North Eastern Region (NER)	826.00	240.24	873.58	233.29
South Bengal	2,124.00	529.19	981.78	201.91
North India	3,473.00	618.61	6,501.83	1,280.57
Nepal	1,223.00	308.09	1,357.41	329.26

Odisha	576.00	119.98	669.02	154.24
<b>Total</b>	<b>8,222.00</b>	<b>1815.70</b>	<b>10,383.62</b>	<b>2,199.26</b>

In order to increase the market share in the existing areas and to penetrate into the potential market of methanol and formalin following efforts are being made.

01. Ensure timely delivery of our products at the consignee's/customers' end.
02. Periodical feedback on quality, delivery, transportation, etc. of products from our valued customers in "CUSTOMERS FEEDBACK CARD". Visit to our customer in person are also undertaken as and when required.
03. Redressal of customer grievances within 24 hours of lodging such complaint, where possible.
04. Company organizes Customers' Meet on regular intervals for building business relationships and to showcase company's business plans and future prospective of its products.
05. Attractive quantity discount policy has been adopted to encourage the customer to procure more quantity on monthly basis.

Methanol export to Bangladesh has tremendous potential but the company is unable to accept due to logistical bottlenecks. The Methanol importers in that country prefers methanol consignments sent in HDPE drums. Indian Explosive Department and licensing authority doesn't permit transportation of methanol in plastic drums. The company is requesting the Department of Explosive, Government of India to allow the company for transportation of methanol in HDPE containers. Requisite permission from the Department of Explosive, Government of India is not yet received. Your company is in touch with Bangladesh Chambers of Commerce to develop a market and logistical support for transportation of Methanol into their country. The Company sold its products to the Methanol and Formalin customers in Nepal and Bhutan directly at India currency. The Company officials also visit the valued customers of the company to interact with them and gather firsthand information about their requirements and address difficulties.



Methanol has great potential in India as it is used as raw material in pharmaceuticals, garments, chemicals, bio-diesel, wood-based industries, adhesive and some other chemicals industries. India imports large quantity of methanol from other countries as the domestic production don't fulfill country's demand. The Company has made elaborate plan to market the additional quantity of Methanol on commissioning of the 500 TPD Methanol Plant.

### **Project Activities:**

The shareholders are aware that the company is implementing a 500TPD Methanol and 200TPD Formaldehyde Project at Namrup and Boitamari, Bongaigaon respectively. Overall physical progress of implementation of the 500 TPD Methanol project was 99.2% as on 31st August, 2021. The detailed design, engineering and procurement works have since been completed, which were under the scope of Engineers India Ltd. (EIL), the LEPCM contractor of the project. All indented items like pipes, valves, pipe fittings etc. and equipment have been received at site and also erected. The company was targeting to commission the 500 TPD Methanol Plant in December, 2020 but same couldn't achieved due to delayed receipt of certain key equipment and erecting works badly suffered due to COVID-19 pandemic. The Board of Directors of the company and the Government of Assam are regularly monitoring the project implementation and preparation for commissioning of the Project. The Hon'ble Chief Minister of Assam and Hon'ble Minister of Industries and Commerce, Government of Assam were visited the 500 TPD Methanol project site during the current year to take stock of the progress of implementation of the project. As per the revised times line given by Engineers India Limited, the Mechanical Completion including pre-commissioning activities of the project will be achieved by 30th November, 2021 and the commissioning of the 500 TPD Methanol project will be commence in the first week of December, 2021.

The project cost has increased to ₹ 1709.18 Crore from the original cost of ₹ 1337 Crore. The company has already received the entire equity amount i.e. from all the project equity holders (Governor of

Assam, Oil India Ltd. and Assam Gas Company Ltd.) against earlier approved project cost of ₹ 1337 crore. The revised project cost requires an additional equity amount of ₹125 Crores and debt capital from bank of ₹247.19 Crores considering the same Debt: Equity ratio i.e. 2:1. All efforts are made to achieve the financial closure on the additional project cost. Your company has requested to project equity holders i.e. Governor of Assam, Oil India Limited and Assam Gas Company Limited to contribute the additional equity capital in the same ratio agreed earlier. Although Oil India Limited has conveyed their decision to contribute their share of additional equity but the official confirmation from Government of Assam and Assam Gas Co. Ltd. are still awaited. Fresh equity capital shall be accepted from the project equity holders in the same ratio to maintain the same shareholding pattern.

Punjab National Bank (PNB) sanctioned term loan of ₹890.67 Crore for the 500 TPD Methanol and 200 TPD Formalin project of the company considering debt equity ratio of 2:1 on the original project cost of ₹1337 Crore. Subsequently, PNB provided Working Capital Term Loan of ₹69.76 Crore under GECL 2.0 scheme. The company will create the charge on the properties including plant and machineries of the project, assignment of insurance policies of the project in favour of Punjab National Bank for securing the loan the bank already extended.

The Lump-Sum Turn Key (LSTK) job for setting up of the 200 TPD Formalin project was awarded to ISGEC Heavy Engineering Ltd. with Technology Licensor M/s Omega Chemical Group S.R. L., Italy at a cost of ₹ 70.80 Crores on 5th September, 2020 and this project is targeted to complete in 24 months. The pre-project activities such as topographical survey, soil & raw water investigation, electrification etc. have been completed. Statutory compliances such as Consent to establish, Environmental Clearance have been received. The civil works of this project have started.

### **Human Resource Management and Industrial Relations:**

The human resources are the most important assets of any organization. The success or failure of an

organization is largely dependent on the caliber and capabilities of the people working therein. Without positive and creative contributions from people, organizations cannot progress and prosper. To optimize the human resource of the Company, the HR Department has been continuously playing a pivotal role in terms of sourcing competent personnel through manpower planning, pursuing continuous training and development programme to enhance the present level of skills and knowledge of the employees. The Company conducted in-house and external training programme both technical and behavioral for enhancing the knowledge, skills and competencies of its employees. The Company has also been imparting short term industrial training, non-stipendiary vocational training and apprenticeship training to the students from different educational institutions.

The manpower strength of the Company was 335 as on 31.03.2021 out of which 141 nos. were unionised cadre and remaining 194 nos. were officers. The total nos. of woman employee were 31 on roll of the company as on 31.03.2021. During the year 17 nos. employees retired on attaining their age of superannuation and 51 nos. were recruited to fill up the vacancies including 37 nos. of Graduate Engineers Trainees and Management Trainees.

The industrial relations scenario of the Company during Financial Year 2020-21 was harmonious and cordial. All the issues raised by the APL Workers' Union as well as APL Officers' Association were resolved amicably through discussions.

#### **Dividend and transfer to Reserves:**

During the Financial Year 2020-21, your company earned a net profit of ₹ 591.81 lacs. Although the company earned profit during the year 2020-21 but your Board couldn't recommend for payment of dividend due to low profit. The Board of Directors of the company believes that the financial position of the company will improve with the commissioning of the 500 TPD Methanol plant. The company transferred entire profit earned to the General Reserve of the company.

#### **Unpaid and unclaimed dividend for the previous Financial Years:**

In spite of repeated appeal to the shareholders some amount of dividend declared for the 2013-14 are still laying as unclaimed in bank accounts of the company. According to Section 124(5) of the Companies Act, 2013 the company is required to transfer the above amount to the 'Investors Education and Protection Fund (IEPF)' set up by the Central Government after expiry of 7 (seven) years from its transfer to Unpaid and Unclaimed Dividend account.

A good number of our valued shareholders haven't yet claimed their dividend for the Financial Year 2013-14. The details of unclaimed dividend amount and due date of transfer to IEPF are given as under.

Dividend Year	Amount unclaimed as on 31 <sup>st</sup> March, 2021 (in ₹)	Due date for transfer to IEPF
2013-14	68,446.00	07/11/2021

The shareholders are requested to claim their unclaimed dividend by writing to the Company Secretary of the company before the due date of transfer to IEPF i.e. 7th November, 2021.

The shareholders of the company are aware that according to Section 124(6) of the Companies Act, 2013 and the IEPF (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended, the company is required to transfer the corresponding shares of dividend unpaid amount to the Demat account of Investors Education and Protection Fund Authority. In compliance with the above law, the company transferred 2,56,335 nos. of equity shares of 515 nos. shareholders alongwith unclaimed dividend amount for the FY 2009-10 and 2012-13.

The shareholders whose shares and unclaimed dividend amount have already been transferred to IEPF authority may claim their shares by filing the online Form IEPF 5. The e-form IEPF -5 is available at [www.iepf.gov.in](http://www.iepf.gov.in). For any clarification, the shareholders may write to the Company Secretary of the company or company's Registrar and Share Transfer Agent M/s C B Management Services (P) Ltd., P-22, Bondel Road, Kolkata-700 019.

### Credit Rating:

ICRA Ltd. has reaffirmed their long-term credit rating at [ICRA] BBB (Negative) vide their letter dated July 15, 2021 on the loan amount ₹ 890.67 Crores availed from Punjab National Bank. Efforts are made to improve the initial rating of ICRA Ltd.

### Changes in Share Capital:

There was no change in the share capital of the company during the Financial Year ending on 31st March, 2021. The paid-up share capital of the company was ₹ 4,97,15,97,080.00 comprising 49,71,59,708 numbers of equity share of ₹ 10.00 each as on 31st March, 2021.

The company didn't issue any shares with differential rights or benefits or Employee Stock Options or Sweat Equity Shares during the Financial Year 2020-21.

### Extract of Annual Return:

Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12 (3) of the Companies (Management and Administration) Rules, 2014 an extract of Annual Return in Form MGT-9 for the Financial Year ending on 31<sup>st</sup> March, 2021 is enclosed as Annexure- 'A'. The Form MGT-7 will be published in company's website [www.assampetrochemicals.co.in](http://www.assampetrochemicals.co.in).

### Board of Directors and the Number of Board Meetings:

The Board of Directors of the Company is constituted in accordance with the Section 149 of the Companies Act, 2013. The Board of Directors of the company comprises of nominee Directors from Oil India Ltd. and Government of Assam, Independent Directors and Whole Time Directors. The members of the Board of Directors of the company are mixture of civil servants, technocrats with experience in related field, professionals and a social worker. All the members of the Board of Directors had/have requisite skills and knowledge to run the company.

There were several changes in the Board of Directors of the company during the year 2020-21. During the year the Board of Directors of the Company

was constituted as per the newly adopted Articles of Association and Memorandum of Understanding (MOU) entered between Government of Assam, Oil India Limited and Assam Petro-Chemicals Limited. According to the Article 85 of the Articles of Association of the Company, Governor of Assam and Oil India Ltd. have equal rights to nominate directors on the Board of the Company. The Article 121 of the Articles of Association provides for appointment of Managing Director by the Government of Assam and a Director (Finance) by Oil India Ltd.

In view of compliance with the above provisions of the Articles of Association of the Company all the existing Independent Directors on the Board were relinquished their offices and paved the way to reconstitute the Board of Directors of the Company. In the process, there was only one independent director on the Board of the company for a period more than 180 days during the Financial Year 2020-21 against statutory requirement of minimum 2 independent directors.

Following changes were taken place in the Board of Directors of the company during the FY 2020-21:

1. *Shri Atul Chandra Barman (DIN-08632364) General Manager (Project) took charge as Managing Director on 1st April, 2020.*
2. *Shri Deepakananda Bharali (DIN-08739623) appointed as Independent Director of the Company effective from 6th May, 2020.*
3. *Office of Independent Director vacated due to sad demise of Digandra Nath Barua (DIN-00431146) on 16th May, 2020*
4. *Shri Amarendra Nath Das (DIN-02818045) resigned as Director of the Company on 8th July, 2020.*
5. *Shri S K Choubey (DIN-01616405) resigned as Director of the Company on 8th July, 2020.*
6. *Shri Birinchi Kr. Sarma (DIN-02817985) resigned as Director of the Company on 22nd July, 2020.*
7. *Shri Utpal Borah (DIN-02071252) resigned as Director of the Company on 26th July, 2020.*
8. *Shri K A Murali (DIN-08717563) was appointed*



Director (Finance) on 25th September, 2020. He took charge of the Director (Finance) on 1st October, 2020.

9. Shri Pritam Ray Choudhury (DIN-08822190) appointed as Director of the Company on 25th September, 2020
10. Shri Arup Jyoti Sarmah (DIN-08830629) appointed as Director of the Company on 25th September, 2020
11. Ms. Pranati Goswami (DIN-08822172) appointed as Director of the Company on 25th September, 2020
12. Shri Kishore Kr. Baishya (DIN-08822204) appointed as Director of the Company on 25th September, 2020
13. Shri Pangkaj Kr. Dutta (DIN-08822213) appointed as Director of the Company on 25th September, 2020
14. Shri Tridip Baruah (DIN-08833074) appointed as Director of the Company on 25th September, 2020

There were 13 (thirteen) nos. of directors on the Board of Assam Petro-Chemicals Limited as on 31st March, 2021 and they were:

1. Shri Bikul Chandra Deka, Chairman
2. Shri Atul Ch. Barman, Managing Director
3. Shri K A Murali, Director (Finance) & Chief Financial Officer
4. Shri Oinal Sarankumar Singh, IAS\*
5. Shri Kailash Karthik N., IAS
6. Ms. Nazreen Ahmed, ACS, \*\*
7. Shri Pritam Roy Choudhury, Director
8. Shri Arup Jyoti Sarmah, Director
9. Ms. Pranati Goswami, Director
10. Shri Kishore Kr. Baishya, Director
11. Shri Pangkaj Kr. Dutta, Director#
12. Shri Tridip Baruah, Director
13. Shri Deepakananda Bharali, Independent Director

\* The Government of Assam vide notification no. CI.191/2003/152 dated 17th July, 2021 relieved Shri Oinam Sarankumar Singh, IAS as director

and appointed Shri Adil Khan, IAS as Director on the Board of the Company.

\*\* Ms. Neera Gaulagupu, ACS, Additional Secretary to the Government of Assam was appointed as Director in place of Shri K J Hilaly, ACS vide notification no. CI.191/2003/152 C dated 17th July, 2021. Shri Hilaly was earlier appointed as Director in place of Ms. Nazreen Ahmed, ACS on 12<sup>th</sup> April, 2021.

# Oil India Limited withdrawn Shri Pangkaj Kr. Dutta as director of the company w.e.f. 12th April, 2021.

According to Section 152 of the Companies Act, 2013 the following directors are to retire by rotation in the 50th Annual general Meeting who can offer himself for reappointment:

- a) Shri Bikul Ch. Deka (DIN-07774812)
- b) Shri Kailash Karthik N. (DIN-08271296)
- c) Shri Arup Jyoti Sarmah (DIN-08830629)

The Government of Assam vide notification no. CI.191/2003/144 B dated 03rd March, 2021 appointed Shri Gokul Ch. Swargiyari [DIN-08545385] as a Director on the Board of Directors of the Company. The Board of Director of the company in 363rd Meeting held on 12th April, 2021 appointment him as Additional Director on the Board till the 50th Annual General Meeting.

Pursuant to the Section 149 (4) of the Companies Act, 2013 and on the advice of Oil India Limited, Prof. Gautam Barua (DIN-01226582) was appointed as Additional Director (Independent) on 12th April, 2021 for a period of 5 (five) years subject to approval of the company in 50th Annual General Meeting.

The Board of Directors of the company recommends the approval of the shareholders on the appointment of Shri Gokul Ch. Swargiyari (DIN-08545385) and Prof. Gautam Barua (DIN-01226582) as Directors in the ensuing Annual General Meeting.

#### **Number of Meetings of the Board of Directors:**

During the Financial Year 2020-21 the company convened total 5 (five) meetings of the Board of Directors and the gap between two consecutive

meetings of the Board of Directors never exceeded 120 days. The details of the meetings of the Board of Directors held during the Financial Year 2020-21 are given under para-Board of Directors in the Corporate Governance Disclosure enclosed as 'Annexure B'. All the meetings of the Board of Directors were held through the video conferencing facility.

#### **Particulars of Loan, Guarantees and Investments under Section 186:**

The Company has not given any loan or guarantee covered under the provisions of section 186 of the Companies Act, 2013 during the Financial Year 2020-21.

#### **Particulars of Contracts or Arrangements with Related Parties:**

The company didn't enter any related party transaction with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict of interest with the company.

However, pursuant to issuance of fresh equity shares on 21st September, 2018, Assam Petro-Chemicals Limited became an Associate Company of Oil India Limited as per Section 2(6) of the Companies Act, 2013. Oil India Limited has been the sole supplier of Natural Gas to Assam Petro-Chemicals Limited since the day of its commercial production commenced in 1976. The company purchased Natural Gas in the FY 2020-21 for production of methanol at a price fixed, from time to time, by the Ministry of Petroleum and Natural Gas, Government of India.

#### **Material Changes Affecting the Financial Position of the Company:**

There was no such material changes and commitments in the company which could affect the financial position from the date of the financial statements of the company for the Financial Year 2020-21 till the date of signing this report.

#### **Conservation of Energy, Technology, Absorption, Foreign Exchange Earnings and Outgo:**

The details of Energy, Technology, Absorption,

Foreign Exchange Earnings and Outgo are as under:

##### **I. Conservation of Energy-**

##### **A. Energy conservation measures taken:-**

(a) The process technologies adopted in our 100 TPD Methanol and 125 Formalin plants are energy efficient. The Company selected the most developed I.C.I. (Now Johnson Matthey) England, Low Pressure Methanol Technology for manufacture of Methanol and Derivados Forestales, Netherlands Silver Process Technology for manufacture of Formaldehyde. The waste heat has been recovered to produce steam required for the process. Hence, heat is not radiated to atmosphere. Heat exchangers and pipes are well insulated to prevent the loss of heat. Cooling waters used in heat exchangers and other cooling water are recycled back to Cooling Tower and then reused to prevent the loss of water and treating chemicals. Efficient and effective corrosion resistance properties to the cooling water system, environment friendly & bio-degradable chemicals are used.

(b) In the township, majority of the street lighting system with conventional CFL illumination is replaced with energy efficient & long-lasting LED lighting system.

(c) Proposal is on the anvil to replace the existing plant area illumination system with energy efficient & relatively maintenance free LED lights.

(d) The procurement and replacement of energy efficient, VFD drive motor that the modern technology has offered, is encouraged and accomplished.

(e) Power Factor Improvement Capacitors (PFIC) are incorporated in electrical circuit for PF improvement and for obtaining additional discount thereof in the monthly energy bill.

##### **B. Additional investments and proposals if any being implemented for reduction of the consumption of energy:**

There was no such proposal in the year under review.

### C. Impact of the measures (A) & (B) above:-

The specific consumption of electricity and fuel natural gas are well within the tolerance limit and hence we could have pollution free environment.

### D. Total energy consumption and power & fuel consumption per unit of production

a. Electricity	2020-21	2019-20
i) Purchased Unit (MWH)	14774	15185
Total amount (₹ in Crores)	09.91	11.10
Rate per Unit (₹/KWH)	8.00	8.40
ii) Own generation (MWH)	4273.11	3886.66

b. Consumption per Unit of production		
i) Electricity (KWH)		
Methanol Unit-II	559	503
ii) Natural Gas (NM <sup>3</sup> )		
Methanol Unit-II	1171	1039

### II. Technology Absorption: Research and Development (R & D)-

- Specific area in which R & D carried out by the company: The company doesn't have R & D facilities. However, the company takes steps for plant improvement and debottlenecking. The Company installed an additional Natural Gas compressor and a condenser in the methanol distillation section for better performance of the plant.
- Benefit derived as a result of above R & D: Does not arise
- Future Plan of Action: The company don't have the plan to establish any in house research and development facilities as on this date.

### III. Technology Absorption and Adaptation-

- The efforts made towards technology absorption, adaptation and innovation:

APL has been operating its 100 TPD Methanol and 125 TPD Formalin plants with the technology supplied by foreign suppliers. The Methanol technology was acquired from ICI Technology (Johnson and Matthey) and Formalin technology from Derivados Forestales, Netherland's technology.

- The benefits derived like product improvement, cost reduction, product development or import substitution etc.: Product quality improved & no pollution related issues faced
- In case of imported technology (imported during the last three years reckoned from the beginning of the Financial Year)

- The details of technology imported : Does not arise
- The year of import : Does not arise
- Whether the technology been fully absorbed : Does not arise
- If not fully absorbed, areas where absorption has not taken place, and the reasons thereof : Does not arise

### IV. Foreign Exchange Earnings and Outgo-

- Activities relating to exports: The company has been taking initiatives to export its product to Bangladesh to earn foreign exchange for the country. The products sold in Bhutan and Nepal is in Indian Currency only. Since, the company didn't export its products to other than Nepal and Bhutan, hence no foreign exchange earned during the FY 2020-21.

- Total Foreign exchange used and earned:

Particulars	2020-21 (₹)	2019-20 (₹)
i. Earnings in Foreign Exchange (sales)	Nil	Nil
ii. Foreign Exchange Outgo	Nil	2,27,115.00

### Details of Subsidiary:

Your company has a subsidiary company viz., Pragjyotish Fertilizers & Chemicals Ltd. (PFCL)



incorporated in 2004 as a joint venture company with State Fertilizer Corporation Ltd. PFCL has not been carrying on any business since its incorporation. This company is under winding-up process. The financial statements for the Financial Year 2020-21 haven't yet been prepared and therefore the financial statements of the subsidiary company could not be consolidated with the financial statements of the company as prescribed in Section 129(3) & 134(1) of the Companies Act, 2013 and Companies (Accounts) Rules, 2014.

### **Business Risk Management:**

Although the company doesn't have any specific risk management policy as on this date, the Board of Directors of the company deliberates on threats, risks and concerns which may threaten the continuation of its business or pose threat on its existence in its meetings on a regular basis.

The entire plant and machineries of the company are fully insured. The company also taken comprehensive insurance policy on the 500 TPD Methanol and 200 TPD Formalin project to cover all kind of risks during the construction period.

### **Details of Directors and Key Managerial Personnel:**

The provisions of Section 203 of the Companies Act, 2013 became applicable to the company w.e.f. 2nd June, 2018 due to increase of paid-up share capital of the company beyond ₹10 Crore. There were three Key Managerial Personnel (KMP) as defined in Section 203 of the Companies Act, 2013. The KMPs of the company as on 31<sup>st</sup> March, 2021 were as follows:

1. **Shri Atul Ch. Barman**, Managing Director
2. **Shri K A Murali**, Director (Finance) & Chief Financial Officer (w.e.f. 1st October, 2020)
3. **Shri Uttam Bailung**, Company Secretary

Other than the KMPs stated above, the company is having senior management team blending of technocrats and professionals to handle the affairs of the company effectively.

The details of the Directors of the company along

with the Directors who were appointed or have ceased as Director during the year have already been discussed elsewhere in this report in details and also stated in the Corporate Governance Disclosure annexed hereto.

### **Deposits:**

The company doesn't have any outstanding deposit at beginning of the Financial Year nor did it accept any deposits from the public during the Financial Year 2020-21.

### **Statement in Respect of Adequacy of Internal Financial Control with Reference to the Financial Statements:**

The Company has adequate internal financial control system in place and same is commensurate with the nature and size of the business of the company. The company also appointed a Chartered Accountant firm as internal auditor to discharge the internal audit function for the FY 2020-21. This enhances the effectiveness of the internal control system further.

### **Receipt of any commission by Managing Director from Company or for receipt of commission / remuneration from it holding or subsidiary:**

The company didn't pay any commission to its Managing Director nor did the Managing Director receive any commission from its subsidiary company. However, the Managing Director of the company is entitled to receive ₹ 25,000.00 as ex-gratia for the FY 2020-21.

### **Declaration by Independent Director:**

All the Independent Directors have given declarations in the beginning of the Financial Year 2020-21 that they meet the criteria of independence as laid down under section 149(6) of the Companies Act, 2013.

As per the declaration given and noted by the Board of Directors, none of the Independent Director was disqualified to be appointed or continue as Independent Director of the company as on 31st March, 2021.

Your Company being a Government Company, the Comptroller and Auditor General of India appoints Independent Auditor for the company to carry

out statutory audit. The Comptroller and Auditor General of India vide their letter no. CA. V/COY/ASSAM, APETRO (1)/63 dated 10th August, 2020 appointed AMD & Associates, Chartered Accountants as independent auditors for FY 2020-21.

The Auditors have conducted their audit for the Financial Year ending on 31st March, 2021 and their report dated 11th August, 2021 is enclosed with the financial statements. Your Company pays ₹2,50,000/- (Rupees two lacs fifty thousand) only as Audit Fee to the Independent Auditor for conduct of their audit.

#### **Secretarial Auditor:**

Pursuant to Section 204 of the Companies Act, 2013 and the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, your Board appointed Amit Pareek & Co, Company Secretaries as the Secretarial Auditor of the company for the Financial Year 2020-21. The Secretarial Auditor has conducted their audit and their report dated 27<sup>th</sup> July, 2021 is annexed with this Report as **Annexure-C**.

#### **Cost Auditors:**

Pursuant to the Companies (Cost Records and Audit) Rules, 2014, the Company appointed M/s Subhadra Dutta & Associates, Cost Accountants to undertake the Audit of the Cost Records of the Company for the Financial Year 2020-21. The Board of Directors also reappointed them as cost auditor of the company for the FY 2021-22 at a remuneration of ₹23,900.00 (Rupees Twenty-three thousand nine hundred) only excluding applicable tax and out of pocket expenses. The Board recommends for approval of the Cost Audit Fee in the ensuing AGM.

#### **Corporate Social Responsibility (CSR) Policy:**

Pursuant to the Section 135 of the Companies Act, 2013, the company constituted Corporate Social Responsibility Committee to frame policy and recommend to the Board of Directors to approve and oversee the compliance the CSR policy implementations. The composition of Corporate Social Responsibility Committee of the company is as follows:

a)	Shri Atul Ch. Barman, Managing Director	Chairman
b)	Shri KA Murali, Director (Finance)	Member
c)	Ms. Pranati Goswami, Director	Member
d)	Shri Deepakananda Bharali, Independent Director	Member

Assam Petro-Chemicals Limited being a responsible public sector organization, it spent its CSR budget amount diligently in the FY 2020-21.

Apart from spending 2% of average net profit of last three Financial Years as per the CSR Policy of the Company, it also contributed ₹25,00,000.00 to the Chief Minister's Relief Fund, Assam during the Financial Year 2020-21. The details of the CSR expenditures and the CSR policy is annexed as **Annexure -D**.

This may be mentioned that the company also contributed an amount of ₹1,00,00,000.00 (Rupees one crore) only to Chief Minister's Relief Fund on 29th May, 2021 for strengthening of health infrastructure in the state and COVID-19 vaccination.

#### **Audit Committee:**

The Audit Committee of the Company is constituted under the Chairmanship of an Independent Director in terms of the Section 177 of the Companies Act, 2013. The details of the meeting of the Audit Committee held during the Financial Year 2020-21 and the roles and power of the Audit Committee are given in the *Corporate Governance Disclosure*.

#### **Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013:**

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013 is a comprehensive piece of legislature covering all the aspects to provide protection against sexual harassment of women at workplace, prevention and redressal of complaints of sexual harassment and for matters connected therewith or incidental thereto. In order to ensure compliance of the provisions of the said Act, the company has constituted an Internal Complaint Committee on 29.05.2015. The Internal Complaint Committee didn't receive any complaint

and/or incidence of sexual harassment during the Financial Year 2020-21.

### **Directors Responsibility Statement:**

Pursuant to the requirement under Section 134 (5) of the Companies Act, 2013 with respect to the Directors' Responsibility Statement, it is hereby confirmed that:

- (i) In the preparation of the annual accounts for the Financial Year ended on 31st March, 2021, all applicable accounting standards had been followed, along with proper explanations relating to material departures;
- (ii) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as on 31st March 2021 and of the profit and losses of the Company for that period;
- (iii) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) The Directors had prepared the annual accounts of the company for the Financial Year ended on 31st March, 2021 on a 'going concern' basis.
- (v) The Directors, have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (vi) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **Reply to the Comments of the Auditors:**

The Auditors of the company have made certain

comments in their Audit Report. According to the Section 134(3)(f) of the Companies Act, 2013, the Board of Directors of the company have given pointwise reply on the same. The reply of the Board is enclosed as 'Annexure E'.

### **Celebration of National Safety Day and World Environment Day:**

Your company celebrated the National Safety Day on 4th March, 2021 in the factory premises at Namrup. The theme of this year's National Safety Day was "Learn from Disaster and Prepare for Future". Larger number of employees participated in the event and pledged for adherence of all safety norms and standards for their personal safety and the properties of the company.

Your company like the previous years celebrated the World Environment Day on 5th June, 2020 in the company's head office and factory premises at Namrup with the theme of "Celebrate the Biodiversity". The Company planted saplings and organized awareness programme amongst the employees of the company.

### **Acknowledgment:**

Your directors place on record their appreciation of the unstinted support and encouragement extended by the Government of Assam, banks, the valued shareholders, customers and the employees of the company.

Your directors also place on record their sincere appreciation to Oil India Limited for continuous supply of Natural Gas as main feedstock for production of Methanol and Assam Gas Company Ltd. for transporting Natural Gas to the plant.

Your directors also like to express sincere thanks and gratitude to the dealers, transporters, customers and all other stakeholders for their continuous faith and support on the company.

**For and on behalf of the Board of Directors**

Place: Guwahati  
Date: 01-11-2021

Sd/-  
(Bikul Ch. Deka)  
Chairman



Form MGT 9

## EXTRACT OF ANNUAL RETURN

As on Financial Year ended on 31st March, 2020

[Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management &amp; Administration ) Rules, 2014.]

I.	REGISTRATION AND OTHER DETAILS:				
i)	CIN	U24116AS1971SGC001339			
ii)	Registration Date	22nd April, 1971			
iii)	Name of the Company	Assam Petro-Chemicals Limited			
iv)	Category/Sub-category of the Company	Public Company Limited by Shares			
v)	Address of the Registered office & contact details	4th Floor, Orion Place, Bhangagarh, Mahapurush Srimanta Shankardev Path,Guwahati, Assam, India, PIN-781005 Phone No.: 0361-2461594, 2461470 and 2461471, e-mail: aplguw@assampetrochemicals.co.in; website: www.assampetrochemicals.co.in			
vi)	Whether listed company	Unlisted			
vii)	Name, Address & contact details of the Registrar & Transfer Agent, if any.	C B Management Service (P) Limited, P-22, Bondel Road, Kolkata-700019, West Bengal, India Telephone No: 033-22806692-93-94, 66922486, 66922937 Fax no. 033-22870263, e-mail: rta@cbmsl.com			
II.	PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY				
	All the business activities contributing 10% or more of the total turnover of the company.				
SL No	Name & Description of main products/services	NIC Code of the Product /service*	% to total turnover of the company**		
i)	Methanol	201	26.48		
ii)	Formaldehyde	201	73.52		
* On the basis National Industrial Classification - Ministry of Statistics and Programme Implementation					
** On the basis of Net Turnover					
III.	PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES				
Sl No	Name & Address of the Company	CIN	HOLDING/ SUBSIDIARY/	% OF SHARES HELD	APPLICABLE SECTION
i)	Oil India Limited	L11101AS1959GOI001148	Associate	48.68	2(6)
ii)	Pragjyotish Fertilizers & Chemicals Limited	U24124AS2004SGC007344	Subsidiary	55.56	2(87)

**IV SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)**
**(i) Category-wise Share Holding**

Category of Shareholder	Number of shares held at the beginning of the year (01-04-2020)				Number of shares held at the end of the year (31-03-2021)				
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	% change during the year
A. Promoters									
(1) Indian									
(a) Individual/ HUF	0	8,255	8,255	0.00	0	2,750	2,750	0.00	0.00
(b) Central Government	0	0	0	0.00	0	0	0	0.00	0.00
(c ) State Government(s)	4,96,75,340	36,850	4,97,12,190	10.00	4,97,12,190	0	4,97,12,190	10.00	0.00
(d) Bodies Corporate	0	0	0	0.00	0	0	0	0	0
(e) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
(f) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
Sub Total(A)(1)	4,96,75,340	45,105	4,97,20,445	10.00	4,97,12,190	2,750	4,97,14,940	10.00	0.00
(2) Foreign									
(a) NRIs-Individuals	0	0	0	0.00	0	0	0	0.00	0.00
(b) Other - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
(c )Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(d) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
(e) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
	0	0	0	0.00	0	0	0	0.00	0.00
Sub Total(A)(2)	0	0	0	0.00	0	0	0	0.00	0.00
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	4,96,75,340	45,105	4,97,20,445	10.00	4,97,12,190	2,750	4,97,14,940	10.00	0.00
B. Public shareholding									
1. Institutions									
(a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
(b) Banks/FI	0	0	0	0.00	0	0	0	0.00	-0.99
(c ) Central Government (Oil India Limited)	24,20,00,000	-	-	48.68	24,20,00,000	0	24,20,00,000	48.68	0.00
(d) State Government(s)	0	20,50,00,000	20,50,00,000	41.23	0	20,50,00,000	20,50,00,000	41.23	1.57
(e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
(g) FIIs	0	0	0	0.00	0	0	0	0.00	0.00
(h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00

(i) Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (B)(1)	24,20,00,000	20,50,00,000	44,70,00,000	89.91	24,20,00,000	20,50,00,000	44,70,00,000	89.91	0.00
2. Non-institutions									
(a) Bodies Corporate									
(i) Indian	825	1,100	1,925	0.00	825	1,100	1,925	0.00	0.00
(ii) Overseas	0	0	0	0.00	0	0	0	0	0.00
(b) Individuals									
(i) Individual shareholders holding nominal share capital up to ₹ 1 lakh	18,854	2,13,304	2,32,158	0.05	18,917	1,53,704	1,72,621	0.04	-0.01
(ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh.	0	11,000	11,000	0.00	0	11,000	11,000	0.00	0.00
(c )Others (specify)									
(i)Society	0	2750	2750	0.00	0.00	2,750	2,750	0.00	-0.01
Investor Education & Protection Fund	1,91,430	0	1,91,430	0.04	2,56,335	0.00	2,56,335	0.06	-0.01
Sub-Total (B)(2)	2,11,109	2,28,154	4,39,263	0.09	2,76,214	1,68,554	4,44,631	0.09	0.00
Total Public Shareholding (B)= (B)(1)+(B)(2)	24,22,11,109	20,52,28,154	44,74,39,263	90.00	24,22,76,214	20,51,68,554	44,74,44,768	90.00	0.00
C. Shares held by Custodians for GDRs & ADRs	0	0	0	0.00	0	0	0	0	0.00
<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>29,18,86,449</b>	<b>20,52,73,259</b>	<b>49,71,59,708</b>	<b>100</b>	<b>29,19,88,404</b>	<b>20,51,71,304</b>	<b>49,71,59,708</b>	<b>100</b>	<b>0.00</b>

## (ii) SHARE HOLDING OF PROMOTERS

Sl No.	Shareholder's Name	Shareholding at the beginning of the year (1st April, 2020)			Shareholding at the end of the year (31st March, 2021)			% 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	Assam Industrial Development Corporation Limited	4,97,12,190	10.00	0.00	4,97,12,190	10.00	0.00	0.00
2	Shri Hemendra Prasad Barooah	5,505	0.00	0.00	0	0.00	0.00	0.00
5	Shri Alok Mookherjee	2,750	0.00	0.00	2,750	0.00	0.00	0.00
	Total	4,97,20,445	10.00	0.00	4,97,14,940	10.00	0.00	0.00



**(iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)**

Sl. No	Promoters	Shareholdings		Date	Increase/Decrease in share holding	Details of Changes in Shareholding	Cumulative Shareholding during the year (01.04.2020 to 31.03.2021)	
		No. of shares at the beginning (01.04.2020) and at the end (31.03.2021) of the year	% of total shares of the company				No of shares	% of total shares of the company
1	Assam Industrial Development Corporation Limited (AIDC Ltd.)	4,97,12,190	10.00	1-Apr-20	No change		4,97,12,190	10
		4,97,12,190	10.00	31-Mar-21			4,97,12,190	10
2	Shri Hemendra Prasad Barooah	5505	0.00	1-Apr-20	No change		5,505	0.00
		5505	0.00	31-Mar-21			5,505	0.00
3	Shri Alok Mookherjee	2,750	0.00	1-Apr-20	No change		2,750	0.00
		2,750	0.00	31-Mar-21			2,750	0.00

**(iv) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRs AND ADRs)**

Sl. No	Top Ten Shareholders	Shareholdings		Date	Increase/Decrease in share holding	Details of Changes in Shareholding	Cumulative Shareholding during the year (01-04-2020 to 31-03-2021)	
		No. of shares at the beginning (01.04.2020) and at the end (31.03.2021) of the year	% of total shares of the company				No of shares	% of total shares of the company
1	Oil India Limited	24,20,00,000	48.68	1-Apr-2020			24,20,00,000	48.68
		24,20,00,000	48.68	31-Mar-2021	No Change	NA	24,20,00,000	48.68
2	Governor of Assam	17,00,00,000	34.19	1-Apr-2020			17,00,00,000	34.19
		17,00,00,000	34.19	31-Mar-2021	No Change	NA	17,00,00,000	34.19
3	Assam Gas Co. Ltd	2,80,00,000	5.63	1-Apr-2020			2,80,00,000	5.63
		2,80,00,000	5.63	31-Mar-2021	No Change	NA	2,80,00,000	5.63
4	Shri Kailash Bagaria	11,000	0.00	1-Apr-2020			11,000	0.00
		11,000	0.00	31-Mar-2021	No Change	NA	11,000	0.00
5	Shri Keshalata Bymra	5,500	0.00	1-Apr-2020			5,500	0.00
		5,500	0.00	31-Mar-2021	No Change	NA	5,500	0.00

6	Shri Somnath Mookherjea	5,500	0.00	1-Apr-2020			5,500	0.00
		5,500	0.00	31-Mar-2021	No Change	NA	5,500	0.00
7	Shri Suman Malu	5,500	0.00	1-Apr-2020			5,500	0.00
		5,500	0.00	31-Mar-2021	No Change	NA	5,500	0.00
8	AOD Oil-Co-Operative Society, IOC	2,750	0.00	1-Apr-2020			2,750	0.00
		2,750	0.00	31-Mar-2021	No Change	NA	2,750	0.00
9	Sushila Baruah	2,750	0.00	1-Apr-2020			2,750	0.00
		2,750	0.00	31-Mar-2021	No Change	NA	2,750	0.00
10	Anima Baruah	2,750	0.00	1-Apr-2020			2,750	0.00
		2,750	0.00	31-Mar-2021	No Change	NA	2,750	0.00

(v) **SHAREHOLDING OF DIRECTORS & KMP**

Sl. No	Name the Directors & KMP	Shareholdings		Date	Increase/Decrease in share holding	Details of Changes in Shareholding	Cumulative Shareholding during the year (01.04.2020 to 31.03.2021)	
		No.of shares at the beginning (01.04.2020) and at the end(31.03.2021) of the year	% of total shares of the company				No of shares	% of total shares of the company
1	Shri Bikul Ch. Deka	0	0.00	01.04.2020	0	No changes	0	0.00
				31.03.2021	0			
2	Shri Atul Ch. Barman	0	0.00	01.04.2020	0	No changes	0	0.00
				31.03.2021				
3	Shri K A Murali	0	0.00	01.10.2020	0	No changes	0	0.00
				31.01.2021				
4	Shri Oinam Sarankumar Singh, IAS	0	0.00	01.04.2020	0	No changes	0	0.00
				31.03.2021				

5	Shri Pritam Ray Choudhury [appointed as Director on 25th September, 2020]	0	0.00	25.09.2020 31.03.2021		No changes	0	0.00
6	Shri Arup Jyoti Sarmah [appointed as Director on 25th September, 2020]	0	0.00	25.09.2020 31.03.2021	0	No changes	0	0.00
7	Shri Kailash Karthik Nataranjan, IAS	0	0.00	01.04.2020 31.03.2021	0	No changes	0	0.00
8	Ms. Pranati Goswami [appointed as Director on 25th September, 2020]	0 0	0.00 0.00	25.09.2020 31.03.2021	0	No changes	0	0.00
9	Shri Kishore Kr. Baishya [appointed as Director on 25th September, 2020]	0 0	0.00 0.00	25.09.2020 31.03.2021	0	No changes	0	0.00
10	Shri Pangkaj Kr. Dutta [appointed as Director on 25th September, 2020]	0 0	0.00 0.00	25.09.2020 31.03.2021	0	No changes	0	0.00
11	Shri Tridip Baruah [appointed as Director on 25th September, 2020]	0 0	0.00 0.00	25.09.2020 31.03.2021	0	No changes	0	0.00
12	Shri Deepakananda Bharali [Appointed as Director w.e.f. 06.05.2021]	0 0	0.00 0.00	06.05.2021 31.03.2021	0	No changes	0	0.00
13	Ms. Nazreen Ahmed, ACS	0	0.00	01.04.2020 31.03.2021	0	No changes	0	0.00



14	Shri Utpal Borah [Ceased as Director w.e.f. 26.07.2020]	0	0.00	01.04.2020	0	No changes		
		0	0.00	26.07.2020			0	0.00
15	Shri Sanjeev Kr. Choubey [Ceased as Director w.e.f.08.07.2020]	0	0.00	01.04.2020	0	No changes		
		0	0.00	08.07.2021			0	0.00
16	Shri D.N.Barua [Ceased as Director on 16.05.2020]	0	0.00	01.04.2020	0	No changes		
		0	0.00	16.05.2020			0	0.00
17	Shri A.N Das [Ceased as Director w.e.f. 08.07.2020]	0	0.00	01.04.2020	0	No changes		
		0	0.00	08.07.2021			0	0.00
18	Shri Birinchi Kr. Sarma [Ceased as Director w.e.f. 22.07.2021]	0	0.00	01.04.2020	0	No changes		
19	Shri Uttam Bailung Company Secretary	59	0.00	01.04.2020		No changes	59	0.00
		59		31.03.2021				
20	Sukanta Das (ceased on 09.11.2020) Chief Financial Officer	0	0.00	01.04.2020		No changes		
		0	0.00	09.11.2020			0	0.00

## (VI) INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	"Total Indebtedness"
<b>Indebtedness at the beginning of the financial year (01-Apr-2020)</b>				
i) Principal Amount	4053189929.00	0.00	0.00	4053189929.00
ii) Interest due but not paid	30805056.00	0.00	0.00	30805056.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
<b>Total (i+ii+iii)</b>	<b>4,08,39,94,985.00</b>	<b>-</b>	<b>-</b>	<b>4,08,39,94,985.00</b>
<b>Change in Indebtedness during the financial year</b>				
Additions	3,32,81,06,572.00	0.00	0.00	3,32,81,06,572.00
Reduction	48,73,31,933.00	0.00	0.00	48,73,31,933.00
<b>Net Change</b>	<b>2,84,07,74,639.00</b>	<b>0.00</b>	<b>0.00</b>	<b>3,81,54,38,505.00</b>
<b>Indebtedness at the end of the financial year (31-Mar-2021)</b>				
i) Principal Amount	6,87,50,40,553.00	0.00	0.00	6,87,50,40,553.00
ii) Interest due but not paid	4,97,29,071.00	0.00	0.00	4,97,29,071.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
<b>Total (i+ii+iii)</b>	<b>6,92,47,69,624.00</b>	<b>0.00</b>	<b>0.00</b>	<b>6,92,47,69,624.00</b>

## VII REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole Time Director or Manager:

Sl.No	Particulars of Remuneration	Name of the MD/WTD/Manager		
1	<b>Gross salary</b>	Shri Atul Ch. Barman, Managing Director	Shri K A Murali, Director (Finance) [from 1.10.2020 to 31.03.2021]	<b>Total Amount</b> (in ₹)
	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.	20,81,054.00	9,33,660.00	30,14,714.00
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961			
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961			

2	Stock option			
3	Stock option			
4	Commission as % of profit	NIL		NIL
5	Others (Providend Fund, Medical Expenses and incentive)	2,60,330.00	1,12,037.00	3,72,367.00
<b>Total (A)</b>		23,41,384.00	10,45,697.00	33,87,081.00
<b>Ceiling as per the Companies Act, 2013 is not applicable for Government Companies</b>				

**B. Remuneration to other directors:**

Figures in ₹

Sl.No	Particulars of Remuneration	Name of the Directors					Total Amount
1	Independent Directors	D. Bharali	B.K Sarma	Utpal Borah	S.K. Choubey	A N Das	
	(a) Fee for attending board / committee meetings	52,000.00	8,000.00	31,000.00	31,000.00	26,000.00	1,48,000.00
	(b) Commission	0.00	0.00	0.00	0.00	0.00	0.00
	(c ) Others, please specify	0.00	0.00	0.00	0.00	0.00	0.00
	Total (1)	52,000.00	8,000.00	31,000.00	31,000.00	26,000.00	1,48,000.00
2	Other Non Executive Directors	Shri Bikul Ch. Deka					
	"(a) Fee for attending board committee meetings"	0.00					
	(b) Commission	0.00					
	(c ) Remuneration as per Govt. order	6,01,613.00					
	Total (2)	6,01,613.00					6,01,613.00
	Total (B)=(1+2)	7,49,613.00					
Total Managerial Remuneration: ₹41,46,694.00 (Rupees forty one lakh forty six thousand six hundred ninety four) only							

**Overall Ceiling for sitting fees as per the Act. is ₹1,00,000.00 each director per meeting of the Board of Directors.**



**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

Figures in ₹

Sl. No.	Particulars of Remuneration	Key Managerial Personnel (KMP)			
		Shri Uttam Bailung, Company Secretary	Shri Sukanta Das, CFO (from 1.04.2020 to 09.11.2020)	Shri K A Murali CFO (from 9.11.2020-31.03.2021)	Total
1	<b>Gross Salary</b>				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	16,85,894.00	11,44,479.00	7,78,050.00	36,08,423.00
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	0.00	0.00	0.00	0.00
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0.00	0.00	0.00	
2	Stock Option	0.00	0.00	0.00	0.00
3	Sweat Equity	0.00	0.00	0.00	0.00
4	Commission - as % of profit - others, specify	0.00	0.00	0.00	0.00
5	Others, please specify (Provident Fund, Medical Expenses and incentive)	2,02,301.00	1,14,304.00	93,366.00	4,09,971.00
<b>Total</b>		<b>18,88,195.00</b>	<b>12,58,783.00</b>	<b>8,71,416.00</b>	<b>31,46,978.00</b>

**(VIII) PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES**

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/NCLT/ Court)	Appeal made if any (give details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty		-NIL-			
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

# CORPORATE GOVERNANCE DISCLOSURE

## 1. PHILOSOPHY ON CORPORATE GOVERNANCE

The Company's philosophy on Corporate Governance has been developed with a tradition of fair and transparent governance. The company continues with its efforts to attain the highest level of transparency, professionalism and accountability in every aspect and in all interactions with its stakeholders, the State Government and also with its employees. The company aims at satisfaction of all stakeholders in a balanced manner through sustainable growth and profitability.

## 2. BOARD OF DIRECTORS

The Board of Directors of the Company constituted as per the requirements of the Section 149 of the Companies Act, 2013. There were 13 (thirteen) members of the Board of Directors of the company as on 31<sup>st</sup> March, 2021. The composition of the Board and category of Directors as on 31<sup>st</sup> March, 2021 was as follows:

Category	Name of Directors
<b>Nominee Directors of Promoter/ promoter Group</b>	Shri Bikul Ch. Deka, Chairman [DIN -07774812]
	Shri Oinam Sarankumar Singh, IAS [DIN-08632364] <sup>#</sup>
	Shri Kailash Karthik Natarajan, IAS [DIN-08271296]
	Ms. Nazreen Ahmed, ACS [DIN-01773902] <sup>*</sup>
	Shri Pritam Ray Choudhury, [DIN-08822190]
	Shri Arup Jyoti Sarmah, [DIN-08830629]
	Ms. Pranati Goswami, [DIN-08822172]
	Shri Kishore Kr. Baishya, [DIN-08822204]
	Shri Pangkaj Kr. Dutta, [DIN-08822213] <sup>@</sup>
<b>Independent Directors</b>	Shri Tridip Baruah, [DIN-08833074]
	Shri Deepakananda Bharali, [DIN-08739623]

<b>Whole Time Director</b>	Shri Atul Ch. Barman, Managing Director [DIN-087309481]
	Shri K A Murali, Director (Finance) [DIN-08717563]

*None of the director is related to any other director on the Board.*

*\*Ms. Neera Daulagupu, ACS, Additional Secretary to Government of Assam appointed as Director w.e.f.30th July, 2021.*

*#Shri Adil Khan, IAS appointed as Director on the Board w.e.f. 30th July, 2021 in place of Shri Oinam Saran Kumar Singh, IAS.*

*@Oil India Ltd. withdrew Shri Pangkaj Kr. Dutta as director from the Board of the Company w.e.f. 12th April, 2021.*

The Company altered its Articles of Association on 4<sup>th</sup> March, 2020 to allow the Government of Assam and Oil India Ltd. to nominate equal numbers of Board members. In view of the reconstitution of the Board of Directors in accordance with the new Articles of Association of the Company the existing Independent Directors of the company relinquished their offices during the year and paved the ways to nominate directors by the Oil India Limited and Government of Assam. In the process, there was only one Independent Director as on 31<sup>st</sup> March, 2021. However, the company appointed another independent director on 12<sup>th</sup> April, 2021 to comply with the Section 149 of the Companies Act, 2013 and Rules made thereunder.

## MEETINGS OF THE BOARD OF DIRECTORS:

The company convened meetings of the Board of Directors as per applicable provisions of the Companies Act, 2013, Companies (Meetings of the Board and its Powers) Rules, 2014 and the Secretarial Standard -1 (SS-1) issued by the Institute of Company Secretaries of India. During the Financial Year 2020-21, the company convened 5(five) meetings of the Board of Directors. The gap between two consecutive meetings of the Board of Directors never exceeded 120 days.

The details of the meetings of the Board of Directors held during the Financial Year 2020-21 were as follows:

Sl. No.	Date of Board Meeting	Board Strength*	Numbers of Directors Present	Percentage of attendance
1	2 <sup>nd</sup> June,2020	10	6	60%
2	17 <sup>th</sup> June,2020	10	8	80%
3	25 <sup>th</sup> September,2020	13	11	85%
4	9 <sup>th</sup> November,2020	13	10	77%
5	9 <sup>th</sup> January, 2021	13	11	85%

**Particulars of Directors including those who ceased to be director in the company during the financial year, their attendance at meetings of Board of Directors and the meetings of Shareholders held during the Financial Year 2020-21.**

Sl. No	Name of Directors and their Category	(i) Date of joining as Director of the Company (ii) Date of cessation, if any	Attendance of the meeting of Board held during the year and percentage thereof			Attended in the last Annual General Meeting (Yes/No/NA)	Name of the Companies/ firms/ association of individuals in which interested
			Nos. of Meetings Attended	Total Meetings held during the tenure of the director.	% of Attendance		
1	Shri Bikul Ch. Deka [DIN-07774812] Category: Nominee Director	7 <sup>th</sup> March, 2017	5	5	100	Yes	Nil
2	Shri Atul Ch. Barman [DIN-087309481] Category: Managing Director	1 <sup>st</sup> April,2020	5	5	100%	Yes	Nil
3	Shri Oinam Sarankumar Singh, IAS [DIN-08632364] Category: Nominee Director	(i)9 <sup>th</sup> January, 2020	0	5	Nil	No	AIDCL, IAF, IPL, BTP, CSML, ATPO, ASFC, CCIL
4	Shri Kailash Karthik N., IAS [DIN-08271296] Joint Secretary to the Government of Assam Finance Department Category: Nominee Director	15 <sup>th</sup> November,2018	0	5	Nil	No	NHM, ASCARD, ASWCL, SIRD, AIRD
5	Ms Nazreen Ahmed, ACS [DIN-01773902] Category: Nominee Director	25 <sup>th</sup> September, 2019	0	5	Nil	No	NA
6	Shri K A Murali [DIN-08717563] Category: Director (Finance)	1 <sup>st</sup> October, 2020	2	2	100%	Yes	Nil
7	Shri A N Das [DIN-02818045] Formerly Executive Director, Indian Oil Corporation Ltd. Category: Independent Director	(i)9 <sup>th</sup> November, 2009 (ii)Resigned on 08.07.2020	2	2	100%	No	OIPL, ITPL

8	Shri B K Sarma [DIN-02817985] Formerly Executive Director, Indian Oil Corporation Ltd. Category: Independent Director	(i) 9 <sup>th</sup> November, 2009 (ii) Resigned on 22.07.2020	2	2	100%	No	Nil
9	Shri Utpal Borah [DIN-02071252] Formerly Executive Director, Indian Oil Corporation Ltd. Category: Independent Director	(i) 29 <sup>th</sup> December, 2010 (ii) Resigned on 26.07.2020	2	2	100%	No	Nil
10	Shri S K Choubey [DIN-01616405] Category: Independent Director	(i) 19 <sup>th</sup> December, 2012 (ii) Resigned on 08.07.2020	2	2	100%	No	NPIPL, TVPPL, NTI, BTPPI, KTE
11	Shri Deepakananda Bharali [DIN-08739623] Category: Independent Director	6 <sup>th</sup> May, 2020	4	4	100%	Yes	Nil
12	Shri Pritam Ray Choudhury [DIN-DIN-08822190] Category: Nominee Director	25 <sup>th</sup> September, 2020	3	3	100%	Yes	Nil
13	Shri Arup Jyoti Sarmah [DIN-08830629] Category: Nominee Director	25 <sup>th</sup> September, 2020	3	3	100%	Yes	Nil
14	Ms. Pranati Goswami [DIN-08822172] Category: Nominee Director	25 <sup>th</sup> September, 2020	3	3	100%	yes	Nil
15	Shri Kishore Kr. Baishya [DIN-08822204] Category: Nominee Director	25 <sup>th</sup> September, 2020	3	3	100%	Yes	Nil
16	Shri Pangkaj Kr. Dutta [DIN-08822213] Category: Nominee Director	25 <sup>th</sup> September, 2020	3	3	100%	Yes	Nil
17	Shri Tridip Baruah [DIN-08833074] Category: Nominee Director	25 <sup>th</sup> September, 2020	2	3	66.6%	yes	Nil

**AIDCL:** Assam Industrial Development Corporation Limited; **IAF:** Invest Assam Foundation; **ASCARD** : Assam State Cooperative Agriculture & Rural Development Bank; **ASWCL** : Assam State Warehousing Corporation; **BTP** : Bamboo Technology Park; **CSML** : Cachar Sugar Mills Ltd; **ATPO**: Assam Trade Promotion Organization; **ASFC** : Assam State Fertilizers & Chemicals Ltd.; **CCIL** : Calcom Cement India Ltd; **NHM** : National Health Mission; **SIRD** : State Institute of Rural Development; **AIRD** : Assam Institute of Rural Development; **PFCL**: Pragyotish Fertilizers and Chemicals Ltd.; **OIPL**: Om Infracon Pvt. Ltd.; **ITPL** : Isementics Technology Pvt. Ltd.; **NPIPL** : Natural Penal Industries Pvt. Ltd.; **TVPPL**: Tohi Veneer Products Pvt. Ltd.; **NTI** : Nefaa Tea Industries; **BTPPL**: Barduria Tomber Products Pvt. Ltd.; **KTE** : Kharsang Tea Estate; **OIL** : Oil India Limited;



## 1. COMMITTEES OF THE BOARD OF DIRECTORS

### AUDIT COMMITTEE:

The Audit Committee of the Company is constituted under the Chairmanship of an Independent Director in terms of the Section 177 of the Companies Act, 2013. During the Financial Year 2020-21 the company convened three meetings (17<sup>th</sup> June, 2020, 9<sup>th</sup> November, 2020 & 16<sup>th</sup> March, 2021) of the Audit Committee. The Section 177 of the Act relating to Audit Committee became applicable for the company w.e.f. 2<sup>nd</sup> June, 2018 with the increase of paid-up share capital of the company exceeding ₹10 Crore. The Audit Committee of the Company was reconstituted on 25<sup>th</sup> September, 2020 due to reconstitution of the Board of Directors as per the new Articles of Association of the company. The attendance records of the members at the meetings were as follows:

Name of the Directors	Status	No. of meeting attended	Attended in the last AGM (Yes /No)
Shri Utpal Borah (upto 26.07.2020)	Chairman	1	NA
Shri B K Sarma (upto 22.07.2020)	Member	1	NA
Shri S K Choubey (upto 08.07.2020)	Member	1	NA
Shri Deepakananda Bharali (from 25.09.2020)	Chairman	2	Yes
Ms. Pranati Goswami (from 25.09.2020)	Member	2	Yes
Shri Kishore Kr. Baishya (from 25.09.2020)	Member	2	Yes

Terms of Reference: The terms of reference/powers of the Audit Committee are as under:

#### A. Powers of the Audit Committee

1. To investigate any activity within its terms of reference.
2. To seek information from employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

#### B. The Role of Audit Committee includes

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommendation for remuneration and terms of appointment of auditors of the company.
3. Approval of payment to the statutory auditors for any other services rendered by the Statutory Auditors;
4. Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - Matters required being included in the Directors' Responsibility Statement to be included in the Directors' Report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013.
  - Changes, if any, in accounting policies and practices and reasons for the same.
  - Major accounting entries involving estimate based on the exercise of judgment by the management.
  - Significant adjustments made in the financial statements arising out of audit findings.
  - Compliance with the listing and other legal requirements relating to financial statement.
  - Disclosure of related party transactions
  - Modified opinion(s) in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission with the Board for approval.
6. Reviewing, with the Management, the statement of uses/application of funds raised through an issue (public issue, right issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization

of proceeds of a public or right issue, and making appropriate recommendations to the Board to take up steps in this matter.

7. Review and monitor the auditor's independence and performance, and effectiveness of audit process.
8. Approval or any subsequent notification of transactions of the company with the related parties.
9. Scrutiny of inter corporate loans and investments.
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls;
12. Reviewing, with the management, performance of statutory and internal auditors adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of internal audit department, staffing and seniority of official heading the department, reporting structure coverage and frequency of internal audit.
14. Discussion with internal auditors of any significant findings and follow-up thereon;
15. Reviewing the findings of any internal investigations by the internal auditors into the matters where there is suspected fraud or irregularity or failure of internal control systems of a material nature and reporting the matter to the Board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern.
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
18. To review the functioning of the whistle Blower Mechanism.
19. Approval of appointment of CFO (i.e., the

whole time Finance Director or any other person heading the finance function or discharging the function) after assessing the qualifications, experience & background, etc of the candidate.

20. Carrying out such other functions as is mentioned in the terms of reference of the audit committee.

21. To review the following information:

- The management Discussion and Analysis of financial condition and results of operation;
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- Management letters/letters of internal control weakness issued by the statutory auditors;
- Internal audit reports relating to internal control weakness; and
- The appointment, removal and terms of remuneration of the chief internal auditor(s) shall be subject to review by the audit committee;
- Statements of Deviations:
  - a. Quarterly statements of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of regulation 32(1).

Annual statements of funds utilised for purpose other than those stated in the offer document/prospectus/ notice in terms of Regulation 32(7).

## **B. NOMINATION AND REMUNERATION COMMITTEE OF THE BOARD:**

According to Section 178 (1) of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, the company is required to constitute *Nomination and Remuneration Committee* of the Board of Directors of the company. The company had a Nomination and Remuneration Committee but due to resignation of all the members of the Committee, the Board dissolved the same but couldn't reconstitute it due to insufficient strength of Independent Directors. However, the Board re-constituted the Nomination and Remuneration

Committee on 12<sup>th</sup> April, 2021. The composition of the Nomination and Remuneration Committee are as follows:

Prof. Gautam Barua (Independent Director)	Chairman
Shri Deepakananda Bharali (Independent Director)	Member
Shri Gokul Swargiyari, Non-executive Director	Member

There was no meeting of this Committee held during the Financial Year 2020-21.

The Managerial remuneration paid to the Managing Director and Director (Finance) during the FY 2020-21 is as under:

(Figures in ₹)

Name of Director	All elements of remuneration package of Directors i.e. salary, benefits, bonus	Other benefits	Service contracts, notice period, severance fee.
Shri Atul Ch. Barman, Managing Director	₹ 23,41,384.00	-	<b>Service Contract:</b> Appointed as Managing Director of the Company till the appointment of regular and permanent Managing Director by the Government of Assam or 5 years whichever earlier. Severance Fee: NIL Notice Period: 3 months
Shri K A Murali Director (Finance)	₹ 10,45,697.00 (Shri Murali gets remuneration from his parent employer i.e. Oil India Ltd. (OIL) but the Company reimburses a part of his regular salary to OIL as deputation charge per the AS (ROP) Rules, 2017).	-	He is deputed as Director (Finance) by Oil India Limited. His service conditions, notice period etc. are governed by his terms of appointment with the parent company.

The company pays sitting fee of ₹ 8,000/- (Rupees Eight Thousand only) to each to the Independent Directors for attending each meeting of Board of Directors and ₹ 5,000/- (Rupees Five thousand) only for attending Board sub-committee where the Independent Director is a member. The company didn't pay any sitting fee to the nominee directors of Government of Assam and Oil India Ltd.

The sitting fee paid to the Vice Chairman and Independent Directors during the Financial Year 2020-21 are given as under:

Sl. No.	Names of the Directors	Amount of Sitting Fees (in ₹)
1	Shri B.K. Sarma	8,000.00
2	Shri A.N. Das	26,000.00
3	Shri S.K. Choubey	31,000.00
4	Shri Utpal Borah	31,000.00
5	Shri Deepakananda Bharali	52,000.00
	<b>Total:</b>	<b>1,48,000.00</b>

The company paid ₹6,01,613.00 (Rupees six lacs one thousand six hundred and thirteen only) and as remuneration to Shri Bikul Ch. Deka, Chairman of the company during the Financial Year 2020-21. According to the Government of Assam notification PE.37/2015/59 dated 04/08/2018 the Chairman of the company is paid monthly remuneration of ₹50,000.00. The Chairman is also provided chauffeur driven vehicle and 100 litre diesel to run the vehicle for his official use.

### C. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

Pursuant to Section 138 of the Companies Act, 2013, the company constituted a Corporate Social Responsibility Committee of the Board of Directors. No meeting of the CSR Committee of the Board held during the year.

The Composition of the committee was as follows:

<b>Shri A C Barman, Managing Director</b>	Chairman
<b>Shri K A Murali, Director (Finance)</b>	Member
<b>Shri Deepakananda Bharali, Independent Director</b>	Member
<b>Ms. Pranati Goswami, Director</b>	Member

Details of the CSR policy and expenditures made by

the company during the Financial Year 2020-21 are stated in the annexure to the Directors' Report.

#### **D. STAKEHOLDERS' RELATIONSHIP COMMITTEE:**

The company re-constituted a Stakeholders' Relationship Committee with the chairmanship of the Managing Director of the Company. The composition of the Committee is given as under:

<b>Shri Atul Chandra Barman, Managing Director</b>	Chairman
<b>Shri K A Murali, Director (Finance)</b>	Member

The Stakeholders' Relationship Committee, inter alia, consider and resolve the grievances of the shareholders of the company including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends. The Committee also meets to consider and approve transmission of shares and issue of Duplicate and Rematerialized Share Certificates, etc.

Shri Uttam Bailung, Company Secretary and Compliance Officer, is the Secretary of all Board Sub-Committees constituted under the Companies Act, 2013 and applicable Rules thereunder. The Contact detail of the Company Secretary is as under: -

*Company Secretary*

*Assam Petro-Chemicals Limited*

*4th Floor, Orion Place, Mahapurush Srimanta Sankardev Path, Bhangagarh, Guwahati-781 005*

*Assam, Phone no. 0361-2461594, 2461470, 2461471*

*email- bailung.uttam@assampetrochemicals.co.in,  
aplguw@assampetrochemicals.co.in*

Other than the above statutory Board Sub-Committees, the Board constituted the following two more sub-Committees viz. Marketing Committee and Project Committee for smooth running of the affairs of the Company.

#### **5. GENERAL BODY MEETINGS**

Details of General Body Meetings held in the last three years are given below:

<b>General Body Meeting</b>	<b>Day and Date</b>	<b>Time</b>	<b>Venue</b>
47 <sup>th</sup> AGM	Friday, 28 <sup>th</sup> September, 2018	11.00 AM	4th Floor, Orion Place, G.S. Road, Bhangagarh, Guwahati -781005

48 <sup>th</sup> AGM	Wednesday, 25 <sup>th</sup> September, 2019	11.30 AM	Hotel Gateway Grandeur, Mahapurush Srimanta Sankardev Path, Christianbasti, Guwahati, Assam-781005
49 <sup>th</sup> AGM	Friday, 11 <sup>th</sup> December, 2020	11.00 AM	Through Video Conferencing (VC)/ Other Audio-Visual Means (OAVM) facility.

#### **Special Resolution passed at the 49<sup>th</sup> AGM:**

The Company passed a Special Resolution in the 49<sup>th</sup> Annual General Meeting for increasing of Borrowing Limit of the company from ₹1050.00 Crore to ₹1250.00 Crore.

#### **Special Resolution passed through Postal Ballot:**

No special resolution was passed by the shareholders through the Postal Ballots during the year 2020-21.

#### **6. MEANS OF COMMUNICATION**

The Company is having a website [www.assampetrochemicals.co.in](http://www.assampetrochemicals.co.in) and all the information relating to the company affecting the stakeholders in general are published therein. The website also contains the basic information of the company, composition of Board etc. The Company's Annual Reports for preceding years are also available in a user-friendly and downloadable form.

#### **7. GENERAL SHAREHOLDER INFORMATION**

##### **a) 50<sup>th</sup> Annual General Meeting:**

Date: 29<sup>th</sup> November 2021

Time: 11:00AM

Venue: through Video Conference / Other Audio Visual Means (VC/OAVM)

##### **Financial Year:**

1<sup>st</sup> day of April to 31<sup>st</sup> day of March of the following year.

##### **b) Dividend Payment Date:**

Board of Directors couldn't recommend dividend for the FY 2020-21 due to insufficient amount of profit earned by the company during the year.



**c) Listing:**

The shares of the company are not listed in any of the stock exchanges as on this date.

**d) Date of Book Closure:** Not applicable

**e) Registrar and Share Transfer Agent:**

*M/s C.B. Management Services (P) Ltd.*

*P-22, Bondel Road, Kolkata-700 019*

*E-mail: rta@cbmsl.com.*

**f) Share Transfer System:**

**Physical Shares:** Pursuant to the notification of the Companies (Prospectus and Allotment of Securities) Third Amendment Rules, 2018 and made it effective from 2<sup>nd</sup> October, 2018, no transfer of shares of the company was possible in physical mode. However, the Ministry of Corporate Affairs, Government of India vide notification no. GSR 43(E) dated 22.03.2019 allowed transfer of shares in physical mode in case of unlisted Government Companies. Assam Petro-Chemicals Ltd. being an unlisted Government Company, therefore shares can now be transferred in physical mode.

**Shares in Electronic Mode:** 29,19,88,404 nos. (58.73%) of equity shares of the company are held in dematerialized mode on 31.03.2021. The company appeal to the shareholders who haven't yet used this facility to dematerialise their shares so that the shares can be held and transferred electronically.

**g) Distribution of shares**

The distribution of shares of the company as on 31<sup>st</sup> March, 2021 are as follows:

Shareholders	Number of Shares Held	Shares held in Demat	Shares Held in Physical	% of Shares held
Promoter and Promoter Group	4,97,20,445	4,97,12,190	8255	10.00
Governor of Assam	17,70,00,000	Nil	17,70,00,000	35.60
Central Government Company (Oil India Ltd.)	24,20,00,000	24,20,00,000	Nil	48.68
State Govt. Company (Assam Gas Co. Ltd.)	2,80,00,000	Nil	2,80,00,000	5.63

Others Public Holders	4,39,263	2,11,109	2,28,154	0.09
<b>Total</b>	<b>49,71,59,708</b>	<b>29,19,23,299</b>	<b>20,52,36,409</b>	<b>100.00</b>

**h) Dematerialisation of Shares and liquidity:**

The company provides the facility to dematerialise the shares of the company with both the depositories viz. National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL). The ISIN of the company's Shares is INE277D01010.

For more information on Demat of the Company's shares the shareholders may communicate to company's Registrar M/s C.B. Management Services (P) Ltd., P- 22, Bondel Road, Kolkata-700 019 or to the Company Secretary of the company.

**i) The Company never issued GDRs/ADRs/Warrants or any convertible instruments hence, there are no outstanding of as on 31-03-2021.**
**j) Plant Locations:**

Assam Petro-Chemicals Limited

P.O. - Parbatpur, Namrup

Distt.: Dibrugarh, Assam-786 623

**k) Address for correspondence:**

Assam Petro-Chemicals Limited

4<sup>th</sup> Floor, Orion Place, Mahapurush Srimanta Sankardev Path,

Bhangagarh, Guwahati-781 005, Assam

E-Mail: aplguw@assampetrochemicals.co.in

**OTHER DISCLOSURES:**

- There was no transaction of material nature with Directors or Management or their relatives having potential conflict with the interest of the company at large.
- Vigil Mechanism/Whistle Blower Policy: The Company has adopted a Vigil Mechanism or Whistle Blower Policy. The Policy is also available in the Company's website.
- Compliance with Corporate Governance Requirements:

The company delisted from all the stock exchanges w.e.f. 20/02/2017 and therefore it is not required to comply with the corporate

governance provisions of the SEBI (LODR) Regulations, 2015.

- iv. Transfer of unpaid/unclaimed amounts to Investor Education and Protection Fund:

During the year under review, the Company transferred an amount of ₹ 52,407.00 to the Investor Education and Protection Fund (IEPF) on 22.02.2021 as per Section 124(5) of the Companies Act, 2013 read with the Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001. The Company also transferred 64,905 nos of shares to the Demat Account of the IEPF Authority on 26th March, 2021.

Pursuant to Section 124(6) of the Companies Act, 2013 read with Rule 6 of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund)

Rules 2016, the company transferred total 2,56,335 nos. equity shares of 551 shareholders to the IEPF Authority. The detail information of the shareholders whose share have been transferred to IEPF are available in the weblink <http://www.assampetrochemicals.co.in/dividend.php>

The shareholders whose shares have been transferred to Investors Education and Protection Fund may claim their shares online by filing e-Form IEPF-5 in the [www.iepf.gov.in](http://www.iepf.gov.in)

### DECLARATION ON COMPLIANCE WITH CODE OF CONDUCT

I hereby confirm that the Company has obtained from all the Members of the Board and Senior Management Personnel, affirmation that they have complied with the Code of Conduct for the financial year 2020-21.

Sd/-

Date: 01.11.2021  
Place: Guwahati

**(Atul Ch. Barman)**  
Managing Director

*Annexure- C*

### FORM MR-3

## SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2021

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

To,

The Members,

**ASSAM PETRO-CHEMICALS LIMITED**

CIN: U24116AS1971SGC001339

4<sup>th</sup> Floor, Orion Palace, Bhangagarh,

G S Road, Guwahati-781005

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **ASSAM PETRO-CHEMICALS LIMITED** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis

for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

### We report that:

- Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our Audit.
- 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. We

believe that the processes and practices, we followed provide a reasonable basis for our opinion.

- c. We have not verified the correctness and appropriateness of the financial statement of the Company.
- d. The compliance of the provisions of the Corporate and other applicable Laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verifications of procedures on test basis.
- e. 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.

Based on our verification of **ASSAM PETRO-CHEMICALS LIMITED** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on **31<sup>ST</sup> day of March, 2021 ("audit period")**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **ASSAM PETRO-CHEMICALS LIMITED**. ("The Company") for the financial year ended on 31st March, 2021 according to the provisions of

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) Other Laws as may be applicable to the Company as provided by the Company.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the observations made in **Annexure-1**.

**We further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Whole Time Directors, Non-Executive Directors, Woman Director and Independent Directors subject to the observations made in **Annexure-1**. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

Board decisions are carried out with unanimous consent and therefore, no dissenting views were required to be captured and recorded as part of the minutes.

**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 the company had no specific events / actions which is having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.)

**We further report that** during the audit period the company enhanced its borrowing limit from Rs. 1050 Crore to Rs. 1250 Crore by passing a special resolution under Section 180(1) (C) of the Companies Act, 2013.

**We further report that** during the audit period there were no instances of:

- (i) Public/Right /Bonus /debentures/sweat equity except preferential issue of shares.

(ii) Redemption / buy-back of securities.  
(iii) Merger / amalgamation / reconstruction, etc.

(iv) Foreign technical collaborations.

**Date: 27/08/2021**

**Place: GUWAHATI**

**UDIN: F005714C000847159**

**FOR AMIT PAREEK & ASSOCIATES  
COMPANY SECRETARIES**

**Sd/-  
(AMIT PAREEK)  
Proprietor  
FCS: 5714  
COP: 4289**

---

### **ANNEXURE -1**

During the course of our audit of the Company, following non-compliance/observations were made:

- 1) That Pursuant to Section 129 (3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2015, the Company in addition to financial statement required to prepare a consolidated financial statement of the Company and its subsidiary company i.e. Pragjyotish Fertilizers and Chemicals Ltd. in the same form and manner which shall also be laid before the AGM of the company along with the laying of its financial statement. The company has neither prepared the consolidated financial statements of its subsidiary company nor attached the separate statement containing salient features with it.
- 2) That the fixed Assets Register has not been updated as on 31.03.2021.
- 3) That the composition of the Board of Directors of the Company was as per the provisions of Section 149 of the Companies Act, 2013 except sufficient numbers of Independent Directors of the Board throughout the year. In absence of sufficient numbers of Independent Directors on the Board, there was no separate meeting of Independent Directors held during the FY 2020-21.

However, the company appointed sufficient numbers of Independent Directors on the Board as on the date of this report.

**Date: 27/08/2021**

**Place: GUWAHATI**

**UDIN: F005714C000847159**

**FOR AMIT PAREEK & ASSOCIATES  
COMPANY SECRETARIES**

**Sd/-  
(AMIT PAREEK)  
Proprietor  
FCS: 5714  
COP: 4289**



# Annual Report on CSR Activities

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

Assam Petro-Chemicals Ltd. is a Public Sector Enterprise of the Government of Assam has been successfully discharging its social responsibilities by fulfilling the aspirations of the stakeholders since its incorporation.

CSR Policy of the Company aims for providing direction for carrying various CSR programmes and CSR projects to achieve *inter alia* one or more of the followings: Promoting Education and Skill development; Eradication of Poverty, malnutrition and hunger; Women Empowerment and Social Welfare; Environmental Protection and afforestation; Promotion of sports and cultural activities; Relief and rehabilitation of victims due to any natural disaster and calamities; Sanitization and providing safe drinking water; Rural development projects etc. The Company will pursue its CSR activities in the vicinity of the areas of its commercial operations to enable close supervision and ensure maximum developmental impact.

The Company will also carry out CSR Programmes in relevant local areas to fulfil commitments arising from requests of the government(s) / regulatory authorities. All the CSR activities will aim to provide equal opportunities to beneficiaries.

The CSR programmes or projects will be implemented by (i) the Company personnel, or (ii) external implementing agencies (iii) Trust/ societies/foundations as may be set-up by the company from time to time as per prevailing laws of the land.

## 2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Shri Atul Ch. Barman	Managing Director	Nil	NA
2	Shri K A Murali	Director (Finance) and CFO	Nil	NA
3	Shri Deepakananda Bharali	Independent Director	Nil	NA
4	Ms. Pranati Goswami	Director	Nil	NA

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company : [www.assampetrochemicals.co.in/CSR](http://www.assampetrochemicals.co.in/CSR)

4. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company : Not applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any : Not applicable

Sl. No.	Financial year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
1			
2			
3			
	<b>TOTAL</b>		

- Average net profit of the company as per section 135(5). : ₹ 78.8 lacs
- Two percent of average net profit of the company as per section 135(5) : ₹ 1.57 lacs
  - Surplus arising out of CSR projects or programme or activities of the previous financial years : Nil
  - Amount required to be set off for the financial year, if any. Nil
  - Total CSR obligation for the financial year(7a+7b+7c) : ₹1.57 lacs
- (a) CSR amount spent or unspent for the financial year 2020-21

Total amount Spent for the Financial Year, (in ₹)	Amount Unspent (in ₹)				
8,75,000.00 (Rupees eight lacs seventy-five thousand)	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
	Nil	NA	Nil	NA	NA

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the Project		Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of implementation Direct (Yes/No)	Mode of Implementation Through Implementing Agency	
				State	District						Name	CSR Registration No.
1	APL Vasundhara Jatiya Vidyalaya	Education	Yes	Assam	Dibrugarh	NA (Perpetual)	Not specified	8,75,000.00	NA	NO	NA	
	<b>TOTAL</b>											

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
-----	-----	-----	-----	-----	-----	-----	-----

Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the Project		Project duration	Amount spent for the project (in ₹)	Mode of Implementation Through Implementing Agency	
				State	District			Name	CSR Registration No.
1									
2									
3									
	<b>TOTAL</b>								

(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent on Impact Assessment, if applicable: NA

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹8,75,000.00

(g) Excess amount for set off, if any

Sl. No.	Particulars	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	1,57,600.00
(ii)	Total amount spent for the Financial Year	8,75,000.00
(iii)	Excess amount spent for the financial year [(ii)-(i)]	7,17,400.00
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	7,17,400.00

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

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135(6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years, if any
				Name of the Fund	Amount (in ₹)	Date of transfer	
1	2019-20	Nil	12,49,706.00	Nil	NA	NA	Nil
2	2018-19	Nil	Nil	Nil	NA	NA	Nil
3	2017-18	Nil	Nil	Nil	NA	NA	Nil
	<b>TOTAL</b>	Nil	12,49,706.00				Nil

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl.No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting financial year (in ₹)	Cumulative amount spent at the end of reporting financial year (in ₹)	Status of the project – Completed/Ongoing
1								
2								
3								
	<b>Total</b>							

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

(asset-wise details)

- (a) Date of creation or acquisition of the capital asset(s).
- (b) Amount of CSR spent for creation or acquisition of capital asset.
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

*The Company didn't create/acquire any capital assets on CSR.*

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

Not applicable.

Sd/-

Place: Guwahati

(Atul Ch. Barman)

Date: 01.11.2021

Managing Director and Chairman of CSR Committee

## Annexure-E

### REPLY OF THE BOARD OF DIRECTORS ON THE QUALIFICATIONS AND COMMENTS OF THE AUDITORS AS PER SECTION 134 (3) (f) OF THE COMPANIES ACT, 2013

Sl. No.	Qualification/Comments of the Auditors	Reply of the Board of Directors
A. Audit Qualifications and Emphasis of Matters of Statutory Auditors		
I. Audit Qualifications of the Statutory Auditors		
i)	<p><b>Provisions made for Payment of Gratuity:</b></p> <p>We would like to draw attention to the Note No: 33.1b (iii) on Group Gratuity Scheme under Defined Benefit Plans. The amount of Gratuity payable to Employees, calculated at enhanced limit of ₹ 20,00,000.00 (as approved in the Board of Directors meeting held on 12.04.2021) with effect from 29.03.2018 amounted to ₹16,75,34,421.00 based on Actuarial Valuation by LIC. Out of the above, ₹ 4,48,24,523.00 have been provided for the year 2020-21 and ₹12,27,09,898.00 for the previous three years viz. 2017-18, 2018-19 and 2019-20, which was retrospectively restated in the audited accounts for the respective years. The retrospective restatement of this expenditure has been done in terms of Ind AS 8 as reported to us. However, we are of the opinion that such retrospective restatement of the expenditure for previous three years is not applicable under Ind AS 8 as the same cannot be termed as "error" in the financial statements of those previous years. Hence, the Company should have accounted for the full provision amount ₹16,75,34,421.00</p>	<p>As per the company is covered under the Payment of Gratuity Act 1972, it is mandatory to increase the maximum limited of Gratuity to ₹ 20,00,000.00 w.e.f. 28-03-2018. As the company didn't create the provision in the financial statement 2017-18 onward, it comes under the definition 'error' as per the Ind AS 8. Accordingly, the accounting treating is given as per the Ind AS 8.</p> <p>As per the Gratuity Act notification the enhanced limit was effective from 29.03.2018 and the same was not accounted for in respective financial years, so, it is an error and now it has been reinstated from the Financial Years 2017-18 to 2020-21.</p>



	during the year 2020-21. In view of the above treatment, the profits of the Company for the financial year 2020-21 is overstated by an amount of ₹ 12,27,09,898.00 as explained above.	
ii)	<b>Basis for calculation of depreciation:</b> In the absence of proper fixed assets register, the rate of depreciation under straight line method and /or written down value method on remaining useful life of respective assets is calculated based on audited financial statement of previous years and other financial records. The Company have also not adopted Component accounting as required by the Schedule II of the Companies Act, 2013. In view of the same, we are unable to comment on the correctness of the amount of depreciation during the year 2020-21 and value of fixed assets as on 31.03.2021.	The depreciation is calculated based on the details of assets procured and put to use. The estimated life of the assets is taken from Schedule II as per the category of assets. Item-wise depreciation calculation sheet is submitted for verification.  The rate of depreciation is calculated as per Companies Act, 2013 and fixed asset register of the Company is in the final stage of completion.
II.	Emphasis of Matters of Statutory Auditors	
i)	<b>Enhancement of maximum limit for Gratuity payable to employees (Note No. 33.1b(iii)):</b> Attention is drawn to the Note No: 33.1b (iii): Group Gratuity Scheme under Defined Benefit Plans, which discloses that the Company in its Board of Directors (BOD) meeting held on 12.04.2021 had approved to enhance the maximum limit of Gratuity payable to ₹20,00,000.00 (Rupees Twenty Lakhs) as per the Central Govt Notification No. D.O. 1420 (E) dated 29.03.2018.  M/s Assam Petro-Chemical Ltd, being a Govt. of Assam company, must follow the directives of the Assam Service (Revision of Pay) Rules, 2017 (briefly referred as ROP,2017). The maximum limit prescribed for Death Cum Retirement Gratuity (DCGR) in the said ROP,2017 is ₹ 15,00,000.00 Hence approval for enhancement of the limit from ₹15,00,000.00 to ₹20,00,000.00 should be taken by the Company from Government of Assam.	1. The Company has consistently been following the Payment of Gratuity Act, 1972 (the Act) since it came into force. Since, the Government of India amended the Act by increasing the gratuity amount from ₹ 15,00,000.00 to ₹ 20,00,000.00, therefore the Company increased the same in line with the Payment of Gratuity (Amendment) Act, 2018.  2. The Government of India amended to Payment of Gratuity Act, 1972 subsequent to the notification of AS (ROP) Rules, 2017. Since, the Central Act is specifically dealing with the subject and same has come in to force subsequently, therefore the Company decided to adopt the Central Act i.e. Payment of Gratuity Act. Moreover, AS (ROP) Rules is a subordinate legislation, hence the principal law always prevails.
ii)	<b>Capital Work in Progress (Note no. 33.6)</b> The Company is implementing 500 TPD Methanol Plant at Namrup at a revised cost of ₹ 1,602.95 Crores and 200 TPD Formalin Plant at Boitamari at a project cost of Rs. 106.23 Crores. The Company has raised equity of ₹ 447.00 Crores and M/s Punjab National Bank, Bhangaghar Branch, Guwahati has sanctioned ₹ 890.67 Crores for implementation of the projects. However, the project of 500 TPD Methanol Plant scheduled for commissioning in September 2019 have been delayed and the 200 TPD Formalin Plant at Boitamari is yet to commenced implementation. The Company have been sanctioned	The proposal for additional equity has been submitted to Government of Assam, Oil India Limited (OIL) and Assam Gas Co. Ltd. Board of Directors of OIL has given approval for additional equity of ₹61.25 crores. Further to that a proposal for additional loan is also submitted to PNB.
	and disbursed Working Capital Term Loan (WCTL) under Guaranteed Emergency Credit Line 2.0 (GECL) by Punjab National Bank of ₹ 69.76 Crores. Thus, the balance of funds required for financial closure of the total project cost stands at ₹ 301.75 Crores, which is yet to be crystallized as on the date of this report.	Out of ₹ 301.75 crores ₹ 125 crores will come as equity capital from Government of Assam (including Assam Gas. Co. Ltd) and Oil India Ltd. in the already agreed ratio. Punjab National Bank (PNB) is in the process of sanctioning 10% of the original project cost i.e. ₹ 133 crores and the discussions are going-on with PNB and ICICI Bank.

iii)	<p><b>Documents in respect of subsidiary Company (M/s Pragjyotish Fertiliser and Chemicals Limited) (Note no. 33.3a):</b></p> <p>The Consolidated Financial Statement of the Company and its subsidiary M/s Pragjyotish Fertilizer and Chemicals Limited has not been prepared due to absence of Audited Financial Statement of the subsidiary company. However, the management of the Company is of the opinion that there is no financial impact during 2020-21 on the Company as all the investments, loans &amp; advances to the Subsidiary has been provided for in the books of accounts of the Company.</p>	The Comment of the Auditor is self-explanatory.
iv)	<p><b>Register of Fixed Assets of the Company (Note no. 33.9):</b></p> <p>The Company does not have a Register of Fixed Assets since past several years. We have been informed that preparation of a fixed assets register has been entrusted to an outside Agency till the year end of 2015 and subsequently updated till 2020-21 but the same has not been verified and adopted by the Board of Directors. Physical verification of fixed assets has also not been conducted during the year 2020-21. In our considered opinion, up to date fixed asset register and physical verification of fixed assets are utmost importance and should be given priority.</p>	The updation of the Fixed Assets Register upto 31 <sup>st</sup> March 2021 is in the final stage.
v)	<p><b>Exceptional Items:</b></p> <p>The Company has received ₹ 1,73,92,957.00 as refund of Gas Transmission Charges from M/s Assam Gas Co. Ltd. during the year for the period from Nov, 2008 to Mar, 2014 on the orders of Petroleum and Natural Gas Regulatory Board (PNGRB). The same have been accounted for on receipts basis under Note No 31. However, the Company must receive the amount of interest due on the entire refund as per PNGRB Order. The amount due along with Principal and interest as calculated by the company is ₹ 2,45,93,638.00. Due to the same, profit of the Company has been reduced by the said amount.</p>	<p>The company is continuously demanding the full amount of interest on the refunded amount to Assam Gas Co. Ltd. as per the order of the PNGB.</p> <p>The company will recognise the refund on its realisation.</p>
vi)	<p><b>Remuneration payable to Whole Time Director (Finance) nominated by OIL:</b></p> <p>a) The Company had calculated and provided for the remuneration to Director (Finance) at the rate allowed to Managing Director under Assam Revision of Pay Rules, 2017 for the period from Oct. 2020 to Mar 2021. However, the resolution to this effect in the Board of Directors meetings have not been observed by us.</p>	a) The Company was waiting for receipt of confirmation letter on payment of excess CTC amount payable to Shri K A Murali by his parent employer, i.e., Oil India Limited over his CTC fixed under AS (ROP) Rules, 2017.
	<p>b) Applicable deduction of Income Tax at source under Income Tax Act, 1961 have also not been made and accounted for during the year 2020-21.</p>	<p>Meanwhile, Oil India Limited vide letter no. CMD/OIL/6/1/KAM dated July 29, 2021 conveyed their decision to absorb the excess CTC payable to Shri Murali. The Board will pass a resolution on the matter in its next meeting.</p> <p>b) Noted</p>
B.	Audit Observation/Comments of Secretarial Auditors	

i)	That Pursuant to Section 129 (3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2015, the Company in addition to financial statement required to prepare a consolidated financial statement of the Company and its subsidiary company i.e. Pragjyotish Fertilizers and Chemicals Ltd. in the same form and manner which shall also be laid before the AGM of the company along with the laying of its financial statement. The company has neither prepared the consolidated financial statements of its subsidiary company nor attached the separate statement containing salient features with it.	Reply is given hereinabove
ii)	<b>That the fixed Assets Register has not been updated as on 31.03.2021.</b>	Already addressed hereinabove
iii)	That the composition of the Board of Directors of the Company was as per the provisions of Section 149 of the Companies Act, 2013 except sufficient numbers of Independent Directors of the Board throughout the year. In absence of sufficient numbers of Independent Directors on the Board, there was no separate meeting of Independent Directors held during the FY 2020-21.  However, the company appointed sufficient numbers of Independent Directors on the Board as on the date of this report.	The Board of Directors of the Company was re-constituted during the FY 2020-21 as per the amended Articles of Association of the Company. In the process, all the existing Independent Directors were relinquished their offices during the year and the company took more than 180 days to fill up the vacancy.
C.	Comments of the Comptroller and Auditor General of India	
1	<b>Exceptional Items: (Note-31): ₹ 1.74 crore</b> The Petroleum and Natural Gas Regulatory Board (PNGRB), on review of transmission charge (TC) payable by the Company to Assam Gas Company Limited (AGCL), directed (4 June 2019) AGCL to refund the excess transmission charges collected during the period from 20 November 2008 to 31 March 2014 along with interest (from 1 June 2014 till date of actual payment) at the rate as was applicable to the Company in case of delayed payment to AGCL. AGCL paid (30.03.21) ₹ 1.74 crore as 50 percent of total interest of ₹ 3.87 Crore after deducting ₹0.19 Crore as TDS. The Company accounted for ₹1.74 Crore as exceptional items without considering ₹ 0.19 Crore deducted as TDS by AGCL. This has resulted in understatement of 'Profit for the year' with corresponding understatement of 'Other Current Assets' by ₹0.19 crore each.	While preparing the financial statement, the TDS amount was not reflected in the Form 26AS, hence the company recognised the actual amount of Rs. 1.74 crores received in the Bank.  The observation is noted and proper entry will be made in the next financial year i.e. 2021-22.
2	<b>Borrowings (Note-16): ₹ 691.36 Crore</b> The Company is liable to repay ₹ 11.12 Crore as first quarterly instalment falling due in March 2022 against term loan obtained from Punjab National Bank. As instalment is payable within 12 months from the Balance sheet date, the same should be classified as 'Current Liability'. However, while reclassifying quarterly instalment from Non-Current Liabilities to Current Liabilities, the Company transferred only ₹ 1.11 Crore from above head to account head Borrowing (Note-18) under Current Liabilities. This resulted in understatement of 'Current Liabilities' with corresponding overstatement of 'Non-Current Liabilities' by ₹ 10.01 Crore (₹. 11.12 Crore less ₹. 1.11 Crore) each.	This is a typographical error. One instalment of the Term Loan is considered as Current Liability, however, ₹ 1.11 Crore was wrongly typed instead of ₹ 11.12 Crore. The observation has been noted for future reference

# COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143 (6)(b) OF THE COMPANIES ACT, 2013 ON THE ACCOUNTS OF ASSAM PETRO-CHEMICALS LIMITED FOR THE YEAR ENDED 31 MARCH, 2021

The Preparation of financial statements of **Assam Petro-Chemicals Limited** for the year ended **31 March 2021** in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the Management of the company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139 (7) of the Act are responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143 (10) of the Act. This is stated to have been done by them vide their Audit Report dated **11 August 2021**.

I, on behalf of the Comptroller and Auditor General of India have conducted a supplementary audit of the financial statements of **Assam Petro-Chemicals Limited** for the year ended **31 March 2021** under Section 143(6)(a) of the Act. The supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of Statutory Auditors and company personnel and a selective examination of some of the accounting records.

Based on my supplementary audit, I would like to highlight the following significant matters under section 143(6)(b) of Act which have come to my attention and which, in my view, are necessary for enabling a better understanding of the Financial Statements and the related Audit Report.

## A. COMMENTS ON PROFITABILITY

### Statement of Profit and Loss

#### Exceptional Items: (Note-31) : ₹ 1.74 Crore

The Petroleum and Natural Gas Regulatory Board (PNGRB), on review of transmission charge (TC) payable by the Company to Assam Gas Company Limited (AGCL), directed (4 June 2019) AGCL to refund the excess transmission charges collected during the period from 20 November 2008 to 31 March 2014 along with interest (from 1 June 2014 till date of actual payment) at the rate as was applicable to the Company in case of delayed payment to AGCL. AGCL paid (30.03.21) ₹1.74 crore as 50 percent of total interest of ₹3.87 Crore after deducting ₹0.19 Crore as TDS. The Company accounted for ₹1.74 Crore as exceptional items without considering ₹0.19 Crore deducted as TDS by AGCL. This has resulted in understatement of 'Profit for the year' with corresponding understatement of 'Other Current Assets' by ₹0.19 crore each.

## B. COMMENTS ON FINANCIAL POSITION

### 1. Balance Sheet

#### Equities and Liabilities:

#### Non-Current Liabilities

#### Financial Liabilities:



**Borrowings (Note-16): ₹ 691.36 Crore**

The Company is liable to repay ₹11.12 Crore as first quarterly instalment falling due in March 2022 against term loan obtained from Punjab National Bank. As installment is payable within 12 months from the Balance sheet date, the same should be classified as 'Current Liability'. However, while reclassifying quarterly instalment from Non-Current Liabilities to Current Liabilities, the Company transferred only ₹1.11 crore from above head to account head Borrowing (Note-18) under Current Liabilities. This resulted in understatement of 'Current Liabilities' with corresponding overstatement of 'Non-Current Liabilities' by ₹10.01 Crore (₹11.12 Crore less ₹1.11 Crore) each.

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

**Place: Guwahati**

**Date: 29/10/2021**

Sd/-  
**Principal Accountant General (Audit), Assam**

# Independent Auditor's Report

To,  
**The Members,**  
**Assam Petro-Chemicals Limited,**  
**Regd. Office: 4<sup>th</sup> Floor, Orion Place, Mahapurush**  
**Srimanta Sankardev Path,**  
**Bhangaghar, Guwahati, Assam – 781005.**

## Report on the Financial Statements

We have audited the accompanying standalone financial statements of Assam Petro-Chemicals Limited, ("the Company"), which comprise the Balance Sheet as at March 31, 2021, and the Statement of Profit and Loss and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its profits and cash flows for the year ended on that date.

## Basis of Opinion

We conducted our audit in accordance with the standards on auditing specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics.

We believe that the audit evidence we have obtained

is sufficient and appropriate to provide a basis for our opinion.

## Basis of Qualified Opinion:

### 1. Provision made for Payment of Gratuity (Note No.:33.1b (iii)):

We would like to draw attention to the Note No: 33.1b (iii) on Group Gratuity Scheme under Defined Benefit Plans. The amount of Gratuity payable to Employees, calculated at enhanced limit of ₹20,00,000/- (as approved in the Board of Directors meeting held on 12.04.2021) with effect from 29.03.2018 amounted to ₹16,75,34,421/- based on Actuarial Valuation by LIC. Out of the above, ₹ 4,48,24,523/- have been provided for the year 2020-21 and ₹ 12,27,09,898/- for the previous three years viz 2017-18, 2018-19 and 2019-20, which was retrospectively restated in the audited accounts for the respective years. The retrospective restatement of this expenditure has been done in terms of Ind AS 8 as reported to us. However, we are of the opinion that such retrospective restatement of the expenditure for previous three years is not applicable under Ind AS 8 as the same cannot be termed as "error" in the financial statements of those previous years. Hence, the Company should have accounted for the full provision amount ₹ 16,75,34,421/- during the year 2020-21. In view of the above treatment, the profits of the Company for the financial year 2020-21 is overstated by an amount of ₹ 12,27,09,898/- as explained above.

### 2. Basis for calculation of depreciation (Note No.: 29 & 33.9):

In the absence of proper fixed assets register, the rate of depreciation under straight line method and /or written down value method on remaining useful life of respective assets is calculated based on audited financial statement of previous years and other financial records. The Company have also not adopted Component accounting as required by the Schedule II of the Companies Act, 2013. In view of the same, we are unable to comment on the correctness

of the amount of depreciation during the year 2020-21 and value of fixed assets as on 31.03.2021.

### **Key audit matters**

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

Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company.

### **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 Board's Report including Annexure to Board's Report, 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. We have nothing to report in this regard.

### **Management's responsibility for the financial statements**

The Company's Board of Directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash

flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate

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

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

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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.

### **Emphasis of Matters:**

We draw the attention to the following matters in the Notes to the Financial Statements and others:

#### **1. Enhancement of maximum limit for Gratuity payable to employees (Note No.: 33.1b (iii)):**

Attention is drawn to the Note No: 33.1b (iii): Group Gratuity Scheme under Defined Benefit Plans, which discloses that the Company in its Board of Directors (BOD) meeting held on 12.04.2021 had approved to enhance the maximum limit of Gratuity payable to ₹ 20,00,000.00 (Rupees Twenty Lakhs) as per the Central Govt Notification No. D.O. 1420 (E) dated 29.03.2018. However, the said Notification specifically states that "the amount of gratuity payable to an employee under the Payment of Gratuity Act, 1972 shall not exceed twenty lakh rupees", thereby implying that absolute financial amount shall not exceed twenty lakhs.



M/s Assam Petro Chemical Ltd, being a company under the management of Govt. of Assam, follows the directives laid down in the Assam Service (Revision of Pay) Rules, 2017 (briefly referred as ROP,2017). The absolute financial amount prescribed for Death Cum Retirement Gratuity (DCGR) in the said ROP,2017 is ₹ 15,00,000/- (maximum). Hence approval for enhancement of the limit from ₹ 15,00,000/- to ₹ 20,00,000/- should have been taken by the Company from Government of Assam.

## **2. Capital Work in Progress (Note No.:33.6):**

The Company is implementing 500 TPD Methanol Plant at Namrup at a revised cost of ₹ 1,602.95 Crores and 200 TPD Formalin Plant at Boitamari at a project cost of ₹ 106.23 Crores. The Company has raised equity of ₹ 447.00 Crores and M/s Punjab National Bank, Bhangaghar Branch, Guwahati has sanctioned ₹ 890.67 Crores for implementation of the projects. However, the project of 500 TPD Methanol Plant scheduled for commissioning in September 2019 have been delayed and the 200 TPD Formalin Plant at Boitamari is yet to commenced implementation. The Company have been sanctioned and disbursed Working Capital Term Loan (WCTL) under Guaranteed Emergency Credit Line 2.0 (GECL) by Punjab National Bank of ₹ 69.76 Crores. Thus, the balance of funds required for financial closure of the total project cost stands at ₹ 301.75 Crores, which is yet to be crystallized as on the date of this report.

## **3. Documents in respect of subsidiary Company (M/s Pragjyotish Fertiliser and Chemicals Limited) (Note No.: 33.3a):**

The Consolidated Financial Statement of the Company and its subsidiary M/s Pragjyotish Fertilizer and Chemicals Limited has not been prepared due to absence of Audited Financial Statement of the subsidiary company. However, the management of the Company is of the opinion that there is no financial impact during 2020-21 on the Company as all the investments, loans & advances to the Subsidiary has been provided for in the books of accounts of the Company.

## **4. Register of Fixed Assets of the Company (Note No.: 33.9):**

The Company does not have a Register of Fixed Assets since past several years. We have been informed that preparation of a fixed assets register has been entrusted to an outside Agency till the year end of 2015 and subsequently updated till 2020-21 but the same has not been verified and adopted by the Board of Directors. Physical verification of fixed assets has also not been conducted during the year 2020-21. In our considered opinion, up to date fixed asset register and physical verification of fixed assets are utmost importance and should be given priority.

## **5. Exceptional Items (Note No. 31):**

The Company has received ₹ 1,73,92,957/- as refund of Gas Transmission Charges from M/s Assam Gas Co. Ltd. during the year for the period from Nov,2008 to Mar,2014 on the orders of Petroleum and Natural Gas Regulatory Board (PNGRB). The same have been accounted for on receipts basis under Note No 31. However, the Company must receive the amount of interest due on the entire refund as per PNGRB Order. The amount due along with principal and interest as calculated y the Company is ₹ 2,45,93,638/-. Due to the same, the profits of the Company as per the Statement of Profit and Loss for the year ended 31st March 2021 has been reduced by the said amount.

## **6. Remuneration payable to Whole Time Director (Finance) nominated by OIL:**

a) The Company had calculated and provided for the remuneration to Director (Finance) at the rate allowed to Managing Director under Assam Revision of Pay Rules, 2017 for the period from Oct 2020 to Mar 2021. However, the resolution to this effect in the Board of Directors meetings have not been observed by us.

b) Applicable deduction of Income Tax at source under Income Tax Act, 1961 have also not been made and accounted for during the year 2020-21.

## **Report on other legal and regulatory requirements**

As required by the Companies (Auditor's Report)

Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure "A"**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

With respect to the other matters to be included in the Auditors' Report in terms of the directions of the Comptroller and Auditor General of India (C&AG) under Section 143(5) of the Act, and on the basis of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we give in the **Annexure "B"** and **Annexure "C"**, statements on the matters specified in the Directions and Sub-directions of C & A G respectively.

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, and the cash flow statement dealt with by this report are in agreement with the books of account;
- d. In our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014;
- e. On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **Annexure "D"**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting; and
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company does not have any pending litigations, which would impact its financial position;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For A M D & ASSOCIATES,**  
Chartered Accountants,  
Firm Reg. No. 318191E.

Place: Guwahati  
Date: 11.08.2021  
UDIN: 21053980AAAAAT7537

Sd/-  
**(CA. A. Baruah, FCA)**  
Partner,  
Mem. No. 053980

## ANNEXURE – A

### ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in paragraph 1 of Our Report on “Other Legal and Regulatory Requirements” to the members of Assam Petro – Chemicals Limited, (the Company’) for the year Ended on March 31, 2021. We report that:

(i)	(a) (A) whether the company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment; (B) whether the company is maintaining proper records showing full particulars of intangible assets;	(a) (A) The Company has not maintained proper records showing full particulars including quantitative details and situation for fixed assets. (a) (B) No such records produced to us.											
	(b) whether these Property, Plant and Equipment have been physically verified by the management at reasonable intervals; whether any material discrepancies were noticed on such verification and if so, whether the same have been properly dealt with in the books of accounts.	(b) No, physical verification has not been done since past several years and hence no material discrepancies have been reported and dealt with in the books.											
	(c) whether the title deeds of all the immovable properties. (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company. If not, provide the details thereof in the format below; <table><tr><td>Description of Property</td><td>Gross Carrying Value</td><td>Held in name of</td><td>Whether Promoter Director or their relative or employee</td><td>Period held indicate range where appropriate</td><td>Reason for not being held in name of company</td></tr><tr><td>Land at Boitamari, Bongaigoan, Assam</td><td>Nil</td><td>Assam Petro-Chemicals Ltd</td><td>N. A.</td><td>8th June 2017 and 28th Feb, 2019.</td><td>Not yet registered in the name of the Company Also indicate if in dispute: No dispute.</td></tr></table>	Description of Property	Gross Carrying Value	Held in name of	Whether Promoter Director or their relative or employee	Period held indicate range where appropriate	Reason for not being held in name of company	Land at Boitamari, Bongaigoan, Assam	Nil	Assam Petro-Chemicals Ltd	N. A.	8th June 2017 and 28th Feb, 2019.	Not yet registered in the name of the Company Also indicate if in dispute: No dispute.
Description of Property	Gross Carrying Value	Held in name of	Whether Promoter Director or their relative or employee	Period held indicate range where appropriate	Reason for not being held in name of company								
Land at Boitamari, Bongaigoan, Assam	Nil	Assam Petro-Chemicals Ltd	N. A.	8th June 2017 and 28th Feb, 2019.	Not yet registered in the name of the Company Also indicate if in dispute: No dispute.								
	d) Whether the Company has revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year and, if so, whether the revaluation is based on the valuation by a Registered Valuer; specify the amount of change, if change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment or intangible assets;	No.											
	(e) Whether any proceedings have been initiated or are pending against the company for holding any Benami property under the “Benami Transactions (Prohibition) Act, 1988” and Rules made there under; if so, whether the Company has appropriately disclosed the details in its financial statements;	No such Benami property have been observed by us or reported to us. Hence, disclosure not required.											
(ii)	(a) whether physical verification of inventory has been conducted at reasonable intervals by the management and whether, in the opinion of the auditor, the coverage and procedure of such verification by the management is appropriate; whether any discrepancies of 10% or more in the aggregate for each class of inventory were noticed and if so, whether they have been properly dealt with in the books of account;	Physical verification of inventories consisting of stores and spares has been carried from time to time at regular intervals. Physical verification of finished goods, being liquid are stored in tanks and verified regularly. No discrepancies of 10% or more have been reported.											

	(b) whether during any point of time of the year, the Company has been sanctioned working capital limits in excess of Rs. 5 Crores, in aggregate, from banks or financial institutions on the basis of security of current assets; whether the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company. If not, give details.	No such working capital loan has been availed by the Company during the year.
(iii)	<p>Whether during the year the company has made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships or any other parties. If so,</p> <p>(a) whether during the year the company has provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to any other entity [not applicable to companies whose principal business is to give loans], if so, indicate-</p> <p>(A) the aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans or advances and guarantees or security to subsidiaries, joint ventures and associates.</p> <p>(B) the aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans or advances and guarantees or security to parties other than subsidiaries, joint ventures and associates.</p>	<p>No.</p> <p>(a) NA.</p> <p>(A) Rs. 25.00 Lakhs is outstanding as principal amount of Loan to M/s Assam Tea Corporation Ltd, a Related Party at the time of disbursement of the Loan along with Interest Outstanding of Rs. 79.79 Lakhs up to 31.03.2020. (Approx.) No interest recognized thereafter.</p> <p>(B) NIL</p>
	(b) whether the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the company's interest;	(b) No.
	(c) in respect of loans and advances in the nature of loans whether the schedule of repayment of principal and payment of interest has been stipulated and whether the repayments or receipts are regular;	(c) Repayment of principal amount and payment of interest has not been made as per stipulated schedule.
	(d) if the amount is overdue, state the total amount overdue for more than ninety days, and whether reasonable steps have been taken by the company for recovery of the principal and interest.	<p>Amount of Principal overdue: Rs. 25.00 Lakhs and amount of Interest Overdue: Rs. 79.79 Lakhs (Approx.) up to 31.03.2020</p> <p>The Company has made full provision for the principal amount of loan during the year 2020-21.</p>
	(e) whether any loan or advance in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties; If so, specify the aggregate amount of such dues renewed or extended or settled by fresh loans and the percentage of the aggregate to the total loans or advances in the nature of loans granted during the year. [Not applicable to companies whose principal business is to give loans];	Not Applicable.
	(f) whether the Company has granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment; if so, specify the aggregate amount, percentage thereof to the total loans granted, aggregate amount of loans granted to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013	No such loan given during the year.



(iv)	in respect of loans, investments, guarantees, and security whether provisions of section 185 and 186 of the Companies Act, 2013 have been complied with. If not, provide the details thereof.	No such cases have been reported to us.
(v)	in respect of deposits accepted by the Company or amounts which are deemed to be deposits, whether the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder, where applicable, have been complied with? If not, the nature of such contraventions be stated; If an order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal, whether the same has been complied with or not?	No such cases have been reported to us.
(vi)	whether maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act and whether such accounts and records have been so made and maintained	Maintenance of Cost Records have been prescribed by Central Government and the Company have conducted Cost Audit for the year 2019-20.
(vii)	(a) whether the company is regular in depositing undisputed statutory dues including Goods and Service Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities and if not, the extent of the arrears of outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable, shall be indicated;	Yes. No such undisputed dues have been observed by us or reported to us.
	(b) where statutory dues referred to in sub-clause (a) have not been deposited on account of any dispute, then the amounts involved and the forum where dispute is pending shall be mentioned. (A mere representation to the concerned Department shall not be treated as a dispute).	Not Applicable.
(viii)	whether any transactions not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961; if so, whether the previously unrecorded income has been properly recorded in the books of account during the year?	Not Applicable.
(ix)	(a) whether the company has defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender? If yes, the period and the amount of default to be reported as per the format below:	No. Repayment of the term loan from PNB have not yet commenced.
	(b) Whether the company is a declared wilful defaulter by any bank or financial institution or other lender?	No such cases have been observed by us and reported to us.
	(c) Whether term loans were applied for the purpose for which the loans were obtained; if not, the amount of loan so diverted and the purpose for which it is used may be reported	Yes, term loans have been applied for the purpose for which it was obtained.
	(d) whether funds raised on short term basis have been utilised for long term purposes? If yes, the nature and amount to be indicated	Not such cases have been observed by us or reported to us.
	(e) whether the Company has taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures? If so, details thereof with nature of such transactions and the amount in each case	No.

	(f) whether the Company has raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies? If so, give details thereof and also report if the company has defaulted in repayment of such loans raised.	No.
(x)	(a) whether moneys raised by way of initial public offer or further public offer (including debt instruments) during the year were applied for the purposes for which those are raised. If not, the details together with delays or default and subsequent rectification, if any, as may be applicable, be reported;	No.
	(b) whether the Company has made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and if so, whether the requirements of Section 42 and Section 62 of the Companies Act, 2013 have been complied with and the funds raised have been used for the purposes for which the funds were raised. If not, provide details in respect of amount involved and nature of non-compliance	No
(xi)	(a) whether any fraud by the company or any fraud on the Company has been noticed or reported during the year; If yes, the nature and the amount involved is to be indicated;	No such cases of fraud by the Company or on the Company have been observed by us or reported to us.
	(b) whether any report under sub-Section (12) of Section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules 2014 with the Central Government?	No such report has been filed by the auditors of the Company.
	(c) whether the auditor has considered whistle-blower complaints, if any, received during the year by the Company?	No such complaints have been observed by us or reported to us.
(xii)	(a) whether the Nidhi Company has complied with the Net Owned Funds to Deposits in the ratio of 1:20 to meet out the liability	Not Applicable.
	(b) whether the Nidhi Company is maintaining ten per cent unencumbered term deposits as specified in the Nidhi Rules, 2014 to meet out the liability;	Not Applicable.
	(c) whether there has been any default in payment of interest on deposits or repayment thereof for any period and if so, the details thereof	Not Applicable.
(xiii)	whether all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards;	Yes.
(xiv)	(a) whether the company has an internal audit system commensurate with the size and nature of its business? (b) Whether the reports of the Internal Auditors for the period under audit were considered by the statutory auditor?	(a) The Company does not have an internal audit department of its own. (b) Reports of Internal Auditors for the year ended 31.03.2021 to have been considered by us.
(xv)	whether the company has entered into any non-cash transactions with directors or persons connected with him and if so, whether the provisions of section 192 of Companies Act have been complied with;	No such cases have been observed by or reported to us.

(xvi)	(a) Whether the company is required to be registered under section 45-1A of the Reserve Bank of India Act, 1934 and if so, whether the registration has been obtained.	Not Applicable.
	(b) whether the Company has conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act 1934	Not Applicable.
	(c) whether the Company is a Core Investment Company (CIC) as defined under the Regulations by the Reserve Bank of India? If so, whether it continues to fulfil the criteria of a CIC and In case the company is an exempted or unregistered CIC, whether it continues to fulfil such criteria	Not Applicable.
	(d) Whether the Group has more than one CIC as part of the Group, If yes, indicate the number of CICs which are part of the Group.	Not Applicable.
(xvii)	whether the Company has incurred cash losses in the Financial Year and in the immediately preceding Financial year? If so, state the amount of cash losses	Cash Loss for the financial year 2020-21: Nil. Cash loss in the immediately preceding Financial year Rs.6.14 Crores.
(xviii)	whether there has been any resignation of the statutory auditors during the year? If so, whether the auditor has taken into consideration the issues, objections or concerns raised by the outgoing auditors?	No such cases have been reported to us.
(xix)	on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, whether the auditor is of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.	We have been represented by the management of the Company that no material uncertainty exists as on the date of audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
(xx)	(a) whether, in respect of other than ongoing projects, the company has transferred unspent amount to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act.	No such amounts have been transferred.
(xxi)	whether there have been any qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements? If yes, indicate the details of the companies and the paragraph numbers of the CARO report containing the qualifications or adverse remarks	The Company has not prepared Consolidate financial statements with its subsidiary Company: M/s Pragjyotish Fertilizer and Chemicals Ltd. Hence, we are unable to comment on the same.

**For A M D & ASSOCIATES,**  
Chartered Accountants,  
Firm Reg. No. 318191E.

Place: Guwahati  
Date: 11.08.2021  
UDIN: 21053980AAAAAT7537

Sd/-  
**(CA. A. Baruah, FCA)**  
Partner,  
Mem. No. 053980

## Annexure – B

### CAG's directions under Section 143(5) of the Companies Act, 2013 applicable to the financial statements of the Companies for the year 2020-21:

Sl. No.	Particulars of matters:	Auditor's Report:
I	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications if any, may be stated.	The Company maintains its books of account in Tally Accounting software. Hence, all accounting transactions are processed through Tally Accounting software. Implication of processing accounting transactions outside Tally Accounting software does not arise.
II	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/ interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case, lender is a Government company, then this direction is also applicable for statutory auditor of Lender Company).	There has been no restructuring of an existing loan or cases of waiver / write off debts/loans/interest made by a lender due to Company inability to repay the loan.  However there has been re-schedulement of loan repayment due to change in schedule date of commercial operations.
III	Whether funds (grants/subsidy etc.) received/ receivable for specific schemes from Central/ State Government or its agencies were properly accounted for/utilized as per its term and conditions? List the cases of deviation.	No cash grant/subsidy has been received from central/state governments or its agencies, however refer to note 33.6 of the standalone financial statements regarding capital work in progress and accordingly it is informed that company has received Rs. 177.00 Crs from Govt. of Assam as equity contribution for implementing 500 TPD methanol and 200 TPD formalin plant. The funds so received has been utilised for the purpose for which it has been granted.  Also refer to note 33.7 of the standalone financial statements regarding government grant and accordingly it is informed that a plot of land measuring 163 bigha 3 kotha has been allotted by Govt. Of Assam for establishment of Industrial Park. The Grant received is being utilised for setting up of 200 TPD formalin plant and Transshipment Centre.

**For A M D & ASSOCIATES,**  
Chartered Accountants,  
Firm Reg. No. 318191E.

Place: Guwahati  
Date: 11.08.2021  
UDIN: 21053980AAAAAT7537

Sd/-  
**(CA. A. Baruah, FCA)**  
Partner,  
Mem. No. 053980



**ANNEXURE – “C”****Assam Petro-Chemicals Limited, Namrup for the year ended 31<sup>st</sup> March, 2021****Sub Directions under section 143 (5) of Companies Act, 2013  
for the year 2020-2021**

1. State the area of land under encroachment and briefly explain the steps taken by the company to remove encroachments.  
*- As per information and explanations given to us, no land under the possession of the Company has been encroached.*
2. Whether subsidy received / recoverable from Government of India has been properly accounted for as per claims admitted.  
*- As per information and explanations given to us, no such subsidy is received / recoverable from Government of India during 2020-2021.*

**For A M D & ASSOCIATES,**  
Chartered Accountants,  
Firm Reg. No. 318191E.

Place: Guwahati  
Date: 11.08.2021  
UDIN: 21053980AAAAAT7537

Sd/-  
**(CA. A. Baruah, FCA)**  
Partner,  
Mem. No. 053980

## **Annexure “D” to the Independent Auditor’s Report: 31st March, 2021**

(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ of our report of even date)

### **Report on the Internal Financial Controls Over Financial Reporting Under Clause (i) of Sub section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of Assam Perto-Chemicals Ltd as of 31<sup>st</sup> March 2021, in conjunction with our audit of the standalone 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 company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the standards on Auditing, 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. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial control 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 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

(3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial control over financial reporting to future periods are subject to 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.

### **Basis of qualified opinion:**

The Company has an internal audit system, which is being conducted by a firm of Chartered Accountants in quarterly basis. The timely and regular verification and reporting as per the terms of reference for the internal audit would have not generated the observations of the previous year's statutory auditors on the accounts and internal control system

of the Company. As the Company is implementing a 500 TPD Methanol Plant at Namrup and also in the process of implementing a 200 TPD Formalin Plant at Boitamari since previous years with huge capital investments, there should be a strong and effective internal financial control system backed by regular internal audit system to look after the adherence of internal control functions and safe guard its assets and properties. We have been represented by the management of the Company that proper actions to meet the observations of the previous auditors have been taken up and there are no material weakness/ deficiency or misstatement in the financial statement of the Company for the year 2020-21.

### **Qualified Opinion**

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

We have considered the weaknesses identified and reported above in determining the audit procedures applied in the audit of the financial statements of the Company as of 31st March, 2021 and these weaknesses do not affect our opinion on the financial statements of the Company for the year then ended.

**For A M D & ASSOCIATES,**  
Chartered Accountants,  
Firm Reg. No. 318191E.

Place: Guwahati  
Date: 11.08.2021  
UDIN: 21053980AAAAAT7537

Sd/-  
**(CA. A. Baruah, FCA)**  
Partner,  
Mem. No. 053980

## Balance Sheet as at 31<sup>st</sup> March, 2021

(Amount in ₹)

Particulars		Note	As at 31 March, 2021	As at 31 March, 2020	As at 31 March, 2019
<b>I</b>	<b>ASSETS</b>				
<b>1</b>	<b>Non-current assets</b>				
	(a) Property, Plant and Equipment	2	23,72,13,534	15,62,88,864	16,30,38,596
	(b) Capital work-in-progress	3	10,12,83,12,103	7,08,99,61,310	3,00,09,04,385
	(c) Intangible assets	4	1,80,208	3,06,658	5,06,944
	(d) Financial Assets-				
	(i) Investment	5	-	-	-
	(ii) Loans	6	2,74,10,013	2,98,82,217	3,54,47,485
	(e) Other non current assets	7	5,94,41,458	18,66,58,645	3,55,86,041
	<b>Total Non-current Assets</b>		<b>10,45,25,57,316</b>	<b>7,46,30,97,694</b>	<b>3,23,54,83,451</b>
<b>2</b>	<b>Current assets</b>				
	(a) Inventories	8	11,77,60,823	12,27,10,628	9,56,54,395
	(b) Financial Assets				
	(i) Trade receivables	9	12,09,89,144	7,74,66,300	7,39,64,405
	(ii) Cash and cash equivalents	10	33,61,70,820	33,30,53,566	36,48,81,732
	(iii) Bank balances other than (ii) above	11	49,48,81,007	94,94,17,185	1,38,71,76,371
	(iv) Loans	12	1,26,85,884	1,15,57,178	61,42,195
	(c) Other current assets	13	1,16,07,98,717	84,12,00,213	15,69,14,528
	<b>Total Current Assets</b>		<b>2,24,32,86,395</b>	<b>2,33,54,05,070</b>	<b>2,08,47,33,625</b>
	<b>Total Assets</b>		<b>12,69,58,43,711</b>	<b>9,79,85,02,764</b>	<b>5,32,02,17,076</b>
<b>II</b>	<b>EQUITY AND LIABILITIES</b>				
<b>1</b>	<b>Equity</b>				
	(a) Equity Share capital	14	4,97,16,57,330	4,97,16,57,330	4,31,16,57,330
	(b) Other Equity	15	3,91,53,724	(2,00,27,192)	10,23,42,291
	<b>Total Equity</b>		<b>5,01,08,11,054</b>	<b>4,95,16,30,138</b>	<b>4,41,39,99,621</b>
<b>2</b>	<b>Non-current liabilities</b>				
	(a) Financial Liabilities				
	(i) Borrowings	16	6,91,36,49,624	3,86,15,94,985	52,56,33,029
	(ii) Other financial liabilities	17	22,09,36,107	24,17,93,100	-
	(b) Deferred tax liabilities (net)		7,08,93,333	-	-



Particulars		Note	As at 31 March, 2021	As at 31 March, 2020	As at 31 March, 2019
	(c) Deferred tax liabilities (net)		1,32,14,178	1,39,48,998	1,45,91,399
	<b>Total Non-current Liabilities</b>		<b>7,21,86,93,242</b>	<b>4,11,73,37,083</b>	<b>54,02,24,428</b>
<b>3</b>	<b>Current liabilities</b>				
	(a) Financial Liabilities				
	(i) Borrowings	18	1,11,20,000	22,24,00,000	-
	(ii) Trade payables	19	4,82,99,044	16,98,44,714	8,22,43,105
	(iii) Other financial liabilities	20	6,75,68,439	6,64,68,056	3,13,05,789
	(b) Other current liabilities	21	14,42,54,473	7,49,87,381	4,95,43,618
	(c) Provisions	22	19,50,97,459	19,58,35,392	20,29,00,516
	<b>Total Current Liabilities</b>		<b>46,63,39,415</b>	<b>72,95,35,543</b>	<b>36,59,93,028</b>
	<b>Total Equity &amp; Liabilities</b>		<b>12,69,58,43,711</b>	<b>9,79,85,02,764</b>	<b>5,32,02,17,077</b>
Accompanying notes to the Financial Statements		1 to 34			

As per our report of even date annexured

**For A M D & ASSOCIATES,**  
Chartered Accountants,  
FRN : 318191E

Sd/-  
**(CA. A. Baruah)**  
Partner  
M.No. 053980

Place : Guwahati  
Date : 11.08.2021  
UDIN:21053980AAAAAT7537

**For and on behalf of the Board of Directors**

Sd/-  
**(Atul Ch. Barman)**  
Managing Director  
(DIN : 08730948)

Sd/-  
**(Bikul Ch. Deka)**  
Chairman  
(DIN : 07774812)

Sd/-  
**(Uttam Bailung)**  
Company Secretary  
(M.No.:FCS-7254)

Sd/-  
**(K A Murali)**  
Director(Finance) & CFO  
(DIN : 08717563)

## Statement of Profit and loss for the year ended 31<sup>st</sup> March 2021

(Amount in ₹)

Particulars		Note No.	As at 31 March, 2021	As at 31 March, 2020	As at 31 March, 2019
<b>I</b>	Revenue From Operations	23	92,47,87,709.06	83,05,26,041	1,11,57,31,075
<b>II</b>	Other income	24	6,61,16,389.61	8,17,48,797	6,47,33,187
<b>III</b>	<b>Total Income (I+II)</b>		<b>99,09,04,098.67</b>	<b>91,22,74,838</b>	<b>1,18,04,64,262</b>
<b>IV</b>	<b>Expenses:</b>				
	Cost of materials consumed	25	24,91,84,950	38,88,91,704	36,62,25,495
	Changes in inventories of finished goods, Stocks-in-Trade and work-in-progress	26	99,59,401	(1,62,58,996)	6,24,589
	Employee benefits expense	27	43,31,28,612	43,95,68,379	42,40,90,771
	Finance costs	28	-	-	2,24,589
	Depreciation and amortisation expense	29	1,80,27,235	2,23,50,706	2,10,12,215
	Other expenses	30	21,56,44,969	24,76,50,469	25,00,97,475
	<b>Total Expenses (IV)</b>		<b>92,59,45,167</b>	<b>1,08,22,02,262</b>	<b>1,06,22,75,133</b>
<b>V</b>	<b>Profit before Exceptional Items and Tax (III-IV)</b>		6,49,58,931.37	(16,99,27,423)	11,81,89,129
<b>VI</b>	Exceptional items	31	1,73,92,957	5,68,39,726	(7,50,93,587)
<b>VII</b>	<b>Profit before tax (V-VI)</b>		8,23,51,888	(11,30,87,697)	4,30,95,542
<b>VIII</b>	<b>Tax expense:</b>				
	(1) Current tax		1,18,10,204	-	86,70,113
	(2) MAT credit entitlement		(1,18,10,204)	-	(86,70,113)
	(3) Tax expense relating to prior years		5,07,271	8,84,290	-
	(4) Deferred tax		(7,34,820)	(6,42,401)	(31,26,700)
	<b>Total Tax expense</b>		<b>(2,27,549)</b>	<b>2,41,889</b>	<b>(31,26,700)</b>
<b>IX</b>	<b>Profit / (Loss) for the period from continuing operations</b>		<b>8,25,79,437</b>	<b>(11,33,29,586)</b>	<b>4,62,22,242</b>
<b>X</b>	Profit / (Loss) from discontinuing operations		-	-	-
<b>XI</b>	<b>Tax expense of discontinued operations</b>		-	-	-
<b>XII</b>	Profit/(loss) from Discontinued operations (after tax) (X-XI)		-	-	-
<b>XIII</b>	<b>Profit for the period (IX+XII)</b>		<b>8,25,79,437</b>	<b>(11,33,29,586)</b>	<b>4,62,22,242</b>

## Statement of Profit and Loss for the year ended 31<sup>st</sup> March, 2021 (contd.)

Particulars		Note No.	As at 31 March, 2021	As at 31 March, 2020	As at 31 March, 2019
<b>XIV</b>	Other Comprehensive Income				
	(i) Items relating to remeasurement of Defined Employee Benefit Plan		(2,33,98,521)	(90,39,897)	(38,29,754)
<b>XV</b>	Total Comprehensive Income for the period (XIII+XIV)(Comprising Profit (Loss) and Other Comprehensive Income for the period)		5,91,80,917	(12,23,69,483)	4,23,92,488
<b>XVI</b>	Earnings per equity share (for continuing operation):		-	-	
	Basic & Diluted		0.12	(0.25)	0.10
<b>XVII</b>	Earnings per equity share (for discontinued operation):		-	-	
	Basic & Diluted		-	-	
<b>XVII</b>	Earnings per equity share (for discontinued & continuing operations)				
	Basic & Diluted		-	-	
	Accompanying notes to the Financial Statements	1 to 34			

As per our report of even date annexured

**For A M D & ASSOCIATES,**  
Chartered Accountants,  
FRN : 318191E

Sd/-  
**(CA. A. Baruah)**  
Partner  
M.No. 053980

Place : Guwahati  
Date : 11.08.2021  
UDIN:21053980AAAAAT7537

**For and on behalf of the Board of Directors**

Sd/-  
**(Atul Ch. Barman)**  
Managing Director  
(DIN : 08730948)

Sd/-  
**(Uttam Bailing)**  
Company Secretary  
(M.No.:FCS-7254)

Sd/-  
**(Bikul Ch. Deka)**  
Chairman  
(DIN : 07774812)

Sd/-  
**(K A Murali)**  
Director(Finance) & CFO  
(DIN : 08717563)

## Cash Flow Statement for the year ended 31<sup>st</sup> March, 2021

(Amount in ₹)

Particulars	For the year ended 31 March, 2021		For the year ended 31 March, 2020	
<b>A Cash flow from operating activities</b>				
<b>Profit before Tax</b>		5,91,80,917		(10,08,60,071)
<b>Adjustments for</b>				
Depreciation and amortisation	1,80,27,235		2,23,52,491	
Interest Income	(6,61,16,390)		(8,17,52,269)	
Other Non Operative Items	(27,26,667)			
Other Non Cash Items	(2,80,31,827)		1,71,02,417	
<b>Total</b>		(7,88,47,649)		(4,22,97,361)
<b>Operating profit before working capital changes</b>		(1,96,66,732)		(14,31,57,432)
<b>Changes in working capital:</b>				
Inventories	49,49,805		(2,70,56,233)	
Trade receivables	(4,35,22,844)		(35,01,895)	
Current loans & advances	(11,28,706)		(54,14,983)	
Non - Current loans & advances	24,72,204		55,65,268	
Other current assets	(31,95,98,503)		(67,94,03,131)	
Other non - current assets	13,90,27,391		(15,10,72,604)	
Trade Payables	(12,15,45,670)		10,95,83,865	
Other financial Liabilities	11,00,383		3,51,62,267	
Other Current Financial Liabilities	6,92,67,092		2,73,46,772	
Other Non - Current Liabilities	(2,08,56,993)		21,94,53,440	
Short Term & Long Term Provisions	1,25,48,137		(7,41,86,148)	
<b>Total</b>		(27,72,87,705)		(54,35,23,382)
<b>Cash Generated From Operations</b>		(29,69,54,437)		(68,66,80,814)
Income Tax Payment (net of refund)		-		(8,84,290)
<b>Net Cash Flow from Operating Activities</b>		<b>(29,69,54,437)</b>		<b>(68,75,65,104)</b>
<b>B Cash flow from Investing Activities</b>				
Proceeds from sale of Assets	-		-	
Purchase of property, plant and equipments	(2,30,04,722)		67,20,165	
Purchase of intangible assest	-		2,00,286	
Expenditure on Construction Work in Progress	(3,03,83,50,795)		(4,08,90,56,925)	
Interest received	6,61,16,390		8,17,52,268	
Addition of non current asset through Govt. Grant	(7,36,20,000)			



Particulars	For the year ended 31 March, 2021		For the year ended 31 March, 2020	
Cash flow from extraordinary items		(3,06,88,59,127)		(4,00,03,84,204)
<b>Net Cash Generated/(Used) in Investing Activities :</b>		<b>(3,06,88,59,127)</b>		<b>(4,00,03,84,204)</b>
<b>C Cash flow from Financing Activities</b>				
Equity share capital	-		66,00,00,000	
Long Term Borrowings	2,84,07,74,639		3,55,83,61,956	
Receipt of Govt. Grant	7,36,20,000			
		2,91,43,94,639		4,21,83,61,956
<b>Net Cash Generated/(Used) from Financing Activities</b>		<b>2,91,43,94,639</b>		<b>4,21,83,61,956</b>
<b>D Net Change in cash &amp; cash equivalents (A+B+C)</b>		<b>(45,14,18,925)</b>		<b>(46,95,87,352)</b>
Cash & cash equivalents as at beginning end of year		1,28,24,70,752		1,75,20,58,104
Cash & cash equivalents as at end of the year		<b>83,10,51,827</b>		<b>1,28,24,70,752</b>
Notes:				
Cash and cash equivalents represents:				
Cash on hand		66,500		1,83,041
Current accounts, Term Deposits, etc		33,61,04,320		33,28,70,525
Unpaid Dividend Bank Account		68,635		1,21,742
Earmarked Balance		49,48,12,372		94,92,95,444
		<b>83,10,51,827</b>		<b>1,28,24,70,752</b>

As per our report of even date annexured

**For A M D & ASSOCIATES,**

Chartered Accountants,

FRN : 318191E

Sd/-

**(CA. A. Baruah)**

Partner

M.No. 053980

Place : Guwahati

Date : 11.08.2021

UDIN:21053980AAAAAT7537

**For and on behalf of the Board of Directors**

Sd/-

**(Atul Ch. Barman)**

Managing Director

(DIN : 08730948)

Sd/-

**(Bikul Ch. Deka)**

Chairman

(DIN : 07774812)

Sd/-

**(Uttam Bailung)**

Company Secretary

(M.No.:FCS-7254)

Sd/-

**(K A Murali)**

Director(Finance) & CFO

(DIN : 08717563)

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

(Amount in ₹)

a. Equity Share Capital				
Balance at the beginning of the reporting period	Changes in equity share capital during the year		Balance at the end of the reporting period	
4,97,16,57,330	-		4,97,16,57,330	
b. Other Equity				
Particulars	Reserves and Surplus			
	Capital reserve	Capital redemption reserve	General Reserve	Retained Earnings
Balance at the beginning of the reporting period	13,625	1,10,29,100	33,09,10,993	(36,19,80,911)
Changes in accounting policy/prior period errors	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	-	-
Total Comprehensive Income for the year	-	-	-	5,91,80,917
Dividends	-	-	-	-
Transfer to retained earnings	-	-	-	-
Utilised for Bonus issue of shares	-	-	-	-
Balance at the end of the reporting period	13,625	1,10,29,100	33,09,10,993	(30,27,99,994)

As per our report of even date annexured

**For A M D & ASSOCIATES,**  
Chartered Accountants,  
FRN : 318191E

Sd/-  
**(CA. A. Baruah)**  
Partner  
M.No. 053980

Place : Guwahati  
Date : 11.08.2021  
UDIN:21053980AAAAAT7537

**For and on behalf of the Board of Directors**

Sd/-  
**(Atul Ch. Barman)**  
Managing Director  
(DIN : 08730948)

Sd/-  
**(Uttam Bailing)**  
Company Secretary  
(M.No.:FCS-7254)

Sd/-  
**(Bikul Ch. Deka)**  
Chairman  
(DIN : 07774812)

Sd/-  
**(K A Murali)**  
Director(Finance) & CFO  
(DIN : 08717563)

## Notes forming part of the financial statements

Note	Particulars
	<p><b>COMPANY BACKGROUND</b></p> <p>Assam Petro-Chemicals Limited (the 'Company') is a public limited Company incorporated under the Indian Companies Act 1956. The company is having its registered office at Guwahati. The Company is engaged in the business of manufacturing, selling of Chemicals Methanol &amp; Formaldhedyde.</p> <p><b>Significant accounting policies:</b></p>
1.1	<p><b>Statement of compliance</b></p> <p>"Standalone Financial Statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under the Section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and relevant provisions of the Companies Act, 2013 Accordingly, the Company has prepared these Standalone Financial Statements which comprise the Balance Sheet as at 31 March, 2021, the Statement of Profit and Loss for the year ended 31 March 2021, the Statement of Cash Flows for the year ended 31 March 2021 and the Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as 'Standalone Financial Statements' or 'financial statements').</p> <p>These financial statements are approved for issue by the Board of Directors on 30.07.2021.</p> <p>These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements."</p>
1.2	<p><b>Use of estimates</b></p> <p>The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.</p>
1.3	<p><b>Plant, Properties and Equipments</b></p> <p>Plant, Properties and Equipments (PPE) are carried at cost less accumulated depreciation and impairment losses, if any. The cost of Plant, Properties and Equipments includes interest on borrowings attributable to acquisition of qualifying assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. Exchange differences arising on restatement / settlement of long-term foreign currency borrowings relating to acquisition of depreciable assets are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets. Machinery spares which can be used only in connection with an item of asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure relating to the assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.</p> <p>Plant, Properties and Equipments acquired and put to use for project purpose are capitalised and depreciation thereon is included in the project cost till commissioning of the project.</p> <p>Plant, Properties and Equipments retired from active use and held for sale are stated at the lower of their net book value and net realisable value and are disclosed separately in the Balance Sheet.</p>

### **Capital work-in-progress:**

Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the year in which the costs are incurred. Major shutdown and overhaul expenditure is capitalised as the activities undertaken improves the economic benefits expected to arise from the asset

Assets in the course of construction are capitalised in the assets under construction account. At the point when an asset is operating at management's intended use, the cost of construction is transferred to the appropriate category of property, plant and equipment and depreciation commences. It includes professional fees for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy based on Ind AS 23 – Borrowing costs.

Such properties are classified to the appropriate categories of PPE when completed and ready for intended use. The Company has elected to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements on transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

### **Depreciation:**

Depreciation on Property, plant and equipment; except plant & machinery and electrical equipment is provided on written down value method over the useful life as prescribed in Schedule II of the Companies Act, 2013. Depreciation on plant & machinery and electrical equipment is provided on straight line method over the useful life as prescribed in Schedule II of the Companies Act 2013. Depreciation for assets purchased/sold during the period is proportionately charged.

### **1.4 Intangible assets**

Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Subsequent expenditure on an intangible asset after its purchase / completion is recognised as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset.

'Intangible assets are amortised over their estimated useful life. 'The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation method is revised to reflect the changed pattern.

### **1.5 Research and development costs**

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Company can demonstrate the technical feasibility of completing the intangible asset so that the asset will be available for use or sale, its intention to complete and its ability and intention to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the asset, the ability to measure reliably the expenditure during development.

### **1.6 Inventories**

Items of inventories are measured at lower of cost or net realizable value, after providing for obsolescence, if any. Cost of inventories comprises of all cost of purchase, cost of conversion and other cost incurred in bringing them to their respective present location and condition. Cost of raw-materials, process chemicals, stores and spares, packing materials, and other products are determined on weighted average basis or net realizable value whichever is less. Cost of production of finished stocks is determined on by absorption costing method. In calculating the valuation of unsold finished stock, overhead expenses have been absorbed up to the stage of Production only.



1.7	<p><b>Cash and cash equivalents</b></p> <p>Cash comprises cash in hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.</p>
1.8	<p><b>Cash flow statement</b></p> <p>Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.</p>
1.9	<p><b>Revenue recognition</b></p> <p><b>Sale of goods</b></p> <p>Revenue is measured at the fair value of the consideration received or receivable. The Company recognises revenues on sale of products, net of discounts, sales incentives, rebates granted, returns, sales taxes/GST and duties when the products are delivered to customer or when delivered to a carrier for export sale, which is when title and risk and rewards of ownership pass to the customer. Export incentives are recognised as income as per the terms of the scheme in respect of the exports made and included as part of export turnover. Revenue from sales is recognised when control of the products has transferred, being when the products are delivered to the customer; the customer has full discretion over the channel and price to sell / consume the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer; and either the customer has accepted the products in accordance with the sales contract or the acceptance provisions have lapsed.</p> <p><b>Other income</b></p> <p>Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition. Interest income is accounted on accrual basis. Other income is accounted for when the right to receive it is established.</p>
1.10	<p><b>Foreign currency transactions and translations</b></p> <p><b>Initial recognition</b></p> <p>Transactions in foreign currencies entered into by the Company and its integral foreign operations are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.</p> <p><b>Measurement of foreign currency monetary items at the Balance Sheet date</b></p> <p>Foreign currency monetary items (other than derivative contracts) of the Company and its net investment in non-integral foreign operations outstanding at the Balance Sheet date are restated at the year-end rates.</p> <p>In the case of integral operations, assets and liabilities (other than non-monetary items), are translated at the exchange rate prevailing on the Balance Sheet date. Non-monetary items are carried at historical cost. Revenue and expenses are translated at the average exchange rates prevailing during the year. Exchange differences arising out of these translations are charged to the Statement of Profit and Loss.</p> <p><b>Treatment of exchange differences</b></p> <p>Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Company and its integral foreign operations are recognised as income or expense in the Statement of Profit and Loss. The exchange differences on restatement / settlement of loans to non-integral foreign operations that are considered as net investment in such operations are accumulated in a "Foreign currency translation reserve" until disposal / recovery of the net investment.</p>

The exchange differences arising on restatement / settlement of long-term foreign currency monetary items are capitalised as part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets or amortised on settlement / over the maturity period of such items if such items do not relate to acquisition of depreciable fixed assets. The unamortised balance is carried in the Balance Sheet as "Foreign currency monetary item translation difference account" net of the tax effect thereon.

#### **1.11 Government grants, subsidies and export incentives**

Grants from the governments are recognized at their Fair Value where there is reasonable assurance that the grant will be received and the company will comply with all attached conditions.

Government grants relating to income are deferred and recognized in the profit and loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to purchase of property, plant and equipment and non monetary grants are included in non current liabilities as deferred income and are credited to profit and loss on a straight line basis over the expected lives of the related assets and presented within other income.

#### **1.12 Investments**

Long-term investments (excluding investment properties), are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

Investment properties are carried individually at cost less accumulated depreciation and impairment, if any. Investment properties are capitalised and depreciated (where applicable) in accordance with the policy stated for Plant, Properties and Equipment. Impairment of investment property is determined in accordance with the policy stated for Impairment of Assets.

#### **1.13 Employee benefits**

Employee benefits include salaries, wages, contribution to provident fund, gratuity, leave encashment towards un-availed leave, compensated absences, post-retirement medical benefits and other terminal benefits.

##### **Short-term employee benefits**

Wages and salaries, including non-monetary benefits that are expected to be settled within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

##### **Post-employment benefits**

##### **Defined contribution plan**

Employee Benefit under defined contribution plans comprises of Contributory provident fund, Post Retirement benefit scheme etc. is recognized based on the undiscounted amount of obligations of the Company to contribute to the plan. The same is paid to a fund administered through a separate trust.

##### **Defined benefit plan**

Defined benefit plans comprising of gratuity and other terminal benefits, are recognized based on the present value of defined benefit obligations which is computed using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. These are accounted either as current employee cost or included in cost of assets as permitted.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

#### **Other long-term employee benefits**

Other long-term employee benefit comprises of leave encashment towards unavailed leave and compensated absences, these are recognized based on the present value of defined obligation which is computed using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. These are accounted either as current employee cost or included in cost of assets as permitted. Remeasurements of leave encashment towards unavailed leave and compensated absences are recognized in the Statement of Profit and Loss except those included in cost of assets as permitted in the period in which they occur.

#### **Short term employee benefits**

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service. Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

#### **1.14 Employee share based payments**

The Company has no Employee Stock Option Schemes (ESOS) in accordance with the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999.

#### **1.15 Borrowing costs**

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

#### **1.16 Segment reporting**

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance. Management has identified two reportable business segments namely Methanol & Formalin (both are chemical product) and Siliguri has been identified as a geographical segment.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

#### **1.17 Earnings per share**

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

#### 1.18 **Taxes on income**

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

#### 1.19 **Impairment of assets**

The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.

#### 1.20 **Provisions and contingencies**

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes.



1.21	<b>Insurance claims</b> Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.
1.22	<b>GST input credit</b> GST input credit is accounted for in the books in the period in which the underlying goods / services received is accounted and when there is no uncertainty in availing / utilising the credits.
1.23	<b>Gratuity :</b> The maximum limit of gratuity payable per employee on retirement is taken at Rs. 20,00,000/-.
1.24	<b>Dearness Allowance :</b> Dearness Allowance accrues after being approved by the Board of Directors and accordingly is charged to the Statement of Profit and Loss in the year of approval.
1.25	<b>Other Non Current Assets :</b> The value of Non Current Assets includes value of unamortised catalyst which are amortised on the basis of the utilisation certificates of the Engineering Department.
1.26	<b>Goods and Services Tax:</b> GST is accounted on the basis of supply of goods or services.

## Notes forming part of the financial statements

### Note 2 Plant, Property & Equipements

(Amount in ₹)

Sl	Particulars	Cost			Depreciation			Carrying amount	
		Balance as at 1 April, 2020	Additions	Deletions/adjustment	Balance as at 31 March, 2021	Up to 31st March 2020	Additions	Up to 31st March 2021	As at 31st March 2021
1	LAND	31,65,276	7,36,20,000	-	7,67,85,276	-	-	-	7,67,85,276
2	BUILDING FACTORY	6,58,63,699	-	-	6,58,63,699	6,17,10,073	1,33,224	6,18,43,297	40,20,402
3	BUILDING RESIDENCE	5,80,81,959	-	-	5,80,81,959	4,60,96,882	5,87,725	4,66,84,607	1,13,97,352
4	BUILDING OTHERS	74,99,429	2,07,11,472	-	2,82,10,901	22,69,952	5,05,035	27,74,988	2,54,35,913
5	BUILDING - REGISTERED OFFICE	74,52,161	-	-	74,52,161	30,75,810	2,12,560	32,88,370	41,63,791
6	BUILDING - KOLKATA OFFICE	16,13,596	-	-	16,13,596	9,00,025	34,630	9,34,655	6,78,941
7	BOUNDARY WALL & FENCE	1,41,333	-	-	1,41,333	1,33,727	539	1,34,266	7,067
8	INTERNAL ROAD	73,38,728	-	-	73,38,728	66,86,244	2,85,548	69,71,792	3,66,936
9	PLANT & MACHINERY U-I	100	-	-	100	-	-	-	100
10	PLANT & MACHINERY (IND) U-II	31,01,21,314	-	-	31,01,21,314	28,97,46,304	17,77,556	29,15,23,860	1,85,97,454
11	PLANT & MACHINERY C02	1,82,53,294	-	-	1,82,53,294	1,73,05,609	24,678	1,73,30,287	9,23,007
12	PLANT & MACHINERY(IND)125TPD	13,06,07,949	-	-	13,06,07,949	10,23,79,877	20,39,383	10,44,19,260	2,61,88,689
13	PLANT & MACHINERY(IMP) U-II	9,15,05,165	-	-	9,15,05,165	5,82,13,988	17,52,250	5,99,66,238	3,15,38,927
14	PLANT & MACHINERY(IMP)100TPD	2,97,28,866	-	-	2,97,28,866	2,75,55,990	2,75,676	2,78,31,666	18,97,200
15	ELECTRICAL EQUIPMENT	2,35,54,731	-	-	2,35,54,731	2,23,83,747	2,21,347	2,26,05,094	9,49,637
16	LABORATORY EQUIPMENT	26,85,661	-	-	26,85,661	18,86,760	1,92,303	20,57,913	6,27,748
17	FIRE FIGHTING EQUIPMENT	37,43,565	-	-	37,43,565	33,69,689	65,231	34,34,652	3,08,913
18	HOSPITAL EQUIPMENT	2,66,937	-	-	2,66,937	2,59,329	-	2,59,329	7,608
19	OFFICE EQUIPMENT	34,85,840	64,526	-	35,50,366	27,85,237	2,81,064	30,65,773	4,84,593
20	GUEST HOUSE EQUIPMENT	1,50,331	-	-	1,50,331	1,46,095	-	1,46,095	4,236
21	TELEPHONE EQUIPMENT	20,66,514	-	-	20,66,514	19,61,216	-	19,59,591	1,06,923
22	FURNITURE & FIXTURES	1,77,16,350	13,81,511	1,48,683	1,92,46,544	1,04,95,103	19,28,587	1,24,22,086	68,24,458
23	MOTOR VEHICLE & CYCLE	61,72,704	-	-	61,72,704	39,22,697	6,82,751	45,28,438	16,44,266
24	E.D.EQUIPMENT	1,19,51,988	6,34,854	-	1,25,86,842	1,05,67,782	7,56,083	1,11,81,470	14,05,372
25	WATER SUPPLY	2,16,77,271	-	-	2,16,77,271	1,94,59,983	5,07,818	1,99,67,801	17,09,470
26	MISC. FIXED ASSETS	91,23,744	2,12,359	-	93,36,103	65,75,383	14,06,538	79,63,357	13,72,746
27	DISCARDED ASSETS (Held for sale)	-	-	-	-	-	-	-	-
	<b>TOTAL 'A'</b>	<b>83,39,68,505</b>	<b>9,66,24,722</b>	<b>1,48,683</b>	<b>93,07,41,910</b>	<b>69,98,87,502</b>	<b>1,36,70,526</b>	<b>71,32,94,884</b>	<b>21,74,47,026</b>
	<b>STANDBY SERVICING EQUIPMENT / CAPITAL SPARE</b>								
1	PLANT & MACHINERY (IND) U-II	2,67,64,596	-	-	2,67,64,596	46,41,371	23,56,718	69,98,089	1,97,66,507
	<b>TOTAL 'B'</b>	<b>2,67,64,596</b>	<b>-</b>	<b>-</b>	<b>2,67,64,596</b>	<b>46,41,371</b>	<b>23,56,718</b>	<b>69,98,089</b>	<b>1,97,66,507</b>
	<b>Total</b>	<b>86,07,33,101</b>	<b>9,66,24,722</b>	<b>1,48,683</b>	<b>95,75,06,506</b>	<b>70,45,28,873</b>	<b>1,60,27,244</b>	<b>72,02,92,973</b>	<b>23,72,13,534</b>
	<b>Previous year</b>	<b>85,06,42,663</b>	<b>1,00,90,438</b>	<b>-</b>	<b>86,07,33,101</b>	<b>68,77,18,268</b>	<b>1,68,10,605</b>	<b>70,45,28,873</b>	<b>15,62,04,228</b>
									<b>16,29,24,395</b>

## Notes forming part of the financial statements

### Note 3 Capital Work-In-Progress

(Amount in ₹)

Sl	Particulars	Cost					
		As at 1 April, 2020	Additions during the year	Deletions/ adjustment during the year	Capitalised during the year	Transfer to Profit & Loss during the year	As at 31 <sup>st</sup> March 2021
1	500 TPD Methanol Plant	7,03,97,62,807	3,03,78,01,008				10,07,75,63,815
2	200 TPD Formalin Plant	3,56,80,878	43,05,050				3,99,85,928
3	Buildings	94,66,378	1,12,45,094	-	2,07,11,472	-	-
4	Land Development	30,00,400	57,11,113	-	-	-	87,11,513
5	DME Plant	20,50,847	-	-	-	-	20,50,847
6	Other Projects	-					-
	<b>Total</b>	<b>7,08,99,61,310</b>	<b>3,05,90,62,265</b>	<b>-</b>	<b>2,07,11,472</b>	<b>-</b>	<b>10,12,83,12,103</b>
	<b>Previous year</b>	<b>3,00,09,04,385</b>	<b>4,09,85,99,555</b>	<b>-</b>	<b>-</b>	<b>95,42,630</b>	<b>7,08,99,61,310</b>

### Note 4 Intangible Assets

(Amount in ₹)

Sl	Particulars	Cost				Depreciation				Carrying amount	
		Balance as at 1 April, 2020	Additions	Deletions/ adjustment	Balance as at 31 March, 2021	Up to 31 <sup>st</sup> March 2020	Additions	Deletions/ adjustment	Up to 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
1	Computer Software	31,57,767		-	31,57,767	28,51,109	1,26,484	34	29,77,559	1,80,208	3,06,658
	<b>Previous year</b>	<b>31,57,767</b>		<b>-</b>	<b>31,57,767</b>	<b>26,50,823</b>	<b>2,00,286</b>	<b>-</b>	<b>28,51,109</b>	<b>3,06,658</b>	<b>5,06,944</b>

### Note 5 Financial Assets - Investments

(Amount in ₹)

Particulars	As at 31 March, 2021	As at 31 March, 2020	As at 31 March, 2019
<b>Other than Trade Investment</b>			
Invest in Pragjyotish Fertilizers & Chemicals Ltd. (PFCL) (A subsidiary company)			
100000 Equity Shares of ₹100/-each (55.55% of total Shares)	1,00,00,000	1,00,00,000	1,00,00,000
Less: Provision for Diminution in the value of Investment	1,00,00,000	1,00,00,000	1,00,00,000
<b>Net Value of Investment in Shares</b>	<b>-</b>	<b>-</b>	<b>-</b>

### Note 6 Financial Assets - Loans

(Amount in ₹)

Particulars	As at 31 March, 2021	As at 31 March, 2020	As at 31 March, 2019
(a) Security deposits	2,35,90,113	2,14,16,621	2,50,08,785
(b) Loans and advances to related parties	46,64,185	46,64,185	46,64,185
(c) Loans and advances to employees	38,19,900	59,65,596	79,38,700
(d) Other loans and advances	32,50,000	32,50,000	32,50,000
	3,53,24,198	3,52,96,402	4,08,61,670
Less: Provision for other doubtful loans and advances	79,14,185	54,14,185	54,14,185
<b>Total</b>	<b>2,74,10,013</b>	<b>2,98,82,217</b>	<b>3,54,47,485</b>

## Notes forming part of the financial statements

### Note 7 Other non current assets

(Amount in ₹)

Particulars	As at 31 March, 2021	As at 31 March, 2020	As at 31 March, 2019
(a) Unamortised expenses	-	26,49,958	89,01,128
(b) Advance income tax	1,65,78,539	81,82,819	1,11,26,847
(c) Mat Credit Entilementment	2,76,41,882	1,58,31,678	1,55,58,066
(d) Capital Advances	1,52,21,037	15,99,94,190	
<b>Total</b>	<b>5,94,41,458</b>	<b>18,66,58,645</b>	<b>3,55,86,041</b>

### Note 8 Inventories

(Amount in ₹)

Particulars	As at 31 March, 2021	As at 31 March, 2020	As at 31 March, 2019
(a) Finished goods	1,31,55,161	2,31,14,562	68,55,566
(b) Stores and spares	10,35,95,339	9,85,82,356	8,80,50,768
(c) Loose tools	10,10,323	10,13,710	7,48,061
<b>Total</b>	<b>11,77,60,823</b>	<b>12,27,10,628</b>	<b>9,56,54,395</b>

### Note 9 Trade Receivables

(Amount in ₹)

Particulars	As at 31 March, 2021	As at 31 March, 2020	As at 31 March, 2019
(a) Secured, considered good	2,08,81,896.00	72,39,087	2,21,40,574
(b) Unsecured, considered good	10,01,07,248.26	7,01,26,371	5,18,23,831
(c) Doubtful	98,901	-	13,29,064
Less: Provision for doubtful trade receivables	(98,901)	-	(13,29,064)
(d) Receivable from companies with common Directorship		1,00,842	
<b>Total</b>	<b>12,09,89,144.26</b>	<b>7,74,66,300</b>	<b>7,39,64,405</b>

### Note 10 Cash and cash equivalents

(Amount in ₹)

Particulars	As at 31 March, 2021	As at 31 March, 2020	As at 31 March, 2019
Balances with banks			
Current accounts	1,22,76,604	12,34,250	1,39,86,470
Term Deposits (maturity upto 12 months or less)	32,38,27,716	33,16,36,275	35,07,95,256
Cash on hand	66,500	1,83,041	1,00,006
<b>Total</b>	<b>33,61,70,820</b>	<b>33,30,53,566</b>	<b>36,48,81,732</b>

### Note 11 Other Bank balances

(Amount in ₹)

Particulars	As at 31 March, 2021	As at 31 March, 2020	As at 31 March, 2019
Unpaid Dividend Bank Account	68,635	1,21,742	1,21,741
Earmarked Balance ( 500 TPD Methanol Project)	49,48,12,372	94,92,95,444	1,38,70,54,630
<b>Total</b>	<b>49,48,81,007</b>	<b>94,94,17,185</b>	<b>1,38,71,76,371</b>



## Notes forming part of the financial statements

### Note 12 Loans

(Amount in ₹)

Particulars	As at 31 March, 2021	As at 31 March, 2020	As at 31 March, 2019
(a) Loans and advances to employees	1,26,85,884.2500	1,15,57,178	61,42,195
<b>Total</b>	<b>1,26,85,884</b>	<b>1,15,57,178</b>	<b>61,42,195</b>

### Note 13 Other current assets

(Amount in ₹)

Particulars	As at 31 March, 2021	As at 31 March, 2020	As at 31 March, 2019
(a) Prepaid expenses - Unsecured, considered good	21,67,866	42,12,022	23,66,018
(b) Balances with government authorities			
(i) GST Input Tax Credit	1,15,59,18,082	83,30,95,440	14,91,16,505
(c) Others (Advance to Suppliers & Contractors, etc)	15,88,516	27,17,045	25,79,444
(d) Interest accrued on deposits	11,24,253	11,75,706	28,52,561
<b>Total</b>	<b>1,16,07,98,717</b>	<b>84,12,00,213</b>	<b>15,69,14,528</b>

### Note 14 Share Capital

(Amount in ₹)

Particulars	As at 31 March, 2021		As at 31 March, 2020		As at 31 March, 2019	
	Number of shares	Amount (in ₹)	Number of shares	Amount (in ₹)	Number of shares	Amount (in ₹)
(a) Authorised						
Equity shares of Rs. 10/- each with voting rights	50,00,00,000	5,00,00,00,000	50,00,00,000	5,00,00,00,000	50,00,00,000	5,00,00,00,000
(b) Issued						
Equity shares of Rs. 10/- each with voting rights	49,71,74,808	4,97,17,48,080	49,71,74,808	4,97,17,48,080	43,11,74,808	4,31,17,48,080
(c) Subscribed and fully paid up						
Equity shares of Rs. 10/- each with voting rights	49,71,59,708	4,97,15,97,080	49,71,59,708	4,97,15,97,080	43,11,59,708	4,31,15,97,080
(d) Subscribed but not fully paid up						
Amount received and Forfeited	15,100	60,250	15,100	60,250	15,100	60,250
<b>Total</b>	<b>49,71,74,808</b>	<b>4,97,16,57,330</b>	<b>49,71,74,808</b>	<b>4,97,16,57,330</b>	<b>43,11,74,808</b>	<b>4,31,16,57,330</b>

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

(Amount in ₹)

Particulars	As at 31 March, 2021	As at 31 March, 2020	As at 31 March, 2019
Outstanding at the beginning of the year	49,71,74,808	43,11,74,808	91,35,047
Add.: Bonus issue	-	-	4,10,39,761
Add.: Fresh issue	-	6,60,00,000	38,10,00,000
Outstanding at the end of the year	<b>49,71,74,808</b>	<b>49,71,74,808</b>	<b>43,11,74,808</b>

(ii) Shareholders holding more than 5% of Shares

(Amount in ₹)

Name of the Shareholders	As at 31 March, 2021		As at 31 March, 2020		As at 31 March, 2019	
	Number of shares	Amount originally paid up	Number of shares	Amount originally paid up	Number of shares	Amount originally paid up
Governor of Assam	17,70,00,000	35.60%	17,70,00,000	35.60%	157000000	36.41%
Oil India Limited	24,20,00,000	48.68%	24,20,00,000	48.68%	210000000	48.71%

## Notes forming part of the financial statements

Name of the Shareholders	As at 31 March, 2021		As at 31 March, 2020		As at 31 March, 2019	
	Number of shares	Amount originally paid up	Number of shares	Amount originally paid up	Number of shares	Amount originally paid up
Assam Industrial Development Corporation Limited	4,97,12,190	10.00%	4,97,12,190	10.00%	49712190	11.53%
Assam Gas Company Limited	2,80,00,000	5.63%	2,80,00,000	5.63%	28000000	5.63%

(iii) Details of forfeited shares

Class of shares	As at 31 March, 2021		As at 31 March, 2020		As at 31 March, 2019	
	Number of shares	Amount originally paid up	Number of shares	Amount originally paid up	Number of shares	Amount originally paid up
Equity shares with voting rights	15,100	60,250	15,100	60,250	15,100	60,250

### Note 15 Other Equity

(Amount in ₹)

Particulars	As at 31 March, 2021	As at 31 March, 2020	As at 31 March, 2020
(a) Capital reserve			
Opening balance	13,625	13,625	13,625
Add: Additions during the year	-	-	-
Less: Utilised / transferred during the year	-	-	-
Closing balance	13,625	13,625	13,625
(b) Capital redemption reserve			
Opening balance	1,10,29,100	1,10,29,100	1,10,29,100
Add: Additions during the year	-	-	-
Less: Utilised during the year	-	-	-
Closing balance	1,10,29,100	1,10,29,100	1,10,29,100
(c) General reserve			
Opening balance	33,09,10,993	33,09,10,993	74,13,08,603
Add: Transferred from surplus in Statement of Profit and Loss	-	-	-
Less: Utilised / transferred during the year for Sch. II of Companies Act 2013	-	-	41,03,97,610
Closing balance	33,09,10,993	33,09,10,993	33,09,10,993
(d) Surplus / (Deficit) in Statement of Profit and Loss			
Opening balance	(36,19,80,911)	(23,96,11,427)	(28,20,03,915)
Add: Profit / (Loss) for the year	8,25,79,437	(11,33,29,586)	4,62,22,242
Add: Other Comprehensive Income / (Loss) for the year	(2,33,98,521)	(90,39,897)	(38,29,754)
Less: Dividends proposed to be distributed to equity shareholders	-	-	-
Tax on dividend	-	-	-
Transferred to General Reserve	-	-	-
Closing balance	(30,27,99,994)	(36,19,80,910)	(23,96,11,427)
<b>Total</b>	<b>3,91,53,724</b>	<b>(2,00,27,192)</b>	<b>10,23,42,291</b>

## Notes forming part of the financial statements

### Note 16 Borrowings

(Amount in ₹)

Particulars	As at 31 March, 2021	As at 31 March, 2020	As at 31 March, 2019
Secured Loan (PNB, Guwahati)*	6,91,36,49,624	3,86,15,94,985	52,56,33,029
	6,91,36,49,624	3,86,15,94,985	52,56,33,029

\*M/s Punjab National Bank, Bhangagarh Branch has sanctioned ₹890.67 crores to the company for setting up of 500 TPD Methanol at Namrup and 200 TPD Formalin Plant at Boitamari. The project is under implementation. The loan is secured by land and building, plant & machinery, etc. of the company.

### Note 17 Other financial liabilities

(Amount in ₹)

Particulars	As at 31 March, 2021	As at 31 March, 2020	As at 31 March, 2019
Trade payable	22,09,36,107	24,17,93,100	-
	22,09,36,107	24,17,93,100	-

### Note 18 Current Borrowings

(Amount in ₹)

Particulars	As at 31 March, 2021	As at 31 March, 2020	As at 31 March, 2019
Secured Loan (PNB, Guwahati)	1,11,20,000	22,24,00,000	-
	1,11,20,000	22,24,00,000	-

\*M/s Punjab National Bank, Bhangagarh Branch has sanctioned ₹ 890.67 crores to the company for setting up of 500 TPD Methanol at Namrup and 200 TPD Formalin Plant at Boitamari. The project is under implementation. The loan is secured by land and building, plant & machinery, etc. of the company. The Term Loan has been reviewed during the financial year. The repayment schedule of the loan will be started w.e.f. 31-03-2022. Hence, only one installment is considered as Current Borrowings for the financial year 2020-21.

### Note 19 Trade Payable

(Amount in ₹)

Particulars	As at 31 March, 2021	As at 31 March, 2020	As at 31 March, 2019
(a) Trade Payables:	₹	₹	
Acceptances	4,82,99,044	16,98,44,714	8,22,43,105
Other than Acceptances			
<b>Total</b>	<b>4,82,99,044</b>	<b>16,98,44,714</b>	<b>8,22,43,105</b>

### Note 20 Other financial liabilities

(Amount in ₹)

Particulars	As at 31 March, 2021	As at 31 March, 2020	As at 31 March, 2019
(a) Trade / Security Deposit	₹	₹	
(b) Earnest Money	6,13,49,256	6,08,74,079	2,55,92,488
	62,19,184	55,93,978	57,13,301
<b>Total</b>	<b>6,75,68,439</b>	<b>6,64,68,056</b>	<b>3,13,05,789</b>

### Note 21 Other current liabilities

(Amount in ₹)

Particulars	As at 31 March, 2021	As at 31 March, 2020	As at 31 March, 2019
(a) Unpaid dividends	₹	₹	
(b) Other payables	68,635	1,21,742	1,21,742
(i) Statutory remittances (Contributions to PF, GST, etc.)	7,68,10,371	4,66,41,354	2,22,85,094
(ii) Salaries & Wages payables	4,68,76,864	10,19,441	36,81,710
(iii) Advances from customers	42,14,574	1,47,80,635	65,29,513
(iv) Others (Work Bill Payable)	1,08,95,135	11,19,905	14,89,293
(v) Others (Misc.)	53,88,894	1,13,04,305	1,54,36,267
<b>Total</b>	<b>14,42,54,473</b>	<b>7,49,87,381</b>	<b>4,95,43,618</b>

## Notes forming part of the financial statements

### Note 22 Short-term provisions

(Amount in ₹)

Particulars	As at 31 March, 2021	As at 31 March, 2020	As at 31 March, 2019
	₹	₹	
(a) Provision for employee benefits:			
(i) Provision for bonus & ex-gratia	66,88,068	44,00,919	64,46,948
(ii) Provision for other defined contribution plans (net)	56,83,578	52,20,875	70,60,267
(iii) Provision for other defined benefit plans (net)	12,39,23,496	12,27,09,898	9,29,34,235
(iv) Provision for Revision Arrear	4,63,90,813	6,27,25,130	8,70,77,003
	18,26,85,955	19,50,56,822	19,35,18,453
(b) Provision - Others:			
(i) Provision for tax	1,18,10,204	-	86,70,113
(ii) Provision - others (Audit Fee)	6,01,300	7,78,570	7,11,950
	1,24,11,504	7,78,570	93,82,063
<b>Total</b>	<b>19,50,97,459</b>	<b>19,58,35,392</b>	<b>20,29,00,516</b>

### Note 23 Revenue from operations

(Amount in ₹)

Particulars	For the year ended 31 March, 2021	For the year ended 31 March, 2020	For the year ended 31 March, 2019
Sale of products:			
Methanol	18,17,69,172	21,99,26,496	28,65,77,479
Formalin	74,25,44,147	61,05,99,544	82,91,53,596
Other	4,74,390	-	
<b>Total</b>	<b>92,47,87,709</b>	<b>83,05,26,041</b>	<b>1,11,57,31,075</b>

### Note 24 Other Income

(Amount in ₹)

Particulars	For the year ended 31 March, 2021	For the year ended 31 March, 2020	For the year ended 31 March, 2019
Interest income on Term Deposits	5,39,50,292	7,42,49,975	5,77,39,655
Interest income on Loans & Advances	22,26,003	30,82,824	3,31,208
Other non-operating income	99,40,095	44,15,999	66,62,324
<b>Total</b>	<b>6,61,16,390</b>	<b>8,17,48,797</b>	<b>6,47,33,187</b>

### Note 25 Cost of materials consumed

(Amount in ₹)

Particulars	For the year ended 31 March, 2021	For the year ended 31 March, 2020	For the year ended 31 March, 2019
Natural Gas	24,35,67,827	37,72,96,720	33,97,39,352
Raw Material Chemicals	31,64,852	50,64,908	41,80,942
Gas Transmission Charges	24,52,271	65,30,076	2,23,05,201
<b>Total</b>	<b>24,91,84,950</b>	<b>38,88,91,704</b>	<b>36,62,25,495</b>



## Notes forming part of the financial statements

### Note 26 Changes in inventories of finished goods, work-in-progress and stock-in-trade (Amount in ₹)

Particulars	For the year ended 31 March, 2021	For the year ended 31 March, 2020	For the year ended 31 March, 2019
Inventories at the end of the year:			
Finished goods	1,31,55,161	2,31,14,562	68,55,566
Finished goods-in transit	-	-	-
	1,31,55,161	2,31,14,562	68,55,566
Inventories at the beginning of the year:			
Finished goods	2,31,14,562	68,55,566	74,80,155
Finished goods-in transit	-	-	-
Less: Excise duty on Finished Goods			
	2,31,14,562	68,55,566	74,80,155
<b>Net (increase) / decrease</b>	<b>99,59,401</b>	<b>(1,62,58,996)</b>	<b>6,24,589</b>

### Note 27 Employee benefits expense (Amount in ₹)

Particulars	For the year ended 31 March, 2021	For the year ended 31 March, 2020	For the year ended 31 March, 2019
Salaries and wages	32,21,72,427	33,43,26,068	35,23,86,829
Contributions to provident and other funds	10,07,27,057	8,90,71,835	6,15,38,325
Staff welfare expenses	1,02,29,128	1,61,70,475	1,01,65,617
<b>Total</b>	<b>43,31,28,612</b>	<b>43,95,68,379</b>	<b>42,40,90,771</b>

### Note 28 Finance costs (Amount in ₹)

Particulars	For the year ended 31 March, 2021	For the year ended 31 March, 2020	For the year ended 31 March, 2019
Interest expense on income tax:	-	-	2,24,589
<b>Total</b>	<b>-</b>	<b>-</b>	<b>2,24,589</b>

### Note 29 Depreciation and Amortisation (Amount in ₹)

Particulars	For the year ended 31 March, 2021	For the year ended 31 March, 2020	For the year ended 31 March, 2019
Depreciation for the year on Plant, Property & Equipments	1,60,27,244	1,68,08,820	1,46,25,459
Depreciation for the year on intangible assets	1,26,484	2,00,286	1,15,142
Amortisation of Catalyst	26,49,958	62,51,170	72,61,224
Less: Utilised in CWIP	(7,76,452)	(9,09,570)	(9,89,610)
<b>Depreciation and amortisation relating to continuing operations</b>	<b>1,80,27,234</b>	<b>2,23,50,706</b>	<b>2,10,12,215</b>

## Notes forming part of the financial statements

### Note 30 Other Expenses

(Amount in ₹)

Particulars	For the year ended 31 March, 2021	For the year ended 31 March, 2020	For the year ended 31 March, 2019
Consumption of stores and spare parts	81,79,061	88,68,402	81,29,951
Consumption of loose tools	8,487	45,756	33,008
Consumption of Other spares & materials	30,25,233	56,46,669	34,15,429
Power and fuel	9,79,41,366	11,14,72,927	11,67,92,574
Water	18,49,638	14,70,226	19,64,104
Formalin Conversion Expenses	1,62,62,495	2,04,67,173	1,98,69,076
Repairs and maintenance - Buildings	1,84,16,189	1,61,57,058	1,35,98,126
Repairs and maintenance - Machinery	49,55,281	62,44,109	49,56,815
Repairs and maintenance - Others	18,70,496	24,49,653	22,23,823
Insurance	40,54,573	42,82,837	34,62,829
Rates and taxes	12,60,151	10,78,007	11,26,762
Corporate Social Responsibility Expenses	8,75,000	15,12,851	-
Travelling and conveyance	41,72,257	72,17,329	69,73,552
Printing and stationery	3,70,575	11,17,069	13,84,009
Freight and forwarding	3,27,709	2,73,971	4,39,745
Sales commission & discount	2,18,73,580	1,91,55,722	2,93,36,414
Business promotion	12,63,173	1,00,000	99,294
Legal and professional	35,21,108	26,38,390	46,33,691
Payments to auditors	3,35,000	2,85,000	2,95,000
Provision for Trade Receivable	98,901	-	13,29,064
Provision for Loan & Advances	25,00,000	-	-
Miscellaneous expenses	2,24,84,696	3,71,67,321	3,00,34,210
<b>Total</b>	<b>21,56,44,969</b>	<b>24,76,50,469</b>	<b>25,00,97,475</b>

### Note 31 Exceptional items

(Amount in ₹)

Particulars	For the year ended 31 March, 2021	For the year ended 31 March, 2020	For the year ended 31 March, 2019
Refund received for Transmission Charges from Assam Gas Co. Ltd.	(1,73,92,957)	(5,68,39,726)	-
Arrear Salary	-	-	5,80,41,947
VAT Payable to OIL for FY 2006-2007	-	-	1,72,86,990
Misc. Receipts	-	-	(2,35,350)
<b>Total</b>	<b>(1,73,92,957)</b>	<b>(5,68,39,726)</b>	<b>7,50,93,587</b>

### Note 32 Additional information to the financial statements

(Amount in ₹)

Note	Particulars	As at 31 March, 2021	As at 31 March, 2020
<b>32.1</b>	<b>Contingent liabilities and commitments (to the extent not provided for)</b>		
	Contingent liabilities		
	(a) Claims against the Company not acknowledged as debt:		
	(b) Guarantees	-	-
	(c) Other money for which the Company is contingently liable	-	-

## Notes forming part of the financial statements

(Amount in ₹)

32.2	Expenditure in foreign currency:	For the year ended 31 March, 2021	For the year ended 31 March, 2020
	Royalty	-	-
	Know-how	-	-
	Professional and consultation fees	-	-
	Interest	-	-
	Other matters	-	2,27,115
	(Current Year Nil (Previous Year\$ 3150))		

32.3	Details of consumption of imported and indigenous items *	For the year ended 31 March, 2021	
		₹	%
	<u>Imported</u>	-	-
		-	-
	<u>Indigenous</u>		
	Raw materials	24,60,20,098 (38,41,15,243)	100% 100%
	Chemicals	31,64,852 (50,64,908)	100% 100%
	Stores & Spare Parts	1,12,12,781 (1,45,60,827)	100% 100%
	Catalyst	26,49,958 (62,51,170)	100% 100%
		<b>26,30,47,689 (40,99,92,148)</b>	<b>100% 100%</b>

Note: Figures / percentages in brackets relates to the previous year

### Note 33 Disclosures under Accounting Standards (contd.)

Note	Particulars
	<b>Segment information</b>
	The Company has identified business segments as its primary segment and geographic segments as its secondary segment. Business segments are primarily Methanol and Formalin. Revenues and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reportable segment have been allocated on the basis of associated revenues of the segment and manpower efforts. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable. Fixed assets that are used interchangeably amongst segments are not allocated to primary and secondary segments. Geographical revenues are allocated based on the location of the customer. Geographic segments of the Company are Namrup (Assam) and Raninagar (West Bengal).

## Notes forming part of the financial statements

### Note 33 Disclosures under Accounting Standards (contd.)

Particulars	For the year ended 31 March, 2021					For the year ended 31 March, 2020				
	Methanol		Formalin		Total	Methanol		Formalin		Total
	Methanol	Eliminations	Namrup	Raninagar		Methanol	Eliminations	Namrup	Raninagar	
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
Revenue	18,17,69,172	50,10,17,656	64,70,94,532	9,54,49,616	1,42,53,30,975	21,99,26,496	50,78,23,287	51,63,80,558	9,42,18,986	1,33,83,49,328
Inter-segment revenue	50,10,17,656	-	-	-	50,10,17,656	50,78,23,287	-	-	-	50,78,23,287
Total	68,27,86,827	50,10,17,656	64,70,94,532	9,54,49,616	92,43,13,319	72,77,49,783	50,78,23,287	51,63,80,558	9,42,18,986	83,05,26,041
Segment result	7,38,03,163	(13,95,61,506)	9,04,09,528	71,23,926	3,17,75,112	(1,18,47,915)	(13,39,70,463)	(3,52,06,183)	(1,02,82,146)	(19,13,06,707)
Unallocable expenses (net)					3,34,06,960					6,03,69,514
Operating income					(16,31,848)					(25,16,76,221)
Other income (net)					6,65,90,780					8,17,48,797
Profit before taxes & except.					6,49,58,931					(16,99,27,424)
Unallocable exceptional items					1,73,92,957					5,68,39,726
Profit before taxes					8,23,51,888					(11,30,87,698)
Tax expense					(2,27,549)					2,41,889
Net profit/(Loss) for the year					8,25,79,437					(11,33,29,587)



## Notes forming part of the financial statements

### Note 33 Disclosures under Accounting Standards (contd.)

Particulars	For the year ended 31 March, 2021					For the year ended 31 March, 2020				
	Methanol		Formalin		Total	Methanol		Formalin		Total
	Methanol	Eliminations	Namrup	Raninagar		Methanol	Eliminations	Namrup	Raninagar	
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
Segment assets	17,50,08,712		15,74,25,394		33,24,34,106	17,27,55,675		13,55,63,636		30,83,19,311
Unallocable assets					12,36,34,09,605					9,49,08,19,443
Total assets					12,69,58,43,711					9,79,91,38,754
Segment liabilities	15,01,52,628		10,99,69,328		26,01,21,956	21,49,04,128		9,61,36,414		31,10,40,541
Unallocable liabilities					12,43,57,21,755					9,48,80,98,212
Total liabilities					12,69,58,43,711					9,79,91,38,754
Other information										
Capital expenditure (allocable)	-	-	-	-	-	-	-	-	-	-
Capital expenditure (unallocable)	-	-	-	-	9,66,24,722	-	-	-	-	1,00,90,438
Depreciation and amortisation (allocable)	62,04,442	-	23,15,059	-	85,19,501	98,05,654	-	23,15,059	-	1,21,20,713
Depreciation and amortisation (unallocable)	-	-	-	-	95,07,734	-	-	-	-	1,02,31,778

**Note 33 Disclosures under Accounting Standards (contd.)**

Note	Particulars															
33.1	<b>Employee benefit plans</b>															
33.1a	<b>Defined contribution plans</b> The Company makes Provident Fund and Superannuation Fund contributions to defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ₹3,81,98,050/- (Year ended 31 March, 2020 ₹3,59,81,452/-) for Provident Fund contributions and ₹47,81,605/- (Year ended 31 March, 2020 ₹53,82,106/-) for Superannuation Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.															
33.1b	<b>Defined benefit plans</b> The Company offers the following employee benefit schemes to its employees: <b>i. Earned Leave Benefits (EL)</b> EL per employee accrual is 33 days per year. Two days of EL is earned after 22 days of continuous service by an employee. Accumulation up to 360 days is allowed, out of which one part is encashable and other part can either be encashed at the time retirement or avail leave during the service period. <b>ii. Sick Leave (SL)</b> SL per employee accrual is 10 days per year and same can't be encashed during the service tenure. Encashment of 50% of accumulated SL is permitted at the time of retirement. <b>iii. Group Gratuity Scheme</b> 15 days salary for each completed year of service or part thereof in excess of 6 months of continuous service. The eligibility of gratuity falls due on completion of 5 years of continuous service. The company has taken a policy under "Group Gratuity Scheme" of employees with Life Insurance Corporation of India (LIC). The amount payable calculated by LIC based on membership data provided by the company, actuarial assumption & valuation made by LIC & the balance in the Gratuity Fund is charged to the Statement of Profit and loss. The APL Employees Gratuity Fund is maintained by LIC in which interest accrued & payments made by the company are credited and payment of claims made to employees is debited. The management has approved to enhance the maximum Gratuity limit to ₹20,00,000/- in its meeting held on 12-04-2021. As per the Central Govt. notification No. S.O. 1420(E) dated 29-03-2018, the enhanced limit is effective from the date of notification. Accordingly, employee benefits are recognised restated the same retrospective in Financial Statement as per the Govt. of India Order and the Indian Accounting Standard 18 and restated the expense retrospective in Financial Statement as per the Indian Accounting Standard 8 ( Accounting Policies, Changes in Accounting Estimates and Errors) and incorporate in the books of accounts as under: <table><tr><th>Financial Year</th><th>2020-21</th><th>2019-20</th><th>2018-19</th><th>2017-18</th></tr><tr><td>Profit &amp; Loss Account</td><td>2,14,26,002</td><td>2,07,35,766</td><td>1,79,23,241</td><td>82,82,572</td></tr><tr><td>Other Comprehensive Income</td><td>2,33,98,521</td><td>90,39,897</td><td>38,29,754</td><td>6,28,98,668</td></tr></table> <b>iv. Leave Encashment Scheme</b> For the payment of leave encashment at the time of retirement, a policy under "group leave Encashment scheme" of employees has been taken from LIC. The amount payable, calculated by LIC on the basis of membership data provided by the company, actuarial assumption and valuation made by LIC and the balance in the fund maintained by LIC is charged to the Statement of Profit and Loss.	Financial Year	2020-21	2019-20	2018-19	2017-18	Profit & Loss Account	2,14,26,002	2,07,35,766	1,79,23,241	82,82,572	Other Comprehensive Income	2,33,98,521	90,39,897	38,29,754	6,28,98,668
Financial Year	2020-21	2019-20	2018-19	2017-18												
Profit & Loss Account	2,14,26,002	2,07,35,766	1,79,23,241	82,82,572												
Other Comprehensive Income	2,33,98,521	90,39,897	38,29,754	6,28,98,668												

**Note 33 Disclosures under Accounting Standards (contd.)**

(Amount in ₹)

The following table sets out the funded status of the defined benefit schemes and the amount recognised in the financial statements:			
	Particulars	Year ended 31 March, 2021	Year ended 31 March, 2020
		Gratuity	Gratuity
	Valuation Method	Projected Unit Credit	Projected Unit Credit
<b>Acturial Assumptions</b>			
	a) Mortality Rate	LIC(1994-96)Ultimate	LIC(1994-96) Ultimate
	b) Withdrawal Rate	1-3% depending on age	1-3% depending on age
	c) Discount Rate	7% p.a.	7.5% p.a.
	d) Salary Escalation	5% p.a.	5% p.a.
	Result of Valuation		
	PV of Past Service Benefit	11,48,41,851	10,95,09,177
	Current Service Cost	1,94,12,145	1,93,67,446
	Total Service Gratuity	-	-
	Accrued Gratuity	-	-
	LCSA	2,27,33,831	2,23,84,687
	LC Premium	1,94,236	1,90,586
	<b>GST</b>	34,962	34,305
	Recommended Contribution Rate		
	Fund as on Renewal Date	9,40,53,509	9,75,82,155
	Additional Contribution for Existing Fund	2,07,88,342	1,19,27,023
	Current Service Cost	1,94,12,145	1,93,67,446
	Total Amount Payable	4,02,00,487	1,95,92,337
<b>Expense recognised in the Statement of Profit and Loss</b>			
	Current service cost	1,94,12,145	1,93,67,446
	Additional Contribution	2,07,88,342	1,19,27,023
	LC Premium	2,29,198	2,24,891
	<b>Total expense</b>	<b>4,04,29,685</b>	<b>3,15,19,360</b>

## Notes forming part of the financial statements

### Note 33 Disclosures under Accounting Standards (contd.)

(Amount in ₹)

Note	Particulars				
33.3	<b>Related party transactions</b>				
33.3a	<b>Details of related parties:</b>				
	<b>Description of relationship</b>	<b>Names of related parties</b>			
	Associates	Oil India Limited Assam Industrial Development Corporation Limited Assam Gas Company Limited			
	Subsidiaries	Pragjyotish Fertilisers and Chemicals Limited			
	Key Managerial Personnel	"Shri Atul Chandra Barman (Managing Director) Shri K. A. Murali (Director(Finance) & CFO)* Shri Sukanta Das ( Chief Financial Officer )** Shri Uttam Bailung (Company Secretary)"			
	Post employment benefit plan entity	APL Employees Provident Fund Trust APL Employees Gratuity Trust			
33.3b	<b>Details of related party transactions during the year ended 31st March, 2021:</b>				<b>(Amount in ₹)</b>
	<b>Particulars</b>	<b>Associates</b>	<b>Subsidiaries</b>	<b>KMP</b>	<b>Employment benefit plans Entity</b>
	Revenue from sale of product	8,91,300			
	Purchase of goods	24,35,67,827	-	-	-
	Other Non-operating income	1,73,92,957	-	-	-
	Remuneration			63,59,778	63,59,778
	Contribution during the year	-	-	-	3,45,44,629
	Investment received	-	-	-	-
	<b>Outstanding as on 31st March 2021</b>				
	Trade Payable	1,88,38,346	-	-	-
	Other liabilities	10,45,699	-	-	-
	Trade Receivable	2,67,544	-	-	-
	( Trade & Other Advances )	-	-	-	-
	Other amount Receivable	-	1,46,64,185	-	-
	(Equity shares, Loans & Share Application)	-		-	-

Note: \* Shri Sukanta Das hold the post of Chief Financial Officer upto 09-11-2020 and Shri K.A.Murali was appointed as Chief Financial Officer on same date). The remuneration of both the Officer is shown as per tenure of service.



## Notes forming part of the financial statements

**Note 33 Disclosures under Accounting Standards (contd.)**
**(Amount in ₹)**

Note	Particulars	As at 31 March, 2021	As at 31 March, 2020
		₹	₹
<b>33.4</b>	<b>Deferred tax (liability) / asset</b>	(1,39,48,998)	(1,45,91,399)
	<b>Tax effect of items constituting deferred tax liability</b>		
	On difference between book balance and tax balance of fixed assets	(4,72,94,721)	(5,02,40,622)
	On expenditure deferred in the books but allowable for tax purposes	-	-
	On items included in Reserves and surplus pending amortisation into the Statement of Profit and Loss		
	Others		
	Tax effect of items constituting deferred tax liability	(7,34,820)	(6,42,401)
	<b>Tax effect of items constituting deferred tax assets</b>		
	Provision for compensated absences, gratuity and other employee benefits		
	Provision for doubtful debts / advances		
	Disallowances under Section 40(a)(i), 43B of the Income Tax Act, 1961	-	-
	On difference between book balance and tax balance of fixed assets		
	Unabsorbed depreciation carried forward		
	Brought forward business losses		
	On items included in Reserves and surplus pending amortisation into the Statement of Profit and Loss		
	Others		
	Tax effect of items constituting deferred tax assets	-	-
	<b>Net deferred tax (liability) / asset</b>	<b>(1,32,14,178)</b>	<b>(1,39,48,998)</b>

## Notes forming part of the financial statements

Note	Particulars					
33.5	<b>Details of provisions</b>					
	The Company has made provision for various contractual obligations and disputed liabilities based on its assessment of the amount it estimates to incur to meet such obligations, details of which are given below:					
	Particulars	As at 1 April, 2020	Additions	Utilisation	Reversal (withdrawn as no longer required)	As at 31 March, 2021
		₹	₹	₹	₹	₹
	Investment, Secutity, Loans & Advances	1,55,67,935	25,00,000	-	-	1,80,67,935
		(1,55,67,935)	-	-	-	(1,55,67,935)
	Debtors	-	98,901	-	-	98,901
		-	-	-	-	-
	Bonus & Ex-gratia	65,00,000	66,88,068	44,00,919	20,99,081	66,88,068
		(64,57,912)	(65,00,000)	(64,57,912)	-	(65,00,000)
	Revision Arrear	6,27,25,130		1,63,34,317		4,63,90,813
		(8,70,77,003)		(2,43,51,873)		(6,27,25,130)
	Defined Contribution Plan	52,20,875	56,83,578	52,20,875	-	56,83,578
		(70,60,267)	(25,50,034)	(43,89,426)		(52,20,875)
	Defined Benefit Plan	12,27,09,898	4,48,24,523	4,36,10,925	-	12,39,23,496
	(9,29,34,235)	(2,97,75,663)	-		(12,27,09,898)	
Provision for Tax & Audit Fee	8,00,000	1,23,11,504	6,54,970	45,030	1,24,11,504	
	(93,82,063)	(6,75,000)	(92,57,063)	-	(8,00,000)	

Note: - Figures in brackets relate to the previous year.

Note	Particulars
33.6	<b>Capital Work-In-Progress (CWIP)</b> <p>The the company is implementing 500 TPD Methanol Plant at Namrup at revised project cost of ₹ 1602.95 crores and 200 TPD Formalin Plant at Boitamari at a project cost ₹ 106.23 crores. The company has raised equity of ₹ 447.00 crore and M/s Punjab National Bank, Bhangagarh Branch has sanctioned ₹ 890.67 crores for implementation of the projects. The efforts are going on for achivement of finanical closure for the addition project cost of ₹ 371.51 crores. Oil India Limited has given approval for additional equity of ₹ 61.25 crores toward 49% of the additional project cost.</p> <p>The company has been sanctioned ₹ 69.76 Crs as working capital term loan under Gauranted Emergency Credit Line 2.0 equivalent to 20% of the outstanding loan as on February 28, 2020 by M/s Punjab National Bank. The moratorium period of the loan is one year and repayment is to be done in 36 monthly installments. The company shall be utilizing the loan meet the shortfall if any in the project funding.</p>
33.7	<b>Government Grants</b> <p>The Company had been allotted Land parcel of 163 Bigha, 3 Kotha at Village - Dhaknabari under Boitamari Revenue Circle under North Salmara Sub-Division in Bangaigoan, Assam by Govt of Assam in the year 2016-17 and 2018-19 for establishment of Industrial Park. The Company had not paid any revenue deposit for the same. Possession of the land has been obtained and boundary wall have been constructed and other preoperative expenditure to the tune of ₹ 3.37 Crores done setting up as 200 TPD Formalin Plant. The fair value of the Land as per Ind AS 113 is ₹ 7,36,20,000/- and accounted for as per Ind AS 20 (Govt Grants).</p>

<b>33.8</b>	<b>Documents in respect of subsidiary company (M/s Pragjyotish Fertilizer And Chemicals Limited) Under Section 129(3) of Companies Act, 2013.</b> The Consolidated Financial Statement of the company and its subsidiary M/s Pragjyotish Fertilizer and Chemicals Limited has not been prepared due to absence of Audited Financial Statement of the subsidiary company. However, the management is of the opinion that there will be no financial impact on the results of the company as all the investments, loans & advances to its subsidiary has been provided for in the books of accounts of the company.
<b>33.9</b>	<b>Basis for calculation of Depreciation :</b> The Consolidated Financial Statement of the company and its subsidiary M/s Pragjyotish Fertilizer and Chemicals Limited has not been prepared due to absence of Audited Financial Statement of the subsidiary company. However, the management is of the opinion that there will be no financial impact on the results of the company as all the investments, loans & advances to its subsidiary has been provided for in the books of accounts of the company.
<b>33.10</b>	<b>Basis for calculation of Depreciation :</b> In absence of proper fixed assets register, rate of depreciation under straight line method & written down value method on remaining useful life of respective assets is calculated on the basis of audited financial statement of previous years and other financial records.
<b>33.11</b>	<b>Dues to Micro, Small &amp; Medium Enterprise:</b> There is no supplier under Micro, Small and Medium Enterprise Development Act, 2006 on the basis of information made available to the company. The company has neither paid any interest in the terms of section 16 of the above Act nor any interest remain unpaid and no payments were beyond the "appointed date" to such enterprise during the year ended 31.03.2021. Amount outstanding to these enterprise for the year ended 31st March 2021 is ₹ Nil (previous year ₹ Nil)

**Note 34 Previous year's figures**

<b>Note</b>	<b>Particulars</b>
34	Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.







## **Assam Petro-Chemicals Limited**

( A Govt. of Assam Undertaking )

CIN-U24116AS1971SGC001339

Registered Office: 4<sup>th</sup> Floor, Orion Place, Bhangagarh,  
Mahapurush Srimanta Sankardev Path, Guwahati-781005

Telefax no. 0361-2461470 and 2461471;

e-mail: [aplguw@bsnl.in](mailto:aplguw@bsnl.in); website: [www.assampetrochemicals.co.in](http://www.assampetrochemicals.co.in)